

CHOLAMANDALAM SECURITIES LIMITED

ANNUAL REPORT

2023 – 24

Cholamandalam Securities Limited

Board of Directors

Ms. Sasikala Varadachari (DIN 07132398)
Mr. Eledath Prasanth Prabhakaran (DIN 06887880)
Mr. Ravindra Kumar Kundu (DIN 07337155)
Mr. Mahesh Madhukar Waikar (DIN 03639127)

Auditors

M/s. Sundaram & Srinivasan, Chartered Accountants

Company Secretary

Mr. H Balaji

Corporate Identity Number

U65993TN1994PLC028674

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

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Cholamandalam Securities Limited

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

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

CIN - U65993TN1994PLC028674

Website: www.cholasecurities.com

Notice to Members

NOTICE is hereby given that the thirtieth annual general meeting of the members of Cholamandalam Securities Limited will be held at 4 p.m. on Wednesday, the 8th May 2024 at a shorter notice at the Registered Office of the company at C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600032 to transact the following business:

ORDINARY BUSINESS:

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

RESOLVED THAT the board's report, the statement of profit and loss, the cash flow statement for the year ended 31 March, 2024 and the balance sheet as at that date together with the independent auditors' report thereon be and are hereby considered, approved and adopted.

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

RESOLVED THAT a special dividend of 200% (₹ 20/- per equity share) approved by the board of directors on 24 September, 2023 on the outstanding equity shares of ₹ 10/- each of the company for the year ended 31 March, 2024 and paid to those members whose names appeared in the register of members as on 22 September, 2023 being the record date fixed for this purpose be and are hereby confirmed.

RESOLVED FURTHER THAT second interim dividend of 31.5% (₹ 3.15/- per equity share) approved by the board of directors on 22 December, 2023 on the outstanding equity shares of ₹ 10/- each of the company for the year ended 31 March, 2024 and paid to those members whose names appeared in the register of members as on 22 December, 2023 being the record date fixed for this purpose be and are hereby confirmed.

RESOLVED FURTHER THAT third interim dividend of 67% (₹ 6.70/-per equity share), approved by the board of directors on 20 March, 2024 on the outstanding equity shares of ₹ 10/- each of the company for the year ended 31 March, 2024 and paid to those members whose names appeared in the register of members as on 20 March, 2024 being the record date fixed for this purpose be and are hereby confirmed.

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

RESOLVED THAT Mr. Mahesh Madhukar Waikar (DIN 03639127), who retires by rotation and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a director of the company liable to retire by rotation.

SPECIAL BUSINESS:

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

RESOLVED THAT pursuant to the provisions of section 149, 150, 152, 161, schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the company, Mr. Eledath Prasanth Prabhakaran (DIN 06887880), an additional director, holding office up to the date of this annual general meeting be and is hereby appointed as an independent director of the company not liable to retire by rotation, to hold office for a term of five consecutive years from 17 January, 2024 to 16 January, 2029 (both days inclusive).

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

RESOLVED THAT in supersession of the resolution passed on 1st November 2023 and pursuant to Section 186 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with such rules as may be applicable (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of the Memorandum and Articles of Association of the Company and subject to such approvals as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the company to grant any loans and advances in the form of extending margin trading facility to its clients, provide guarantees/security(ies) and to make investments, acquire by way of subscription, purchase or otherwise, the securities of any other body corporate secured or unsecured including investments in fixed deposits and mutual funds in excess of limits prescribed under Section 186 of the Companies Act, 2013 but not exceeding Rs. 300 crores at any point of time.

RESOLVED FURTHER THAT the board be and hereby severally authorized to negotiate / finalise the terms and conditions of the loans and advances / investment and to take such steps as may be considered necessary for obtaining approval, statutory, contractual or otherwise, in relation to the above granting of loans, advances, extending margin trading facility to its clients, guarantees, provide any security and to make investments, acquire by way of subscription, purchase or otherwise, the securities of any other body corporate secured or unsecured including investments in fixed deposits and mutual funds and to sign and execute all deeds, applications, documents and writings that may be required on behalf of the Company in connection with the above and generally to do all such acts, deeds, matters and things as may be considered necessary, proper, expedient or incidental for the said purpose from time to time for giving effect to the aforesaid resolution.

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

RESOLVED THAT pursuant to provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and such other provisions (including any statutory modifications or re-enactment thereof), and subject to such approvals, permissions, consents and sanctions as may be necessary or required from the applicable regulatory authorities in this regard, consent of the members of the Company be and is hereby accorded to offer, issue and allot 19,84,127 equity shares of face value of Rs.10 each at an issue price of Rs.126/- per equity share (including a share premium of Rs.116/- per equity share) aggregating to Rs. 25 crores

Cholamandalam Securities Limited

to Cholamandalam Home Finance Limited, a fellow subsidiary, through preferential allotment by way of private placement.

RESOLVED FURTHER THAT the board of directors of the company be and is hereby authorised to do all such acts, deeds and things and give such directions and further to execute such documents, deeds, instruments and writings as may be deemed necessary, proper, desirable or expedient to give effect to this resolution.

By Order of the Board

Place: Chennai
Date: 26 April, 2024

H Balaji
Company Secretary

NOTES:

- 1. A member entitled to attend and vote at the annual general meeting (AGM) may appoint one or more proxies to attend and vote instead of him. The proxy need not be a member of the company. Proxy to be valid shall be deposited at the registered office of the company at least forty eight hours before the time for holding the meeting. A person shall not act as a proxy for more than fifty members and holding in the aggregate not more than 10% (ten percent) of the total share capital of the company carrying voting rights. A person holding more than 10% (ten percent) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
- 2. Members are requested to inform immediately any change in their address to the registered office of the company.**
- 3. The explanatory statement pursuant to section 102 of the Companies Act, 2013 setting out all material facts in respect of the item nos. 4, 5 & 6 and the secretarial standards in respect of the item nos. 3 & 4 are annexed.**

By Order of the Board

Place: Chennai
Date: 26 April, 2024

H Balaji
Company Secretary

ANNEXURE TO THE NOTICE

A. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 4: Appointment of Mr. Eledath Prasanth Prabhakaran as an independent director:

Pursuant to the provisions of section 161 of the Companies Act, 2013 (the Act), Mr. Eledath Prasanth Prabhakaran (holding DIN 06887880) was appointed as an additional director of the company effective 17 January, 2024 and holds office up to the date of this AGM. Details of his qualification, experience, expertise and the information pursuant to Secretarial Standards on general meetings are disclosed herein as an annexure to this statement. The company has received a notice in writing from a member under the provisions of section 160 of the Act proposing the candidature of Mr. Prasanth as a director. Mr. Prasanth has given a declaration to the board that he meets the criteria of independence as provided under section 149 of the Act. In the opinion of the board, Mr. Prasanth fulfills the conditions specified in the Act and rules made there under for appointment as an independent director (ID). Pursuant to the provisions of section 149 of the Act, an ID shall hold office for a term up to five consecutive years on the board of a company and shall not be liable to retire by rotation. Accordingly, the board recommends the appointment of Mr. Prasanth as an ID for a term of five years. In compliance with the provisions of section 149 read with schedule IV of the Act, the appointment of Mr. Prasanth is being placed before the members for their approval.

Except Mr. Prasanth, none of the directors, key managerial personnel of the company or their relatives is concerned or interested in the resolution.

Item No. 5: Approval for enhancement of limit under Section 186 of the Companies Act, 2013:

Pursuant to the provisions of Section 186 of the Companies Act, 2013, no company shall directly or indirectly give any loan to any person exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, unless previously authorised by a special resolution passed in a general meeting.

At the extra-ordinary general meeting held on 1st November, 2023, sanction was accorded by the members by way of a special resolution to the board of directors to grant loans and advances in the form of margin trading facility to its clients upto an amount not exceeding Rs. 250 crores. In order to meet the projected planned growth in margin funding book of the Company and in line with its business plan for FY25, it is considered necessary to increase the limit under section 186 from the present Rs. 250 crores to Rs. 300 crores. Hence, the resolution as set out in item no.5 is being sought, by way of a special resolution, pursuant to Section 186 of the Companies Act, 2013 seeking approval of the members to authorize the board of directors to grant loans, advances, extending margin trading facility to its clients, provide guarantees / security(ies) and to make investments, acquire by way of subscription, purchase or otherwise, the securities of any other body corporate secured or unsecured including investments in fixed deposits and mutual funds in excess of the limits prescribed under Section 186 of the Companies Act, 2013 upto an amount not exceeding Rs. 300 crores.

The board recommends the resolution for approval of the members to be passed as a special resolution.

None of the directors, key managerial personnel and their relatives is concerned or interested in the resolution.

Item No.6: Approval for issue of equity shares through preferential allotment by way of private placement.

As per the SEBI circular on Comprehensive review of Margin Trading Facility, the maximum allowable exposure of a stock broker towards the margin trading facility shall be within the self-imposed prudential limits and shall not, in any case, exceed the borrowed funds and 50% of its net worth. At any point of time, the total indebtedness of a stock broker for the purpose of margin trading facility shall not exceed 5 times of its net worth. The Company's net worth as on March 31, 2024 was Rs.36.65 crores. In order to meet the projected planned growth in margin funding book of the Company and in line with its business plan for FY25, the Company needs to maintain a higher net worth.

Accordingly, the Board of directors ("the Board") at its meeting held on April 26, 2024 considered a capital raising proposal for the Company. The Board considered infusing additional capital not exceeding Rs.25 crores by issuance of equity shares through preferential allotment by way of private placement to Cholamandalam Home Finance Limited, a fellow subsidiary company.

Pursuant to the provisions of section 42 of the Companies Act, 2013 read with rule 14(2)(a) of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), a company which intends to offer, issue and allot equity shares through preferential allotment by way of private placement basis, is required to obtain the prior approval of the shareholders by way of a special resolution. Accordingly, the consent of the members is being sought, pursuant to the applicable provisions of the Companies Act, 2013 read with Rules made thereunder to issue and allot equity shares through preferential allotment by way of private placement.

The Board recommends the resolution for approval of the members to be passed as a special resolution.

None of the directors, key managerial personnel and their relatives is concerned or interested in the resolution.

By Order of the Board

H Balaji
Company Secretary

Place: Chennai
Date: 26 April, 2024

B. DISCLOSURE UNDER SECRETARIAL STANDARDS ON GENERAL MEETINGS:

Name of the Director	Mr. Mahesh Madhukar Waikar	Mr. Eledath Prasanth Prabhakaran
DIN	03639127	06887880
Date of Birth	June 25, 1965	April 22, 1972
Date of Appointment (Initial appointment)	March 18, 2019	January 17, 2024
Qualification	Bachelor degree in Commerce (Advanced Accounting & Auditing), Bachelor of Law, Masters in Business Administration	B.Sc. (Physics) from Pune University and Post graduate from IRMA (Institute of Rural Management Anand)
Expertise in specific functional area	He has over 34 years of professional experience in automotive and financial services industry which includes capital market experience	Has 23 years of professional experience in the Capital Market industry and nearly 4 years in the retail lending business.
Number of meetings of the board attended during the year	Attended 5 out of 5 meetings of the Board held during his tenure	Attended 2 out of 2 meetings of the Board held during his tenure
Directorships in other companies	Nil	Watchyourhealth.com (India) Pvt Ltd Cygnet Technologies Pvt Ltd
Membership in board committees of other companies (includes membership details of all committees)	Nil	Nil
No of shares held in the company	Nil	Nil
Inter-se relationship with any other directors or KMP of the Company	Nil	Nil
Details of remuneration sought to be paid	Nil	Except sitting fee as determined by the Board from time to time, there are no other remuneration sought to be paid.
Details of remuneration last drawn	Not applicable	Not applicable

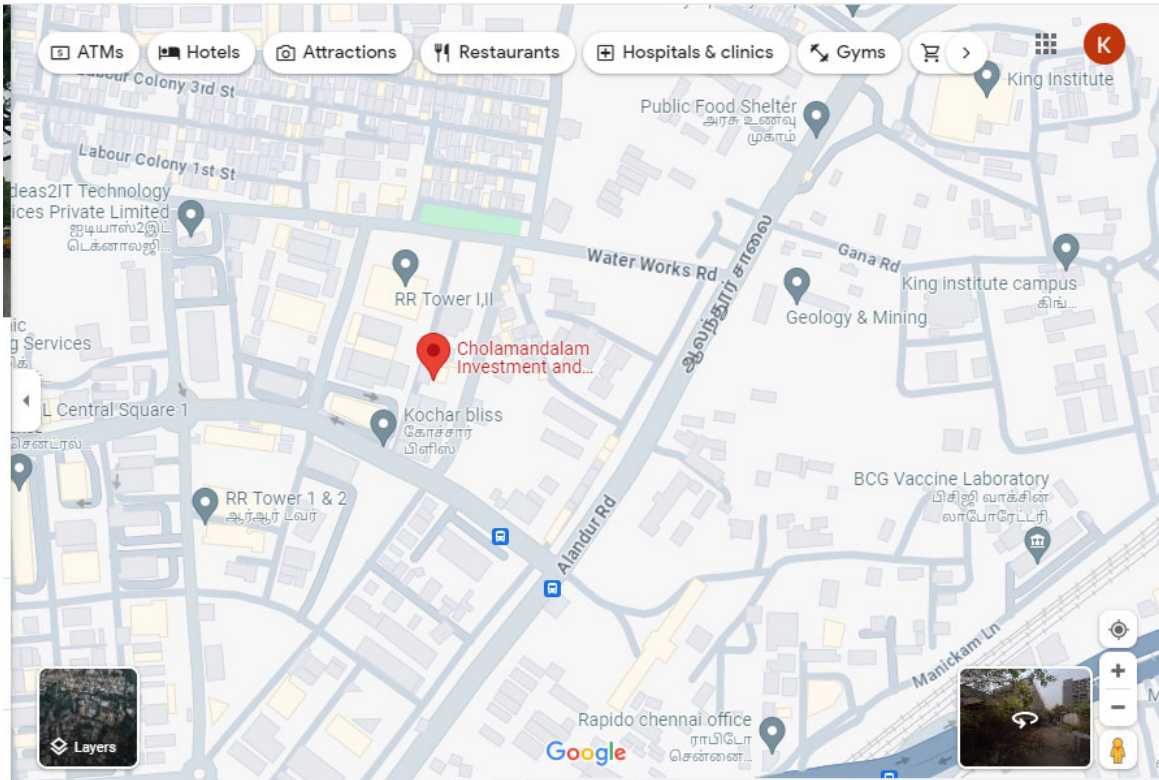
By Order of the Board

H Balaji
Company Secretary

Place: Chennai
Date: 26 April, 2024

Route Map to the venue of the AGM

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



CHOLAMANDALAM SECURITIES LIMITED

CIN: U65993TN1994PLC028674

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

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

ATTENDANCE SLIP

Folio No.:

Name & Address of Member:

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

I/we hereby record my / our presence at the 30th AGM held at C54 – 55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600 032.

.....
Member's Folio No. Members / Proxy's name in Block letters Member's / Proxy's signature

Notes: 1. Shareholders / Proxy holders must bring the Attendance Slip to the meeting and hand over the same at the entrance duly signed.

2. Shareholders are requested to advise their change in address, if any, to the Company's Registered Office quoting folio numbers.

CHOLAMANDALAM SECURITIES LIMITED

CIN: U65993TN1994PLC028674

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

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

PROXY FORM

Name and Address of the member:

E-mail ID:

Folio No.:

No. of Shares:

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

1. Name.....Address.....E-mail id.....Signature.....
or failing him/ her

2. Name.....Address..... E-mail id.....Signature.....
or failing him/ her

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

as my/our proxy to attend and vote for me/us and on my/our behalf at the thirtieth annual general meeting of the Company, to be held at 4 p.m. on Wednesday, 08 May, 2024 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote (Optional)#		
		For	Against	Abstain
Ordinary Business				
1.	Adoption of financial statements and Board's report for the year ended 31 March 2024			
2.	To confirm the special and interim dividend paid on equity shares for the year ended 31 March, 2024			
3.	Re-appointment of Mr. Mahesh Madhukar Waikar, Director retiring by rotation			
Special Business				
4.	Appointment of Mr. Eledath Prasanth Prabhakaran (DIN:06887880) as an independent director of the Company not liable to retire by rotation for a term of 5 consecutive years.			
5.	Special Resolution for granting of loans under Section 186 of the Companies Act, 2013			
6.	Special Resolution for issue of equity shares through preferential allotment by way of private placement.			

Signed thisday of....., 2024.

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

Affix
Revenue
Stamp

Note:

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

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

BOARD'S REPORT

Your directors have pleasure in presenting the thirtieth annual report together with the audited accounts of the company for the year ended 31 March, 2024.

FINANCIAL RESULTS

Particulars	<i>(Rs. in lakhs)</i>	
	2023-24	2022-23
Gross Income	15684.00	5153.64
Profit before tax	8419.00	867.76
Profit after tax	6687.00	635.95

DIVIDEND

During the year your company paid the following special / interim dividend on the outstanding equity shares of ₹ 10/- each of the company.

Financial Year	Percentage of dividend	Date of board approval
2023-24	200%	24 th September 2023
	31.5%	22 nd December 2023
	67%	20 th March 2024

OPERATIONS

During the financial year ended March 31, 2024, the Company's performance witnessed growth in broking business and significant contribution from distribution of other products viz, mutual funds, fixed deposits, bonds, insurance etc. During the year, the company achieved 204% growth in income with a revenue of Rs. 15,684 lakhs as against Rs. 5,153 lakhs in previous year and a PBT of Rs. 8,419 lakhs as against Rs. 867 lakhs in previous year. The Margin Trade funding book surpassed a milestone, reaching over ₹ 175 crores of funding. The Company had focused on verticalization of client segment into Private Client Group, Retail, Institution and Partner Alliance channels, which has resulted in a remarkable growth in Profit Before Tax (PBT) compared to the previous year.

OUTLOOK

Your Company embarks on the journey of building the 4Ps as a strong foundation towards achieving sustained growth – (i) People & Process (ii) Platform and Technology – Maximize platform penetration for wider client reach by automating back-end processes for improved efficiency and investing in technology that enhances the client experience (iii) Precise Research – Increase the reach and participation of clients in our Technical and Fundamental research products and baskets curated for different client segments. (iv) Prosperity - Focus on gaining market share of Actively traded clients.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there is no change in the nature of business of the company.

TRANSFER TO RESERVES

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

DIRECTORS

During the year, Mr. Eledath Prasanth Prabhakaran was appointed as an additional director in the capacity of independent director on 17 January, 2024. He holds office up to the date of ensuing AGM as an additional director. The appointment of Mr. Prasanth as an independent director up to 5 years from the date of his appointment has been recommended for approval of the shareholders at the ensuing AGM of the company.

Mr. Mahesh Madhukar Waikar, Director retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

DECLARATION FROM INDEPENDENT DIRECTOR

Ms. Sasikala Varadachari and Mr. Eledath Prasanth Prabhakaran, independent directors have submitted their declaration of independence, as required pursuant to section 149(7) of the Act, stating that they meet the criteria of independence as provided in section 149(6) of the Act. In the opinion of the Board, Ms. Sasikala and Mr. Prasanth fulfill the conditions specified in the Act and the rules made there under for appointment as IDs including the integrity, expertise and experience and confirm that they are independent of the management. Further, Ms. Sasikala and Mr. Prasanth have registered their name with the data bank of IDs and have been exempted from appearing the online proficiency self-assessment test.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act read with the rules made there under, the following employees were the whole-time key managerial personnel of the company during FY 24:

1. Mr. N Senthilkumar Naidu – Manager (from 27.04.2023) *
2. Ms. A Kavitha – Chief Financial Officer** (from 01.05.2023) and
3. Mr. Balaji H – Company Secretary

** Ms. Mariam Mathew, manager completed her term of 3 years on close of business hours of 26th April 2023 and Mr. N Senthilkumar Naidu was appointed as Manager with effect from 27th April 2023.*

*** Mr. C Venkata Ramana Babu resigned as Chief Financial Officer with effect from close of business hours of 30.04.2023 and Ms. A Kavitha was appointed as CFO with effect from 1st May 2023.*

DIRECTORS' RESPONSIBILITY STATEMENT

The directors' responsibility statement as required under section 134(3)(c) of the Act, reporting the compliance with accounting standards is attached and forms part of the board's report.

FRAUDS REPORTED BY AUDITOR

There were no instances of frauds reported by the auditor under section 143(12) of the Act.

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

During the year under review, there are no significant material changes and commitments affecting the financial position of the company

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

DEPOSITS

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during FY 24.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

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

AUDITORS

Pursuant to the provisions of section 139 of the Companies Act, 2013 (“the Act”) read with Companies (Audit and Auditors) Rules, 2014, M/s. Sundaram & Srinivasan, (Firm Registration No. 004207S), Chartered Accountants are the statutory auditors of the company. They were appointed as the statutory auditors of the company in the 28th Annual General Meeting (AGM) held on 28 July, 2022 for a period of 5 years commencing from the conclusion of twenty eighth AGM till the conclusion of thirty third AGM of the Company. The statutory audit report is attached with financial statements and forms part of this report and does not contain any qualification, reservation or adverse remarks.

ANNUAL RETURN

In accordance with section 134(3)(a) of the Act, the annual return in Form MGT-7 has been placed on the Company’s website <https://www.cholasecurities.com/downloads>

MAINTENANCE OF COST RECORDS

The company was not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company

formulated a CSR policy for undertaking CSR activities as specified under Schedule VII of the Act. 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. This amount aggregated to ₹ 17.26 lakhs and the company spent the entire ₹ 17.26 lakhs towards CSR activities during FY 24, the details of which are annexed to and forms part of this report

As the CSR spend of 2% of the average net profits of the Company did not exceed the limit of Rs. 50 lakhs till FY24, the Company was exempted from the requirement of constituting the Corporate Social Responsibility Committee and the functions of CSR committee were discharged by the Board of Directors of the Company as per the provisions under the Act.

Further, the CSR amount to be spent during FY 25 aggregates to Rs.54.23 lakhs, and accordingly, the Board, in compliance with Section 135(9) the Companies Act, 2013, had constituted the Corporate Social Responsibility Committee and approved its terms of reference.

BOARD MEETINGS

The schedule of board meetings for the calendar year is prepared and circulated in advance to the directors. During the year, the board met five times on 28 April 2023, 28 July 2023, 31 October 2023, 24 January 2024 and 20 March 2024.

REMUNERATION POLICY, CRITERIA FOR BOARD NOMINATION & SENIOR MANAGEMENT APPOINTMENT

The Board of directors has framed a remuneration policy relating to the remuneration of the directors, key managerial personnel and other employees. The Company has further formulated the criteria for board nomination and senior management appointment including determining qualifications, positive attributes and independence of a director.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT

There were no adverse qualification / reservation or adverse remark or disclaimer made by the auditor in his report requiring explanation or comment of the Board.

FORMAL ANNUAL EVALUATION

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company being a stock broker, does not engage in the business of lending. The Margin Trading Facility (MTF) is provided to the clients as per SEBI Master Circular for Stock Brokers.

Except as stated above, no loans, guarantees or investments have been made under section 186 of the Act.

RELATED PARTY TRANSACTIONS

The company has in place a policy on related party transactions as approved by the board. 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 are no materially significant related party transactions made by the company 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 are 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. All transactions with related party were placed before the board for approval at the beginning of the financial year. The transactions entered into pursuant to the approval so granted were placed before the Board for their review on a quarterly basis.

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

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

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal control framework including clear delegation of authority and standard operating procedures are established and laid out across all businesses and functions. These are reviewed periodically at all levels. These measures have helped in ensuring the adequacy of internal financial controls commensurate with the scale of operations of the company.

RISK MANAGEMENT

The Enterprise Risk Management (ERM) team of the holding company, Cholamandalam Investment and Finance Company Limited oversees the risk management framework of the company. The ERM team also assists the risk management teams of CSEC on their Risk Policy and Risk Appetite Statement that clearly lay down the risk profile of the business and define acceptable thresholds and review mechanisms for risk metrics. The ERM team meets with the risk team of CSEC periodically to evaluate inherent risks in the system, and to discuss solutions to effectively mitigate risks.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The company is covered under the whistle blower mechanism established by its holding company to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimisation of directors / employees / customers who avail of the mechanism and also for appointment of an ombudsperson who deals with the complaints received.

INTERNAL COMPLAINTS COMMITTEE

The company has in place a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An internal complaint committee (ICC) has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy. During the calendar year 31 December 2023, there were no referrals received by ICC.

OTHER DISCLOSURES

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

During the year, the company had not made any one-time settlement with banks or financial institutions.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company has complied with all the provisions of secretarial standards issued by the Institute of Company Secretaries of India in respect of meetings of the board of directors and general meetings held during the year.

ACKNOWLEDGEMENT

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

On behalf of the Board

Place: Chennai
Date: April 26, 2024

Sasikala Varadachari
Chairperson

DIRECTORS' RESPONSIBILITY STATEMENT

(Annexure to the Board's Report)

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

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

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures therefrom;
- ii. they have, in the selection of the accounting policies, consulted the statutory auditors and have applied their recommendations consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31 March, 2024 and of the profit of the company for the year ended on that date;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis; and
- v. they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively during the year ended 31 March, 2024; and
- vi. proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended 31 March, 2024.

On behalf of the Board

Place: Chennai
Date: April 26, 2024

Sasikala Varadachari
Chairperson

Annual Report on Corporate Social Responsibility (CSR) Activities:
(Annexure to the Board's Report)

1. Brief outline on CSR Policy of the Company:

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

The Company's CSR activities cover majorly empowerment of disadvantaged sections by providing access to basic necessities.

During the year, the company worked with marginalized section. The projects aimed to provide financial literacy to women and scholarships to children from the Kui Kondha tribal and Harijan communities in the Sunapal area of Badamba Block, Cuttack district, Odisha. With a budget of Rs. 17.26 lakhs, Company's initiative focused on imparting life skills education to selected meritorious children while empowering women with financial knowledge. Strategies included educating women about government schemes, ATM/Debit card usage, safe digital transactions, and accessing various health/life insurance and pension schemes. For education, training and orientation sessions were conducted for children aged 6 to 14, involving parents, teachers, and students in the process. Extracurricular activities such as sports, art competitions, storytelling, and dance were also incorporated to enrich the learning experience.

2. Constitution of CSR Committee:

As the CSR spend of 2% of the average net profits of the Company does not exceed the limit of Rs. 50 lakhs till FY24, the Company was exempted from the requirement of constituting the Corporate Social Responsibility Committee and the functions of CSR committee were discharged by the Board of Directors of the Company as per the provisions under the Act.

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

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

- 5. (a) Average net profit of the company as per section 135(5) – Rs. 862.91 lakhs**
(b) Two percent of average net profit of the company as per section 135(5) – Rs. 17.26 lakhs
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil
(d) Amount required to be set off for the financial year, if any – Nil
(e) Total CSR obligation for the financial year (5b+5c-5d) – Rs. 17.26 lakhs

6. (a) Amount spent on CSR projects (both ongoing project and other than ongoing project) – **Rs. 17.26 lakhs**

- (a) Amount spent in Administrative Overheads – **Nil**
- (b) Amount spent on Impact Assessment, if applicable – **Nil**
- (c) Total amount spent for the Financial Year (6a+6b+6c) – **Rs. 17.26 lakhs**
- (d) CSR amount spent or unspent for the Financial year

Total Amount spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
Rs. 17.26 lakhs	NIL				

(e) Excess amount for set off, if any

Sl. No.	Particulars	Amount (Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	17.26 lakhs
(ii)	Total amount spent for the Financial Year	17.26 lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(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)]	NIL

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

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

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

On behalf of the Board

Ravindra Kumar Kundu
Director

Place: Chennai

Date: April 26, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Cholamandalam Securities Limited

Report on the Audit of the Ind AS Financial Statements**Opinion**

We have audited the accompanying Ind AS financial statements of Cholamandalam Securities Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS 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 audit opinion on the Ind AS financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the board's report, Annexure to Annual return in Form MGT-7, and directors' responsibility statement included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

internal control.

- Obtain an understanding of internal 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books except for instances mentioned in para 2(h)(iv) of "Report on Other Legal and Regulatory Requirements" section of this report about audit trail related;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations as at end of the financial year 2023-2024.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 52 to the Ind AS financial statements, 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 persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 52 to the Ind AS financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

The Dividend declared and paid during the year by the company is in compliance with section 123 of the Act.

Based on our examination which included test checks, 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 **except in case of one software which did not have full fledged audit trail feature during a part of the year and full-fledged audit trail for database layer was enabled during the remaining part of the year and is operational since then.** Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **Sundaram & Srinivasan**

Chartered Accountants

ICAI Firm Registration Number: 004207S

S Usha

Partner

Membership Number: 211785

UDIN: 24211785BKCPRN9761

Place : Chennai

Date: April 26, 2024



Annexure ‘1’ referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There are no immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) held by the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are is applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company’s business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has provided loans in the nature of Margin Funding to its customers which includes companies, firms, Limited Liability Partnerships or any other parties as follows:

Particulars	Loans (Rs. Crores)
Balance outstanding as at the year end	
Other than related parties	113.35

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made and the terms and conditions of the grant of loans and advances are, prima facie, not prejudicial to the interest of the Company. The company has not provided any security or guarantee.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been generally regular during the year ended 31 March 2024.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company at 31 March 2024, There are no amounts overdue over ninety days.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to some parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable. With respect to loans given and investments made, provisions of Section 186 of the Companies Act, 2013 have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess, securities transaction tax and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.
- (xiii) The Constitution of Audit Committee is not applicable to the company as per section 177 read with rule 4(2)(b) of Companies (Appointment and Qualification of Directors) Rules, 2014. The transactions with the related parties are in compliance with Section 188 of the Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

- (xiv) (a) The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) The Group has two Registered Core Investment Companies as part of the Group.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 47a to the financial statements, 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 has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 30 to the financial statements.

SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS

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(b) There are no ongoing projects and hence the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

(xxi) The requirement to prepare a consolidated statement does not arise, hence reporting under clause 3(xxi) is not applicable to the company.

For **Sundaram & Srinivasan**

Chartered Accountants

ICAI Firm Registration Number: 004207S

S Usha

Partner

Membership Number: 211785

UDIN: 24211785BKCPN9761

Place : Chennai

Date: April 26, 2024



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

We have audited the internal financial controls with reference to Ind AS financial statements of Cholamandalam Securities Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to these Ind AS financial statements.

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

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

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

Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Sundaram & Srinivasan**

Chartered Accountants

ICAI Firm Registration Number: 004207S

S Usha

Partner

Membership Number: 211785

UDIN: 24211785BKCPRN9761

Place : Chennai

Date: April 26, 2024



Cholamandalam Securities Limited**Balance Sheet as at 31st March 2024***(All amounts are in crores of Indian rupees unless otherwise stated)***Particulars**

ASSETS	Notes	As at 31-Mar-2024	As at 31-Mar-2023
Financial Assets			
Cash and cash equivalents	4	0.56	0.96
Bank Balance other than cash and cash equivalents	5	69.91	44.11
Trade Receivables	6	15.05	11.39
Loans	7	112.90	73.84
Investments	8	0.10	8.50
Other Financial Assets	9	157.73	24.82
		356.25	163.62
Non-Financial Assets			
Current Tax Assets (Net)	10	1.39	1.38
Deferred Tax Assets (Net)	11	0.98	0.34
Property, Plant and Equipment	12	5.26	1.93
Intangible Assets	13	0.57	0.95
Intangible under development	14	0.22	0.16
Other non-financial Assets	15	2.33	1.18
		10.75	5.94
TOTAL ASSETS		367.00	169.56
LIABILITIES AND EQUITY			
Financial Liabilities			
Trade payables			
i) Dues to Micro and Small Enterprises		0.00	-
ii) Other Trade payables	16	181.66	49.33
Borrowings (other than debt securities)	17	127.50	60.00
Lease Liabilities		1.40	-
Other Financial Liabilities	18	9.78	7.09
		320.34	116.42
Non-Financial Liabilities			
Provisions	19	1.25	1.33
Other Non-financial Liabilities	20	1.68	1.09
		2.93	2.42
Total Liabilities		323.27	118.84
Equity			
Equity Share Capital	21	22.50	22.50
Other Equity	22	21.23	28.22
		43.73	50.72
TOTAL LIABILITIES AND EQUITY		367.00	169.56

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Sundaram and Srinivasan

Chartered Accountants

ICAI Firm Registration No.: 004207S

per S Usha

Partner

Membership no.: 211785

Place: Chennai

Date: April 26, 2024

For and on behalf of the Board of Directors

Sasikala Varadachari

Chairperson

DIN -07132398

Kavitha A

Chief Financial Officer

Ravindra Kumar Kundu

Director

DIN - 07337155

Balaji H

Company Secretary

Cholamandalam Securities Limited

Statement of Profit And Loss for the Year ended 31st March 2024

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

Particulars	Notes	Year Ended 31-March-2024	Year Ended 31-March-2023
Revenue from Operations			
Interest income	23	17.82	7.16
Fees and Commission Income	24	115.46	44.04
		<u>133.28</u>	<u>51.20</u>
Other Income	25	23.57	0.34
Total Income		<u>156.85</u>	<u>51.54</u>
Expenses			
Finance Costs	26	8.91	2.04
Fees and Commission Expenses		11.77	6.49
Impairment on Financial Instruments	27	0.66	0.03
Employee Benefits Expense	28	32.42	23.88
Depreciation and Amortisation Expense	29	1.60	1.11
Other Expenses	30	17.29	9.31
Total Expense		<u>72.65</u>	<u>42.86</u>
Profit Before Tax		<u>84.20</u>	<u>8.68</u>
Tax Expense			
- Current Year		17.98	2.24
- Deferred Tax (Net)		(0.66)	0.08
		<u>17.32</u>	<u>2.32</u>
Profit after tax for the year (I)		<u>66.88</u>	<u>6.36</u>
Other Comprehensive Income [OCI] :			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gain/(loss) of defined benefit plans		0.07	0.18
Income tax effect		(0.02)	(0.04)
		<u>0.05</u>	<u>0.14</u>
Net gain / (loss) on FVTOCI equity instruments		(7.03)	(10.00)
Income tax effect		0.29	1.11
		<u>(6.74)</u>	<u>(8.89)</u>
Other comprehensive income/(loss) for the period, net of tax (II)		<u>(6.69)</u>	<u>(8.75)</u>
Total comprehensive income for the period, net of tax (I + II)		<u>60.19</u>	<u>(2.39)</u>
Earnings per Equity Share of Rs 10 each			
Basic (in Rs)	41	29.72	2.83
Diluted (in Rs)		29.72	2.83

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Sundaram and Srinivasan

Chartered Accountants

ICAI Firm Registration No.: 004207S

per S Usha

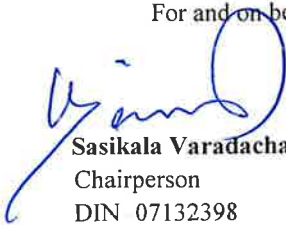
Partner

Membership no.: 211785

Place: Chennai

Date: April 26, 2024

For and on behalf of the Board of Directors


Sasikala Varadachari

Chairperson

DIN 07132398


Ravindra Kumar Kundu

Director

DIN - 07337155

33


Kavitha A
Chief Financial Officer


Balaji H
Company Secretary

Cholamandalam Securities Limited

Statement of Cash Flows for the year ended 31st March 2024

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

Particulars	Year Ended 31-March-2024	Year Ended 31-March-2023
A. Cash Flow from Operating Activities:		
Profit Before Tax	84.20	8.68
Adjustments for :		
Depreciation and Amortisation Expense	1.60	1.11
(Profit) / loss on sale of Property, Plant and Equipment	0.04	(0.02)
Impairment of Financial Instruments	0.66	0.03
Interest income on deposits with bank	(2.20)	(1.27)
Finance Costs	8.92	2.04
Profit on Sale of Non Current Investments	(22.69)	-
Dividend Income	(0.23)	(0.26)
Operating Profit before Working Capital / Other Changes	70.30	10.31
Adjustments for :		
Increase / (Decrease) in Provisions liabilities	(0.01)	0.06
Decrease / (Increase) in Other Financial assets, including bank balance on client and exchange related accounts	135.60	12.11
Decrease / (Increase) in Loans	(126.48)	(8.57)
Decrease / (Increase) in Trade and other receivables	(39.06)	(61.66)
Cash Generated From Operations	36.49	(45.15)
Income tax paid (Net of refund)	(17.99)	(2.37)
Net Cash flow from Operating Activities [A]	18.50	(47.52)
B. Cash Flow from Investing Activities:		
Purchase of Property plant and equipment (including intangibles & intangibles under development)	(3.52)	(2.41)
Proceeds from Sale of Property plant and equipment (including intangibles)	0.34	0.02
Proceeds from sale of shares of Non Current Investment	24.36	-
Investments in Mutual Funds	-	-
Investments in Fixed Deposits (net of withdrawals)	(33.70)	(4.75)
Interest income on deposits with bank	2.03	0.38
Dividend Received	0.23	0.26
Net Cash flow from/(used in) Investing Activities [B]	(10.25)	(6.50)
C. Cash Flow from Financing Activities:		
Proceeds from short Term Borrowings	410.65	223.50
Repayment of short Term Borrowings	(343.15)	(168.00)
Dividend Paid	(67.16)	-
Finance Costs Paid	(8.83)	(2.04)
Lease payments during the year	(0.16)	-
Net Cash flows from / (used in) Financing Activities [C]	(8.65)	53.46
Net Increase/ (decrease) in Cash and Cash Equivalents [A+B+C]	(0.40)	(0.56)
Cash and Cash Equivalents at the Beginning of the period	0.96	1.52
Cash and Cash Equivalents as at End of the period	0.56	0.96

The accompanying notes are an integral part of these financial statements


As per our report of even date
For Sundaram and Srinivasan
 Chartered Accountants
 ICAI Firm Registration No.: 0042075


per **S Usha**
 Partner
 Membership no.: 211785
 Place: Chennai
 Date: April 26, 2024

For and on behalf of the Board of Directors


Sasikala Varadachari
 Chairperson
 DIN -07132398


Kavitha A
 Chief Financial Officer


Ravindra Kumar Kundu
 Director
 DIN - 07337155


Balaji H
 Company Secretary

Cholamandalam Securities Limited
Statement of Changes in Equity for the year ended 31st March 2024
(All amounts are in crores of Indian rupees unless otherwise stated)

A. EQUITY SHARE CAPITAL

As at 31st March 2024

Particulars	Balance at the beginning of the current reporting year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
Equity shares of Rs 10 each issued, subscribed and fully paid	22.50	-	-	-	22.50

As at 31st March 2023

Particulars	Balance at the beginning of the current reporting year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
Equity shares of Rs 10 each issued, subscribed and fully paid	22.50	-	-	-	22.50

B. OTHER EQUITY

For the year ended 31st March 2024

Particulars	Reserves and Surplus		Items of OCI	Total Other Equity
	Retained earnings	General Reserve	Equity instruments through other comprehensive income	
Balance as at 01st April 2023	21.32	0.08	6.82	28.22
Profit for the year	66.88	-	-	66.88
Fair Value Gain / (Loss) on FVTOCI Investments	-	-	(6.74)	(6.74)
Interim Dividend Paid	(67.16)	-	-	(67.16)
Re-measurement gains and (losses) on defined benefit obligations (net)	0.05	-	-	0.05
Total Comprehensive Income	(0.23)	-	(6.74)	(6.97)
Balance as at 31st March 2024	21.09	0.08	0.09	21.23

Interim Dividend Paid

Date of Declaration	No of Shares	Dividend per share (in Rs.)	Gross Dividend (Rs in Crs)
23rd September 2023	2,25,00,014	20.00	45.00
22nd December 2023	2,25,00,014	3.15	7.09
20th March 2024	2,25,00,014	6.70	15.08
Total	2,25,00,014	29.85	67.16

For the year ended 31st March 2023

Particulars	Reserves and Surplus		Items of OCI	Total Other Equity
	Retained earnings	General Reserve	Equity instruments through other comprehensive income	
Balance as at 1st April 2023	14.82	0.08	15.71	30.61
Profit for the year	6.36	-	-	6.36
Fair Value Gain / (Loss) on FVTOCI Investments	-	-	(8.89)	(8.89)
Re-measurement gains and (losses) on defined benefit obligations (net)	0.14	-	-	0.14
Total Comprehensive Income	6.50	-	(8.89)	(2.39)
Balance as at 31st March 2024	21.32	0.08	6.82	28.22

The accompanying notes are an integral part of these financial statements

As per our report of even date
For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Registration No : 0042075

per S Usha
Partner
Membership no.: 211785
Place: Chennai
Date: April 26, 2024

For and on behalf of the Board of Directors

Sasikala Varadachari
Chairperson
DIN - 07132398

Kavitha A
Chief Financial Officer

Ravindra Kumar Kundu
Director
DIN - 07337155

Balaji H
Company Secretary

1. Corporate Information

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

The financial statements were approved for issue in accordance with a resolution of the directors on April 26, 2024.

2. Basis of Preparation of Financial Statements

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

2.1 Presentation of financial statements

The Company presents its balance sheet in order of liquidity and analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 40. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

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

3. Material Accounting Policies

a) Financial instruments – initial recognition

Date of recognition

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

Initial measurement of financial instruments

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

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

Measurement categories of Financial assets and liabilities

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

- i.) Amortized cost, as explained in Note 3b
- ii.) FVOCI, as explained in Note 3c

b) Financial assets and liabilities

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

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

c) Equity instruments at FVOCI

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

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognized in profit or loss as dividend income when the right of the payment has been established, except when the company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

d) Business model assessment

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

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

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

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

e) **SPPI Test**

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

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

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

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

f) **Borrowed funds**

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

g) **Trade receivables and Impairment of Financial assets**

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

h) **Financial liabilities**

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

i) **Cash and cash equivalents**

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

j) **Property, Plant and Equipment**

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives.

The estimated useful lives are, as follows:

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

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

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

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

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

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

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

k) **Significant Management Judgment:**

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

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

l) **Recognition of income and expenses**

1) Income covered under Ind AS 115

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

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

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

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

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

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

(i) Brokerage fee income - point in time

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

(ii) Commission on Mutual funds/Bonds/Insurance

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

Contract Balances:

Contract assets

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

Trade receivables

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

Contract liabilities

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

2) Other Revenue

(i) Interest income on client overdues

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

(ii) Dividend Income

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

m) **Leases**

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

Company as a lessee

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

a. Right-of-use assets

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

b. Lease Liabilities

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

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

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

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

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

n) Retirement and Other Employee Benefits

i) Defined Benefit Plan & Compensated Absences

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

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

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

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

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

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

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

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

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

o) Income Taxes

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

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

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

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

ii) **Deferred tax**

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

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

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

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

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

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

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

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

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

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

p) **Earnings per Share**

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

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

q) **Provisions and Contingent Liabilities**

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

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

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

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

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Note 4. Cash and cash equivalents		
Balances with banks:		
– On current accounts	0.56	0.96
Cash on hand	-	-
	0.56	0.96
Note 5. Bank Balance other than cash and cash equivalents		
Bank Balances on client and exchange related accounts	9.01	17.08
Fixed deposit with Banks with an original maturity of more than 3 months	31.20	27.03
Fixed deposit with Banks with an original maturity of Less than 3 months	29.70	-
	69.91	44.11
Note:1. As at March 31, 2024 and As at March 31, 2023 the overdraft facility has not been utilised.		
2. The Fixed Deposits are marked under Lien with Banks and NSCCL for Margin purpose.		
Note 6. Trade Receivables		
Secured - Considered good	12.10	8.25
Unsecured - Considered good	2.94	3.15
	15.04	11.40
Provision for Impairment on receivables	-	(0.01)
	15.04	11.39
Total Trade receivables		
Considered good	15.04	11.40
Trade Receivables credit impaired	0.73	0.51
Total	15.78	11.91
Provision for doubtful receivables	-	-
Provision for Impairment on receivables	(0.73)	(0.52)
Total trade receivable	15.05	11.39
Reconciliation of Provision/ Impairment for Receivables		
Opening Balance	(0.52)	(0.49)
Created/Reversed during the year	(0.21)	(0.03)
Closing Balance	(0.73)	(0.52)

Trade Receivables ageing schedule as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	15.03	0.01	-	-	-	15.04
(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	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	11.40	0.00	-	-	-	11.40
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	0.05	0.04	0.06	0.04	0.33	0.51
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

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

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

^ Trade Receivables includes amount receivable from customers pertaining to amount funded to them for settlement of trade as part of normal business activity.

Note 7. Loans

Loans repayable on demand		
Margin trading facility balances *	113.35	73.84
	113.35	73.84
Provision for Impairment on MTF receivables	(0.45)	-
Total trade receivable	112.90	73.84

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

Cholamandalam Securities Limited
Notes to financial statements for the Year ended 31st March 2024
(All amounts are in crores of Indian rupees unless otherwise stated)

Note 8. Financial assets - Investments					
Particulars	Nominal Value per unit (in Rs)	Number of shares		Amount	
		As at 31-Mar-2024	As at 31-Mar-2023	As at 31-Mar-2024	As at 31-Mar-2023
Investments					
Investments at Fair Value Through Other Comprehensive Income (FVTOCI):					
Equity Shares (Fully Paid)					
1,95,000 equity shares (Quoted) of Rs. 2 each fully paid up in Bombay Stock Exchange Limited	2	-	1,95,000	0.00	8.40
4,10,400 equity shares (Unquoted) of Re.1 each fully paid up in MSE Financial Services Limited	1	4,10,400	4,10,400	0.05	0.05
30,286 equity shares of Rs.10 each fully paid up in Madras Enterprises Private Limited	10	30,286	30,286	0.05	0.05
Total FVTOCI investments				0.10	8.50
Total Investments				0.10	8.50
(i) Investments in India				0.10	8.50
(ii) Investments outside India				-	-
Total Value of Investments				0.10	8.50

Cholamandalam Securities Limited

Notes to financial statements for the Year ended 31st March 2024

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

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Note 9. Other Financial assets		
Other financial assets - amortized cost		
Deposits		
- Stock Exchanges	1.98	1.88
Exchanges and Stock Holding Corporation of India Limited	155.71	22.42
Unbilled Revenue	0.04	0.52
	157.73	24.82
Note 10. Current Tax Assets (Net)		
- Advance Income Tax	1.39	1.38
	1.39	1.38
Note 11. Deferred tax assets/ (Liabilities) - Net		
Deferred Tax Assets	0.98	0.34
	0.98	0.34
Nature - (Liability)/Asset		
Deferred Tax Asset		
Difference between depreciation as per books of accounts and the Income Tax Act, 1961	0.24	0.21
Provision for Impairment on receivables	0.30	0.13
Provision for Compensated Absences and Gratuity	0.35	0.23
Others	0.09	0.05
Total (A)	0.98	0.63
Deferred Tax Liability		
Fair valuation of FVTOCI equity instruments	-	0.29
Total (B)	-	0.29
Net Deferred Tax Asset / (Liability) (A-B)	0.98	0.34
Reconciliation of Deferred tax Asset/ (Liability) (Net)		
Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Opening balance	0.34	-0.65
Tax Income/(Expense) during the year recognised in Profit and Loss	0.66	-0.08
MAT Credit / Utilised	-	-
Tax Income/(Expense) during the year recognised in OCI	-0.02	1.07
Closing balance	0.98	0.34

12. Property Plant and Equipment

Particulars	12. Property Plant and Equipment							13. Intangible Assets		
	Plant and Machinery - computer hardware	Office equipment	Furniture and fixtures	Air conditioners	Improvements to Lease Hold Prem	Vehicles	Right on use of underlying Asset	Total	Computer software	Total
Cost or Valuation										
As at March 31, 2022	1.84	0.09	0.01	0.02	-	0.21	-	2.17	2.66	2.66
Additions during the year	0.22	0.17	-	-	-	1.16	-	1.55	0.79	0.79
Disposal / Write off	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	2.06	0.26	0.01	0.02	-	1.37	-	3.72	3.45	3.45
Additions during the year	0.87	0.06	0.07	0.04	0.28	2.01	1.48	4.81	0.12	0.12
Disposal / Write off	0.19	0.05	0.01	0.02	-	0.48	-	0.75	-	-
As at March 31, 2024	2.74	0.27	0.07	0.04	0.28	2.90	1.48	7.78	3.57	3.57
Accumulated Depreciation										
As at March 31, 2022	1.13	0.08	0.01	0.01	-	0.08	-	1.31	1.89	1.89
Charge for the year	0.32	0.05	-	-	-	0.11	-	0.49	0.62	0.62
Disposal / Write off	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	1.45	0.13	0.01	0.01	-	0.19	-	1.80	2.51	2.51
Charge for the year	0.45	0.05	0.01	-	0.01	0.44	0.14	1.10	0.49	0.49
Disposal / Write off	0.19	0.05	-	0.02	-	0.11	-	0.37	-	-
As at March 31, 2024	1.71	0.13	0.02	-0.01	0.01	0.52	0.14	2.53	3.00	3.00
Net Block										
As at March 31, 2023	0.61	0.13	-	0.01	-	1.18	-	1.92	0.94	0.94
As at March 31, 2024	1.03	0.14	0.05	0.05	0.27	2.38	1.34	5.26	0.57	0.57

As at 31-Mar-2024 As at 31-Mar-2023

Note 14. Intangible under development

Intangible under development	0.22	0.16
	0.22	0.16

Intangible assets under development aging schedule as at 31st March 2024

Particulars	Amount in Intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.22	-	-	-	0.22
Projects temporarily suspended	-	-	-	-	-
Total	0.22	-	-	-	0.22

Intangible assets under development aging schedule as at 31st March 2023

Particulars	Amount in Intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.16	-	-	-	0.16
Projects temporarily suspended	-	-	-	-	-
Total	0.16	-	-	-	0.16

Note : There were no overdue projects as at and during the year ended March 31, 2024

Note 15. Other non financial assets

Capital advances	0.13	0.00
GST Input Credit	0.69	-
Prepaid expenses	1.16	0.91
Other Advances	0.24	0.04
Gratuity assets	0.11	0.23
	2.33	1.18

Note 16. Trade Payables

(i) total outstanding dues of micro enterprises and small enterprises

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

	-	-
	181.66	49.33
	181.66	49.33
Trade Payables	181.55	49.17
Trade Payables to Related Parties	0.12	0.16
	181.66	49.33

Note: As at March 31, 2024 and March 31, 2023 there is no interest paid or payable to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Act, 2006. This information and that disclosed above in this Note 16 have been determined to the extent such parties have been identified on the basis of information available with the Company.

Trade Payables aging schedule as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues MSME	-	-	-	-	-
(ii) Undisputed dues Others	180.89	0.26	0.13	0.39	181.66
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables aging schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues MSME	-	-	-	-	-
(ii) Undisputed dues Others	48.74	0.05	0.05	0.49	49.33
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

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

Cholamandalam Securities Limited**Notes to financial statements for the Year ended 31st March 2024***(All amounts are in crores of Indian rupees unless otherwise stated)***Note 17. Borrowings (other than debt securities)****Unsecured Borrowings**

Inter Corporate Deposit from related parties payable on demand	127.50	60.00
Total Borrowings	127.50	60.00

As at 31-Mar-2024	As at 31-Mar-2023
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Borrowings in India	127.50	60.00
Borrowings outside India	-	-

During the current year, the company has borrowed fresh Inter corporate deposit (ICD) amounting to Rs. 351.15 Crs (Previous year Rs.176 Crs) and repaid ICD to the tune of Rs.289.15 Crs (Previous year Rs.168 Crs) taken from Cholamandalam Investment and Finance Company Limited and borrowed Rs.59.50 Crs (Previous year Rs. 47.50 Crs) and repaid ICD to the tune of Rs.54 Crs (Previous year Rs.NIL) from Cholamandalam Home Finance Ltd. The ICD is intended for general working capital purpose and has been utilised for the same. This unsecured borrowings is repayable on demand. The Company has not defaulted in payment of principal or interest during current year and previous year.

Note 18. Other Financial Liabilities

Salaries, wages and other employee's benefits payable	2.72	1.74
Advances from Sub brokers/Others	6.77	5.21
Advances from Clients	0.17	0.06
Others	0.12	0.08
Total other financial liabilities at amortised cost	9.78	7.09

As at 31-Mar-2024	As at 31-Mar-2023
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Note 19. Provisions

Provision for Compensated Absences	1.25	1.33
	1.25	1.33

Note 20. Other Non Financial liabilities

Statutory dues/Remittances	1.68	1.09
	1.68	1.09

	As at 31-Mar-2024	As at 31-Mar-2023
Authorised Capital		
35,000,000 Equity Shares of Rs.10/- each	35.00	35.00
Issued, Subscribed and Paid-up Capital		
22,500,014 Equity Shares of Rs.10/- each	22.50	22.50
	22.50	22.50

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

	As at 31-Mar-2024		As at 31-Mar-2023	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	2,25,00,014	22.50	2,25,00,014	22.50
At the end of the year	2,25,00,014	22.50	2,25,00,014	22.50

b) Terms/Rights attached to class of shares

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

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

	As at 31-Mar-2024		As at 31-Mar-2023	
	No. of Shares	% against total number of shares	No. of Shares	% against total number of shares
M/s Cholamandalam Investment & Finance Company Limited and its nominees	2,25,00,014	100%	2,25,00,014	100%

Cholamandalam Securities Limited
Notes to financial statements for the Year ended 31st March 2024
(All amounts are in crores of Indian rupees unless otherwise stated)
d) Details of shares held by promoters

As at 31-Mar-2024

Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	% total shares	% Change during the year
M/s Cholamandalam Investment & Finance Company Limited	2,25,00,000	-	2,25,00,000	100%	-

As at 31-Mar-2023

Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	% total shares	% Change during the year
M/s Cholamandalam Investment & Finance Company Limited	2,25,00,000	-	2,25,00,000	100%	-

Particulars

As at 31-Mar-2024 As at 31-Mar-2023

Note - 22. Other equity

General reserve	0.08	0.08
Retained earnings	21.06	21.32
FVTOCI reserve	0.09	6.82
Total other equity	<u>21.23</u>	<u>28.22</u>

Nature and Purpose of reserve

22.1 General Reserve

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

Particulars

As at 31-Mar-2024 As at 31-Mar-2023

Balance at the beginning of the year	0.08	0.08
Additions during the year	-	-
Balance at the end of the year	<u>0.08</u>	<u>0.08</u>

22.2 Retained Earnings

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

	As at 31-Mar-2024	As at 31-Mar-2023
Particulars		
Balance at the beginning of the year	21.32	14.82
Profit for the year	66.86	6.36
Dividend Payout	(67.16)	-
Re-measurement gains and (losses) on defined benefit obligations (net)	0.05	0.14
Balance at the end of the year	21.07	21.32

22.3 FVOCI Equity Investments

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

	As at 31-Mar-2024	As at 31-Mar-2023
Particulars		
Balance at the beginning of the year	6.83	15.71
Fair Valuation of FVTOCI Investments	(6.74)	(8.89)
Balance at the end of the year	0.09	6.82

Cholamandalam Securities Limited
Notes to financial statements for the Year ended 31st March 2024
(All amounts are in crores of Indian rupees unless otherwise stated)

Particulars	Year Ended 31-March-2024	Year Ended 31-March-2023
Note 23. Interest Income		
Interest on margin funding and delay payments	15.62	5.89
Fixed Deposits with Banks	2.20	1.27
	17.82	7.16
Note 24. Fees and commission income		
Brokerage on stock broking	40.04	20.25
Depository services	3.62	1.92
Commission - Mutual Funds/Bonds/Insurance	71.70	21.83
Other operating service Income	0.10	0.04
	115.46	44.03
Note 25. Other Income		
Dividend income from FVTOCI Investments	0.23	0.26
Profit on Sale of Current Investments	0.62	0.03
Profit on Sale of Non Current Investments	22.69	-
Profit on sale of Property Plant and Equipment (Net)	-	0.02
Miscellaneous Income	0.02	0.03
	23.57	0.34
Note 26. Finance Costs		
Interest Expense	8.63	1.84
Other Finance Charges	0.20	0.20
Interest on Lease Liability	0.08	-
	8.91	2.04
Note 27. Impairment on Financial Instruments		
<i>At Amortised cost</i>		
Trade Receivable	0.21	0.03
Loans	0.45	-
	0.66	0.03
Note 28. Employee Benefit Expense		
Salaries, Wages and Bonus	27.28	21.43
Gratuity Expenses	0.19	0.22
Contribution to Provident and Other Funds	1.33	1.04
Staff Welfare Expenses	0.75	0.81
Share Based employee Payments	2.87	0.37
	32.42	23.88
Note 29. Depreciation and amortization expense		
Depreciation on Property, Plant and Equipment	0.97	0.49
Depreciation on Intangible Assets	0.49	0.62
Depreciation of right to use asset	0.14	-
	1.60	1.11

Cholamandalam Securities Limited
Notes to financial statements for the Year ended 31st March 2024
(All amounts are in crores of Indian rupees unless otherwise stated)

Note 30. Other Expenses	Year Ended 31-March-2024	Year Ended 31-March-2023
Electricity	0.38	0.34
Rent	1.74	1.23
Repairs and maintenance	0.14	0.15
Insurance	0.85	0.70
Rates and Taxes	0.70	0.54
Travelling and Conveyance	0.83	0.74
Postage, Printing & Stationery	0.21	0.22
Communication	0.21	0.24
Auditor's Remuneration	0.10	0.10
Information Technology Expenses	4.76	3.38
Subscription	0.02	0.01
Outsourcing expenses	0.44	0.48
Professional charges	6.55	0.96
Loss on sale of Property Plant and Equipment (Net)	0.04	-
Corporate Social Responsibility Expenses (CSR)	0.17	0.13
Miscellaneous Expenses	0.15	0.08
	17.29	9.31

Note (a) Auditor's Remuneration

As Auditor:

Audit fee	0.05	0.05
Tax audit fee	0.01	0.01
Limited review	0.02	0.02
Audit of Consolidated Financial Statements	-	-
In other capacity:	-	-
Certification	0.03	0.02
Reimbursement of expenses	-	-
	0.11	0.10

Note (b) CSR Expenses

(i) Amount required to be spent by the company during the year	0.17	0.13
(ii) amount of expenditure incurred	0.17	0.13
(iii) shortfall at the end of the period	0.00	-

Note: The above expense has been approved by the board and has been fully spent during the year. In respect of other than ongoing projects, there are no unspent amount that are required to be transferred to a fund specified in schedule VII with the Companies act (the act) in compliance with second proviso to sub section 5 of section 135 of the act. There are also no ongoing projects as at March 31, 2024

Nature of CSR activities :

Expenses on Remedial Education for poor Children

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Particulars	Year Ended 31-March-2024	Year Ended 31-March-2023
Note 31. Income Tax Expense		
The major components of income tax expense are:		
Profit or loss section		
Current Tax:		
Current income tax charge	17.98	2.24
Deferred Tax (Net)	(0.66)	0.08
Income Tax expense reported in the statement of profit and loss	17.32	2.32
Other Comprehensive Income(OCI) section		
Remeasurement of Defined Benefit obligations	0.02	0.04
Net gain / (loss) on FVTOCI equity instruments	(0.29)	(1.11)
Income Tax charged to Other Comprehensive Income	(0.28)	(1.07)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the standard rate of corporation tax in India (25.168%) as follows:

Accounting Profit before income tax	84.20	8.68
Profit before income tax multiplied by standard rate of corporate tax in India of 25.168%	21.19	2.18
Dividend Income	-0.06	0.00
Others	0.02	0.14
MAT Credit Entitlement	0.00	0.00
Income Taxable at a different rates	-3.55	0.00
Remeasurement of Defined Benefit obligations/ FVTOCI	-0.28	0.00
Income tax expense reported in the statement of profit and loss	17.32	2.32

Applicable tax rate Type of Tax	25.17% Normal Rate	25.17% Normal Rate
Effective Tax Rate		
Tax Rate	25.168%	25.168%
PBT	84.18	8.68
Profit before income tax multiplied by standard rate of corporate tax in India of 25.168%	21.19	2.18
Current Tax	17.98	2.24
Deferred Tax	-0.38	0.03
Total	17.60	2.27
Difference	-3.59	0.08
CSR expenditure (Previous year deduction allowed at 50%)	0.04	0.03
Remeasurement of deferred Tax Liability	-0.02	0.07
Dividend Income	-0.06	-
Income Taxable at a different rates	-3.55	-
Effect of Transfer of employee not made in prior year	-	-0.02
Total	-3.59	0.08

Note 32. Components of Other Comprehensive Income (OCI)

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

Particulars	FVTOCI reserve	Other items of Other comprehensive income	Total
During the year ended 31st Mar 2024			
Gain on FVTOCI equity instruments	(6.74)	-	(6.74)
Re-measurement Loss on defined benefit plans	-	0.05	0.05
	(6.74)	0.05	(6.69)
During the year ended 31 March 2023			
Loss on FVTOCI equity instruments	(8.89)	-	(8.89)
Re-measurement Loss on defined benefit plans	-	0.13	0.13
	(8.89)	0.13	(8.75)

Note 33. Significant accounting judgements, estimates and assumptions

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

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

Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

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Notes to financial statements for the Year ended 31st March 2024

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Provisions and other contingent liabilities

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

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

Estimates and assumptions

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

Share-based payments

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

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

Defined benefit plans (gratuity benefits)

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

Deferred Tax

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

Note 34. Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Company recognised Rs.1.09 Crs (Previous Year - Rs.0.91 Crs) to Provident Fund under Defined Contribution Plan, Rs.0.24 Crs (Previous Year - Rs.0.11 Crs) for Contributions to Superannuation Fund and Rs.0.00 Crs (Previous Year - Rs.0.01 Crs) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss

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

Note 35 - Employee Benefit Expenses

Defined Benefit Plan

a. Gratuity

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

Particulars		31-Mar-24	31-Mar-23
A.	Change in defined benefit obligation		
1	Defined benefit obligation at beginning of the year	1.62	1.71
2	Service cost		
	a. Current service cost	0.21	0.21
3	Interest expenses	0.12	0.10
4	Cash flows		
	a. Benefits paid	(0.36)	(0.32)
5	Remeasurements		
	a. Effect of changes in financial assumptions	0.01	(0.08)
	b. Effect of experience adjustments	(0.09)	-0.00
	Defined benefit obligation at end of the year	1.51	1.62
Particulars		31-Mar-24	31-Mar-23
B.	Change in fair value of plan assets		
1	Fair value of plan assets at beginning of the year	1.85	1.64
2	Interest income	0.13	0.10
3	Cash flows		-
	a. Total employer contributions	0.01	0.33
	b. Benefit payments from plan assets	(0.36)	(0.32)
4	Remeasurements		-
	a. Return on plan assets, excluding amount recognised in net interest expense	(0.01)	0.09
5	Liability transferred	-	
	Fair value of plan assets at end of year	1.62	1.85
Particulars		31-Mar-24	31-Mar-23
C.	Amounts recognized in the Balance Sheet		
1	Fair value of plan assets at the end of the year	(1.62)	(1.85)
2	Present value obligation	1.51	1.62
	Net (Asset)/Liability at the end of the year	(0.12)	-0.23

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Notes to financial statements for the year ended March 31, 2024

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

Particulars		31-Mar-24	31-Mar-23
D.	Components of defined benefit cost		
1	Service cost		
	a. Current service cost	0.21	0.21
2	Net interest cost		
	a. Interest expense on DBO	0.12	0.10
	b. Less - Interest (income) on plan assets	(0.13)	(0.10)
	c. Total net interest cost	-0.02	0.00
	Total expenses recognized in P&L	0.19	0.22
3	Remeasurements (recognized in OCI)		
	a. Actuarial (gains)/losses from changes in demographic assumptions	-	-
	b. Effect of changes in financial assumptions	0.01	-0.08
	c. Effect of experience adjustments	(0.09)	(0.00)
	d. Return on plan assets, excluding amount recognised in net interest expense	0.01	(0.09)
	e. Total remeasurements included in OCI	(0.07)	(0.18)
	Total defined benefit cost recognized in P&L and OCI	0.12	0.04
Particulars		31-Mar-24	31-Mar-23
E.	Significant actuarial assumptions		
1	Discount rate Current Year	7.15%	7.25%
2	Salary increase rate	Uniform 7.50%	Uniform 7.50%
3	Attrition Rate	17.00%	17.00%
4	Retirement Age	58	58
Particulars		31-Mar-24	31-Mar-23
F.	Expected cash flows for following year		
1	Expected employer contributions / Addl. Provision Next Year	0.18	0.02
2	Expected total benefit payments		
	Year 1	0.26	0.35
	Year 2 to Year 5	0.95	1.00
	More than 5 years	0.98	0.99
Particulars		31-Mar-24	31-Mar-23
G.	Defined benefit obligation at end of the year		
	Current Obligation	0.26	0.35
	Non-Current Obligation	1.24	1.27
	Total	1.51	1.62

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

SUMMARY		31-Mar-24	31-Mar-23
	Assets / Liabilities		
1	Defined benefit obligation at end of the year	1.51	1.62
2	Fair value of plan assets at end of the year	1.62	1.85
3	Net defined benefit liability / (asset)	(0.12)	-0.23
4	Defined benefit cost included in P&L	0.19	0.22
5	Total remeasurements included in OCI	(0.07)	-0.18
6	Total defined benefit cost recognized in P&L and OCI	0.12	0.04

Provision for Compensated Absences

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

Assumptions		31-Mar-24	31-Mar-23
1	Discount Rate	7.15%	7.25%
2	Future Salary Increase (%)	7.50%	7.50%
3	Attrition Rate	17.00%	17.00%

Sensitivity Analysis - DBO at the end of the year		31-Mar-24	31-Mar-23
a)	Discount rates + 1%	1.44	1.55
b)	Discount rates -1%	1.58	1.70
c)	Future Salary Increases + 1%	1.56	1.68
d)	Future Salary Increases - %	1.45	1.56
e)	Attrition Rates + 50%	1.48	1.61
f)	Attrition Rates - 50%	1.54	1.64

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years.

Note 36. Fair Values

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

Particulars	Carrying Value		Fair Value	
	As at 31-Mar-2024	As at 31-Mar-2023	As at 31-Mar-2024	As at 31-Mar-2023
Financial assets				
Investments	0.10	8.50	0.10	8.50
Trade Receivables	15.04	11.39	15.04	11.39
Loans	112.90	73.84	112.90	73.84
Cash & Bank balances	0.56	0.96	0.56	0.96
Bank Balance other than cash and cash equivalents	69.92	44.11	69.92	44.11
Other Financial Assets	157.73	24.83	157.73	24.83
Total	356.25	163.63	356.25	163.63
Financial liabilities				
Borrowings (other than debt securities)	127.50	60.00	127.50	60.00
Lease Liabilities	1.40	-	1.40	-
Trade Payables	181.66	49.33	181.66	49.33
Other Financial Liabilities	9.79	7.08	9.79	7.08
Total	320.35	116.42	320.35	116.42

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

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

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

Note 36.1 - Fair Values Hierarchy

a) Financial Assets carried at Fair Values

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

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

Particulars	Fair Value as at		Fair Value Hierarchy	Valuation Techniques & key inputs used
	As at 31-Mar-2024	As at 31-Mar-2023		
Asset measured at fair value:				
Investments in quoted equity instruments at FVTOCI	0.00	8.40	Level 1	Quoted bid price in an active market (refer note a)
Investments in unquoted equity instruments at FVTOCI	0.10	0.10	Level 3	Fair valuation through methods prescribed under IndAS 109 (refer note b)

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

Note:

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

b) These investments in equity are not significant in value and hence additional disclosures are not presented

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Note 37. Financial risk management objectives and policies

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

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

Market Risk

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

Equity Price Risk

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

Credit risk

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

Trade Receivable

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

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

Cash and Bank Deposits

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

Liquidity Risk

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

Collaterals offered by the Customers

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

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

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

As at March 31, 2024

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
Financial Assets								
(a) Cash and Bank Balances	0.56	-	-	-	-	-	-	0.56
(b) Bank Balance other than cash and cash equivalents	34.92	3.63	10.00	10.39	10.98	-	-	69.92
(c) Trade Receivables	15.04	-	-	-	-	-	-	15.04
(d) Loans	112.90	-	-	-	-	-	-	112.90
(e) Investments	-	-	-	-	-	-	0.10	0.10
(f) Other Financial Assets	155.75	-	-	-	-	-	1.98	157.73
Total Financial Assets	319.17	3.63	10.00	10.39	10.98	-	2.08	356.25
Financial Liabilities								
(a) Trade payables	-	-	-	-	-	-	-	-
i) Dues to Micro and Small Enterprises	-	-	-	-	-	-	-	-
ii) Other Trade payables	181.66	-	-	-	-	-	-	181.66
(b) Borrowings (other than Debt securities)	127.50	-	-	-	-	-	-	127.50
(c) Lease Liabilities	1.40	-	-	-	-	-	-	1.40
(d) Other Financial Liabilities	3.02	-	-	-	6.77	-	-	9.79
Total Financial Liabilities	313.58	-	-	-	6.77	-	-	320.35

As at March 31, 2023

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
Financial Assets								
(a) Cash and Bank Balances	0.96	-	-	-	-	-	-	0.96
(b) Bank Balance other than cash and cash equivalents	18.27	1.01	8.58	13.86	2.40	-	-	44.12
(c) Trade Receivables	11.39	-	-	-	-	-	-	11.39
(d) Loans	73.84	-	-	-	-	-	-	73.84
(e) Investments	-	-	-	-	-	-	8.50	8.50
(f) Other Financial Assets	22.95	-	-	-	-	-	1.88	24.83
Total Financial Assets	127.41	1.01	8.58	13.86	2.40	-	10.38	163.64
Financial Liabilities								
(a) Trade payables	-	-	-	-	-	-	-	-
i) Dues to Micro and Small Enterprises	-	-	-	-	-	-	-	-
ii) Other Trade payables	49.33	-	-	-	-	-	-	49.33
(b) Borrowings (other than Debt securities)	60.00	-	-	-	-	-	-	60.00
(c) Other Financial Liabilities	1.87	-	-	-	5.21	-	-	7.08
Total Financial Liabilities	111.20	-	-	-	5.21	-	-	116.41

39. Standards issued but not yet effective

Ministry of Corporate Affairs has issued Companies (Indian Accounting Standards) Amendment Rules, 2022 on March 23, 2022, which contains various amendments to Ind AS. Management has evaluated these and have concluded that there is no material impact on the Company's financial statements.

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Notes to financial statements for the year ended March 31, 2024

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Note 40. Maturity Analysis of Assets and Liabilities as at March 31, 2024

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

Particulars	As at 31-Mar-2024		
	Within 12 months	After 12 months	Total
ASSETS			
Financial Assets			
(a) Cash and Bank Balances	0.56	-	0.56
(b) Bank Balance other than cash and cash equivalents	58.93	10.98	69.91
(c) Trade Receivables	15.05	-	15.05
(d) Loans	112.90	-	112.90
(e) Investments	-	0.10	0.10
(f) Other Financial Assets	155.75	1.98	157.73
	343.19	13.06	356.25
Non-Financial Assets			
(a) Current Tax Assets (Net)	-	1.39	1.39
(b) Deferred Tax Assets (Net)	-	0.98	0.98
(c) Property, Plant and Equipment	-	5.26	5.26
(d) Intangible Assets	-	0.57	0.57
(e) Intangible under development	0.22	-	0.22
(f) Other non-financial Assets	2.33	0.00	2.33
	2.55	8.20	10.75
TOTAL ASSETS	345.74	21.26	367.00
LIABILITIES AND EQUITY			
Financial Liabilities			
(a) Trade payables			
i) Dues to Micro and Small Enterprises	-	-	-
ii) Other Trade payables	181.66	-	181.66
(b) Borrowings (other than Debt securities)	127.50	-	127.50
Lease Liabilities	0.26	1.14	1.40
(c) Other Financial Liabilities	3.01	6.77	9.78
	312.43	7.91	320.34
Non-Financial Liabilities			
(a) Provisions	-	1.25	1.25
(b) Deferred Tax Liabilities (Net)	-	-	-
(c) Other Non-financial Liabilities	1.68	-	1.68
	1.68	1.25	2.93
Total Liabilities			
Equity			
(a) Equity Share Capital	-	22.50	22.50
(b) Other Equity	-	21.23	21.23
	-	43.73	43.73
TOTAL LIABILITIES AND EQUITY	314.11	52.89	367.00

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Notes to financial statements for the year ended March 31, 2024

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

Particulars	As at 31-Mar-2023		
	Within 12 months	After 12 months	Total
ASSETS			
Financial Assets			
(a) Cash and Bank Balances	0.96	-	0.96
(b) Bank Balance other than cash and cash equivalents	41.71	2.40	44.11
(c) Trade Receivables	11.39	-	11.39
(d) Loans	73.84	-	73.84
(e) Investments	-	8.50	8.50
(f) Other Financial Assets	22.95	1.88	24.83
	150.84	12.77	163.62
Non-Financial Assets			
(a)Current Tax Assets (Net)	-	1.39	1.39
(b)Deferred Tax Assets (Net)	-	0.34	0.34
(c)Property, Plant and Equipment	-	1.93	1.93
(d)Intangible Assets	-	0.95	0.95
(e)Intangible under development	0.16	-	0.16
(f) Other non-financial Assets	1.18	0.01	1.19
	1.34	4.62	5.96
TOTAL ASSETS	152.18	17.38	169.57
LIABILITIES AND EQUITY			
Financial Liabilities			
(a) Trade payables			
i) Dues to Micro and Small Enterprises	-	-	-
ii) Other Trade payables	49.33	-	49.33
(b)Borrowings (other than Debt securities)	60.00	-	60.00
(c)Other Financial Liabilities	1.87	5.21	7.08
	111.21	5.21	116.42
Non-Financial Liabilities			
(a) Provisions	1.33	-	1.33
(b)Deferred Tax Liabilities (Net)	-	-	-
(c) Other Non-financial Liabilities	1.09	-	1.09
	2.42	-	2.42
Total Liabilities			
Equity			
(a)Equity Share Capital	-	22.50	22.50
(b)Other Equity	-	28.22	28.22
	-	50.72	50.72
TOTAL LIABILITIES AND EQUITY	113.63	55.93	169.56

Cholamandalam Securities Limited
Notes to financial statements for the year ended March 31, 2024
(All amounts are in crores of Indian rupees unless otherwise stated)

Note 41. Earnings Per Share

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

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

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

Particulars	31-Mar-24	31-Mar-23
Profit after tax	66.88	6.36
Weighted average number of shares		
- Basic	2,25,00,014	2,25,00,014
- Diluted	2,25,00,014	2,25,00,014
Earning per share of Rs.10 each		
- Basic (in Rs)	29.72	2.83
- Diluted (in Rs)	29.72	2.83

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
ESOP Payable		
Cholamandalam Investment and Finance Company Limited	(0.79)	(0.22)
Short-term borrowings		
Cholamandalam Investment and Finance Company Limited	(74.50)	(12.50)
Cholamandalam Home Finance Limited	(53.00)	(47.50)
C.KEY MANAGERIAL PERSONNEL		
Sitting Fees Paid		
Ms.Sasikala Varadachari - Independent Director	0.01	0.01
Mr Eledath Prasanth Prabhakaran - Independent Director	0.00	
Income from Services Rendered		
Mr.Ravindra Kumar Kundu - Non - Executive Director	0.001	0.001
Ms. Mariam Mathew - Manager	0.000	-
Mr.Senthil Kumar Naidu - Manager	-	-
M/s Kavitha A - CFO	0.000	-
Mr. D. Arul Selvan - CFO	-	0.001
Mr.Mahesh Madhukar Waikar - Non - Executive Director	0.002	0.002
Trade (Payable)/Receivable		
Mr.Mahesh Madhukar Waikar - Non - Executive Director ##		(0.00)
Ms. Mariam Mathew - Manager		0.00
Managerial Remuneration		
Mr.Senthil Kumar Naidu - Manager	1.07	
Ms.Mariam Mathew - Manager		1.07
Note 44. Revenue from Contracts with customers		

(a) Services

Brokerage on stock broking	40.04	20.25
Depository services	3.62	1.92
Commission - Mutual Funds/Bonds/Insurance	71.70	21.83
Total Revenue from contracts with customers	115.36	44.00

Timing of Revenue Recognition:

Services transferred at a point in time	110.00	39.30
Services transferred over time	5.36	4.70
Total Revenue from contracts with customers	115.36	44.00

Note:

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

(b) Contract Balances

Trade Receivables	15.04	11.39
Unbilled Revenue	0.04	0.53
Total	15.08	11.92

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

(c) Contract Liabilities

All revenue for transactions entered into before 31st march 2024 has been appropriately recognised hence there is no contract liability for which the entity is yet to render its performance obligations. Advance received from customer represents amount deposited by customers for their future transactions.

(d) Information about the Company's performance obligation

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

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

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

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

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

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
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Note 45. Segment Reporting

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

	March 31, 2024	March 31, 2023
ICICI Prudential Life Insurance Company Limited	59.90	9.15

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

Financial Assets		
Cash and cash equivalents	0.56	0.96
Bank Balance other than cash and cash equivalents	69.91	44.11
Trade Receivables	15.05	11.40
Loans	112.90	73.84
Other Financial Assets	157.73	24.83
Financial Liabilities		
Trade payables	181.66	49.33
Borrowings (other than debt securities)	127.50	60.00
Other Financial Liabilities	9.78	7.08

Note 47. Capital Management

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

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

Particulars	March 31, 2024	March 31, 2023
Borrowings		
-Short term	127.50	60.00
Total Debt	127.50	60.00
Equity share capital	22.50	22.50
Other Equity	21.23	28.22
Equity	43.73	50.72

Note 47 a - Ratio analysis

Sl No	Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% Change	Reason for variance
1	Debt-Equity Ratio	Borrowings	Total Equity	2.92	1.18	146%	Due to increase in borrowings on account of MTF increase.
2	Return on Equity Ratio	Net Profit after tax	Average Shareholders Equity (Average total equity)	1.42	0.16	773%	Profits increased due to increase in income and profit on Sale of Investments
3	Trade Receivables turnover ratio	Total Operating income	Average Trade receivables	8.55	3.33	157%	Due to increase in income.
4	Net capital turnover ratio	Total Operating income	Working capital (Current Assets - Current Liabilities)	3.68	1.14	222%	Due to increase in income.
5	Net profit ratio	Net Profit after tax	Total Operating income	0.50	0.12	304%	Profits increased due to increase in income and profit on Sale of Investments
6	Return on Capital employed	Earning before interest and taxes	Capital Employed	213%	21%	907%	Profits increased due to increase in income and profit on Sale of Investments
7	Current Ratio	Current Assets	Current Liabilities	1.10	1.34	-18%	
8	Debt service coverage ratio	Earnings available for debt service (Profit after tax + Depreciation and Amortisation expenses + Interest expenses)	Debt service (Interest expenses + Repayment of borrowings)	69.43%	19.06%	264%	Due to increase in borrowing during the year for meeting the working capital requirements and increase in profits.
9	Return on Investment	Income (Dividend income from FVTOCI instruments)	Investment	NA	3%	-	Investments in BSE Shares has been sold during the current year. Investments held as at 31st March 2024 do not yield any dividends.

Note 48 - ESOP Disclosure

ESOP 2016

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

In this regard, the Company has recognised expense amounting to 0.37 Crs for employees services received during the year, shown under Employee Benefit Expenses (Refer Note 28). This amount will be paid by the Company to its holding Company in connection with the ESOP plan (Refer Note 28).

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

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2023-24			Options outstanding		Options vested but not exercised		Options unvested		Exercise Price (in Rs)	Weighted Average Remaining Contractual Life
		As at 31-Mar-2023	Addition in number of options on account of share split *	Options Granted	Options Forfeited/ Expired	Options Exercised and allotted	As at 31-Mar-2024	As at 31-Mar-2024	As at 31-Mar-2024	As at 31-Mar-2024				
GT25JAN2017	25-Jan-17	35,200	-	-	-	35,200	10,000	10,000	-	202.00	-	-	-	
GT30JAN2018	30-Jan-18	6,480	-	-	-	4,050	2,430	2,430	-	261.94	-	-	-	
GT07MAY2021	07-May-21	24,700	-	-	-	-	24,700	9,890	14,820	580.30	0.60	-	-	
GT31JAN2023	31-Jan-23	1,05,900	-	-	22,000	1,600	82,300	14,780	67,520	710.75	1.96	-	-	
GT01Aug2023	01-Aug-23	-	-	1,01,700	20,500	-	81,200	-	81,200	1,132.10	2.04	-	-	
GT025Jan2024	25-Jan-24	-	-	8,000	-	-	8,000	-	8,000	1,245.00	2.52	-	-	
Total		1,72,280	-	1,09,700	42,500	30,850	1,09,630	37,090	1,71,540					

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

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2022-23			Options outstanding		Options vested but not exercised		Options unvested		Exercise Price (in Rs)	Weighted Average Remaining Contractual Life
		As at 31-Mar-2022	Addition in number of options on account of share split *	Options Granted	Options Forfeited/ Expired	Options Exercised and allotted	As at 31-Mar-2023	As at 31-Mar-2023	As at 31-Mar-2023	As at 31-Mar-2023				
GT25JAN2017	25-Jan-17	40,700	-	-	-	5,500	35,200	35,200	-	202.00	-	-	-	
GT30JAN2018	30-Jan-18	6,480	-	-	-	-	6,480	6,480	-	261.94	-	-	-	
GT07MAY2021	07-May-21	24,700	-	-	-	-	24,700	4,940	19,760	580.30	1.23 years	-	-	
GT31JAN2023	31-Jan-23	-	-	61,900	-	-	61,900	-	61,900	710.75	2.54 years	-	-	
Total		71,880	-	61,900	-	5,500	1,21,300	46,620	81,680					

The following tables list the inputs to the Black Scholes model used for the plans for the year ended 31st March 2024:

ESOP 2016

Date of Grant	Risk Free Interest Rate	Expected Life	Variables				Fair Value of the Option (₹)
			Expected Volatility	Dividend Yield	Price of the underlying Share in the Market at the time of the Option Grant (₹)	Fair Value of the Option (₹)	
25-01-2017	6.56% - 6.67%	3.5 - 6.51 years	33.59% - 34.43%	0.54%	1,010.00	401.29	
30-01-2018	7.14% - 7.45%	3.5 - 5.50 years	30.16% - 31.46%	0.42%	1,309.70	496.82	
30-01-2018	7.14% - 7.45%	3.5 - 5.50 years	30.16% - 31.46%	0.42%	1,399.70	531.84	
07-05-2021	5.13% - 6.02%	3.5 - 6.51 years	52.05% - 43.62%	0.34%	580.30	276.34	

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

Cholamandalam Securities Limited
Notes to financial statements for the year ended March 31, 2024
(All amounts are in crores of Indian rupees unless otherwise stated)

Note 49. Leases

Lease rental expenses relating to short term leases aggregated to Rs.1.74 Crs during the year ended 31-March-2023 (Previous year - Rs. 1.23 Crs)

Note 50: Changes in Liabilities arising from Financing activities

Particulars	31-Mar-24	Availed	Repaid	31-Mar-24
Borrowings other than Debt securities	60.00	410.65	(343.15)	127.50
Total Liabilities from Financing activities	60.00	410.65	(343.15)	127.50

Particulars	31-Mar-23	Cash flows	Cash flows	31-Mar-22
Borrowings other than Debt securities	4.50	223.50	(168.00)	60.00
Total Liabilities from Financing activities	4.50	223.50	(168.00)	60.00

Note 51 Relationship with Struck off Companies

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31st March 2024	Balance outstanding as at 31st March 2023	Relationship with the Struck off company
Zillon Software Private Limited	Receivables	0.000	0.001	None
Kran Properties Private Limited	Receivables	0.000	0.000	
Manasa Lifestyle Products Limited	Receivables	0.000	0.000	
E-Objects Private Limited	Receivables	0.000	0.000	
Roudry Information Technology And Enabled Services Private Limited	Receivables	0.000	0.000	
Specimens Management Private Limited	Receivables	0.000	0.001	
Purushothama Investments Pvt Ltd	Receivables	0.000	0.001	
Prestige Holiday Resorts Limited	Receivables	0.000	0.000	
Vijay Garments Private Limited	Advances from Clients	0.000	0.000	
Indian Overseas Bends Limited	Payables	0.000	0.001	

Note 52

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

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

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

(iv) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

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

Cholamandalam Securities Limited

Notes to financial statements for the year ended March 31, 2024

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

(v) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

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

Note 53. Events After Reporting Date

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

As per our report of even date

For Sundaram and Srinivasan

Chartered Accountants

ICAI Firm Registration No.: 004207S

per S Usha

Partner

Membership no.: 211785

Place: Chennai

Date: April 26, 2024

For and on behalf of the Board of Directors

Sasikala Varadachari

Chairperson

DIN -07132398

RAVINDRA KUMAR KUNDU

Director

DIN - 07337155

Kavitha A

Chief Financial Officer

Balaji H

Company Secretary