

July 30, 2021

**The Secretary**  
**National Stock Exchange of India Limited**  
**Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound**  
**Senapati Bapat Marg, Lower Parel,**  
**Mumbai 400 013**

**The Secretary**  
**BSE Ltd.**  
**1<sup>st</sup> Floor, P.J. Towers**  
**Dalal Street, Fort,**  
**Mumbai 400 001**

**NSE SCRIP CODE: CHOLAFIN EQ**

**BSE SCRIP CODE: 511243**

**NSDL / CDSL / NSE-WDM / BSE-F Class**

Dear Sirs,

**Sub: Intimation on the outcome of the Board Meeting held on July 30, 2021 and disclosure under Regulation 30 of SEBI Listing Regulations.**

Kindly refer our letter dated 5<sup>th</sup> July, 2021, intimating you of the convening of the meeting of the Board of Directors to *inter alia* consider unaudited financial results for the quarter ended 30<sup>th</sup> June, 2021 and issue of non-convertible debentures.

In this regard, we wish to inform you that the Board of Directors at their meeting held today have approved the following:

**1. Unaudited financial results:**

Unaudited financial results (Standalone and Consolidated) for the quarter ended 30<sup>th</sup> June, 2021 in respect of which we enclose the following as prescribed under Regulation 33 of the Listing Regulations:

- The detailed format of the unaudited financial results being submitted as per the listing regulations. The said results will be uploaded on the stock exchange websites. The results will also be published as per the format prescribed in the listing regulations;
- Limited Review report from the statutory auditors, M/s. S.R.Batliboi and Associates LLP;
- Press release with regard to the above financial results being released for publication.

**2. Issuance of non-convertible debentures:**

Issue of secured / unsecured redeemable non-convertible debentures of a face value of Rs.10 lakhs each at par aggregating to Rs.28,000 crores in one or more tranches on private placement basis.

**3. Resignation of statutory auditors:**

Further to a communication dated June 21, 2021 regarding their intention to resign as auditors, taken note of the letter dated July 30, 2021 received from M/s. S.R. Batliboi & Associates LLP, Chartered Accountants expressing their inability to continue as statutory auditors of the company effective today pursuant to the Guidelines dated April 27, 2021 for Appointment of Statutory Auditors for NBFCs issued by Reserve Bank of India and the circular CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities Exchange Board of India upon issuing the review reports on the standalone and consolidated financial results for the quarter ended June 30, 2021 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Audit Committee considered the above prior to the Board meeting and noted that the resignation is on account of regulatory requirement.

Information as required under Regulation 30 – Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and information from the statutory auditor as specified in Annexure A upon resignation as required under the above referred SEBI circular are annexed herewith.

**Schedule of Analysts / Investors call:**

Pursuant to Regulation 30(2) of the Listing Regulations, details of the schedule of Analyst / Investors call in connection with the unaudited financial results (Standalone and Consolidated) for the quarter ended 30<sup>th</sup> June, 2021 is given below:

Date	Organised by	Link	Time
02-Aug-2021	Kotak Institutional Equities	<a href="#">Click here to join</a>	10 a.m.

The meeting of Board of Directors commenced at 1.00 p.m. and concluded at 3.30 p.m.

Kindly take the above information on record and acknowledge receipt.

Thanking you,

Yours faithfully,  
For Cholamandalam Investment and Finance Company Limited



P Sujatha  
Company Secretary

Encl.: as above

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Cholamandalam Investment and Finance Company Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Cholamandalam Investment and Finance Company Limited** (the "Company") for the quarter ended June 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 4 of the accompanying Statement, which describes the impact of COVID-19 pandemic, and its possible consequential implications on the Company's operations and financial metrics, including the Company's estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic. Our conclusion is not modified in respect of this matter.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

  
per Aravind K

Partner

Membership No.: 221268

UDIN: 21221268AAAAEP3779

Chennai

July 30, 2021





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

**Review Report to  
The Board of Directors  
Cholamandalam Investment and Finance Company Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Cholamandalam Investment and Finance Company Limited** (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates for the quarter ended June 30, 2021 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.  
  
We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.
4. The Statement includes the results of the following entities:
  - i. Cholamandalam Securities Limited – Subsidiary
  - ii. Cholamandalam Home Finance Limited Subsidiary
  - iii. White Data Systems India Private Limited – Associate
  - iv. Vishwakarma payments Private Limited – Associate
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 4 of the accompanying Statement, which describes the impact of COVID-19 pandemic, and its possible consequential implications on the Company's operations and financial metrics, including the Company's estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic. Our conclusion is not modified in respect of this matter.



7. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of two associates, whose unaudited interim financial results include Group's share of net loss of Rs. 57 lakhs and Group's share of total comprehensive loss of Rs. 57 lakhs for the quarter ended June 30, 2021 as considered in the Statement whose interim financial results and other financial information have been not been reviewed by their respective independent auditors.

The unaudited interim financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these associates, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group. Our conclusion on the Statement in respect of this matter is not modified.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**ICAI Firm registration number: 101049W/E300004**

*Aravind K*  
**per Aravind K**  
Partner

Membership No.: 221268

UDIN: 21221268AAAAEQ3061

Chennai

July 30, 2021



**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**

**CIN - L65993TN1978PLC007576**

**Registered Office : DARE HOUSE, 2, NSC Bose Road, Chennai - 600 001.**

**Statement of Un-Audited Standalone Financial Results for the quarter ended June 2021**

₹ lakhs unless specified

	Three months ended			Year ended
	30.06.2021 Un-Audited	31.03.2021 Audited (Refer Note 8)	30.06.2020 Un-Audited	31.03.2021 Audited
	1	2	3	4
<b>1. Revenue from operations</b>				
-Interest Income	2,37,117	2,36,895	2,07,096	9,22,416
-Fee Income	6,999	6,984	2,560	20,685
-Net gain on fair value change on financial instruments	437	138	24	463
-Sale of Services	2,136	2,098	1,683	8,037
<b>Total</b>	<b>2,46,689</b>	<b>2,46,115</b>	<b>2,11,363</b>	<b>9,51,601</b>
<b>2. Other income</b>	<b>12</b>	<b>18</b>	<b>2</b>	<b>361</b>
<b>3. Total Income (1+2)</b>	<b>2,46,701</b>	<b>2,46,133</b>	<b>2,11,365</b>	<b>9,51,962</b>
<b>4. Expenses</b>				
a) Finance costs	1,10,382	1,11,965	1,13,066	4,57,591
b) Impairment of financial instruments	55,192	50,353	5,615	1,32,183
c) Employee benefits expense	15,230	26,899	15,618	74,936
d) Depreciation and amortisation expense	2,391	2,473	2,475	9,830
e) Other expenses	19,433	22,004	16,491	73,578
<b>Total expenses (4)</b>	<b>2,02,628</b>	<b>2,13,694</b>	<b>1,53,265</b>	<b>7,48,118</b>
<b>5. Profit before tax (3-4)</b>	<b>44,073</b>	<b>32,439</b>	<b>58,100</b>	<b>2,03,844</b>
<b>6. Tax expense</b>				
a) Current tax	16,241	16,487	17,680	75,480
b) Deferred tax	(4,848)	(8,369)	(2,673)	(23,127)
<b>Total Tax expense</b>	<b>11,393</b>	<b>8,118</b>	<b>15,007</b>	<b>52,353</b>
<b>7. Profit for the period (5-6)</b>	<b>32,680</b>	<b>24,321</b>	<b>43,093</b>	<b>1,51,491</b>
<b>8. Other Comprehensive Income - Gain/(loss)</b>				
a. (i) Items that will not be reclassified to Profit or Loss	(9)	(154)	45	(127)
(ii) Income tax impact	2	39	(11)	32
b. (i) Items that will be reclassified to Profit or Loss	(799)	859	(1,232)	(4,521)
(ii) Income tax impact	201	(216)	310	1,138
<b>9. Total Comprehensive Income for the period (7+8)</b>	<b>32,075</b>	<b>24,849</b>	<b>42,205</b>	<b>1,48,013</b>
<b>10. Paid-up equity share capital ( ₹2/- per share)</b>	<b>16,412</b>	<b>16,407</b>	<b>16,399</b>	<b>16,407</b>
<b>11. Earnings per Share (EPS) - not annualised (₹)</b>				
a) Basic	3.98	2.97	5.26	18.48
b) Diluted	3.98	2.96	5.26	18.45



**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**  
**CIN - L65993TN1978PLC007576**  
**Registered Office : DARE HOUSE, 2, NSC Bose Road, Chennai - 600 001.**  
**Statement of Un-Audited Consolidated Financial Results for the quarter ended June 2021**

₹ lakhs unless specified

	Three months ended			Year ended
	30.06.2021 Un-Audited	31.03.2021 Audited (Refer Note 8)	30.06.2020 Un-Audited	31.03.2021 Audited
	1	2	3	4
<b>1. Revenue from operations</b>				
-Interest Income	2,37,127	2,36,906	2,07,114	9,22,477
-Fee & Commission Income	8,369	8,800	3,733	26,939
-Net gain on fair value change on financial instruments	542	133	25	487
-Sale of Services	2,136	2,098	1,683	8,037
<b>Total</b>	<b>2,48,174</b>	<b>2,47,937</b>	<b>2,12,555</b>	<b>9,57,940</b>
<b>2. Other income</b>	<b>17</b>	<b>43</b>	<b>6</b>	<b>438</b>
<b>3. Total Income (1+2)</b>	<b>2,48,191</b>	<b>2,47,980</b>	<b>2,12,561</b>	<b>9,58,378</b>
<b>4. Expenses</b>				
a) Finance costs	1,10,365	1,11,955	1,13,057	4,57,554
b) Impairment of financial instruments	55,193	50,366	5,613	1,32,211
c) Employee benefits expense	16,026	28,125	16,485	79,184
d) Depreciation and amortisation expense	2,489	2,578	2,565	10,230
e) Other expenses	19,737	22,226	16,631	74,409
<b>Total expenses (4)</b>	<b>2,03,810</b>	<b>2,15,250</b>	<b>1,54,351</b>	<b>7,53,588</b>
<b>5. Profit before share of profit/(loss) from associate (3-4)</b>	<b>44,381</b>	<b>32,730</b>	<b>58,210</b>	<b>2,04,790</b>
<b>6. Share of profit/(loss) from Associate (net of tax)</b>	<b>(57)</b>	<b>(19)</b>	<b>(12)</b>	<b>(53)</b>
<b>7. Profit before Tax (5+6)</b>	<b>44,324</b>	<b>32,711</b>	<b>58,198</b>	<b>2,04,737</b>
<b>8. Tax expense</b>				
a) Current tax	16,287	16,560	17,708	75,712
b) Deferred tax	(4,818)	(8,362)	(2,640)	(23,061)
<b>Total Tax expense</b>	<b>11,469</b>	<b>8,198</b>	<b>15,068</b>	<b>52,651</b>
<b>9. Profit after tax (7-8)</b>	<b>32,855</b>	<b>24,513</b>	<b>43,130</b>	<b>1,52,086</b>
Profit for the period attributable to:				
- Owners of the Company	32,855	24,513	43,130	1,52,086
- Non controlling interest	-	-	-	-
<b>10. Other Comprehensive Income - Gain/(Loss)</b>				
a. (i) Items that will not be reclassified to Profit or Loss	398	(164)	407	425
(ii) Income tax impact	3	42	(11)	33
b. (i) Items that will be reclassified to Profit or (Loss)	(799)	859	(1,232)	(4,521)
(ii) Income tax impact	201	(216)	310	1,138
<b>11. Other Comprehensive Income for the period</b>	<b>(197)</b>	<b>521</b>	<b>(526)</b>	<b>(2,925)</b>
Other Comprehensive Income attributable to:				
- Owners of the Company	(197)	521	(526)	(2,925)
- Non controlling interest	-	-	-	-
<b>12. Total Comprehensive Income for the period (9+11)</b>	<b>32,658</b>	<b>25,034</b>	<b>42,604</b>	<b>1,49,161</b>
Total Comprehensive Income attributable to:				
- Owners of the Company	32,658	25,034	42,604	1,49,161
- Non controlling interest	-	-	-	-
<b>13. Paid-up equity share capital ( ₹ 2/- per share)</b>	<b>16,412</b>	<b>16,407</b>	<b>16,399</b>	<b>16,407</b>
<b>14. Earnings per Share (EPS) - not annualised (₹)</b>				
a) Basic	4.01	2.99	5.26	18.55
b) Diluted	4.00	2.98	5.26	18.52





**Notes**

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on July 30, 2021.
- In Compliance with Regulation 33 of Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of financial results for the quarter ended June 30, 2021 has been carried out by Statutory auditors.
- The consolidated financial results of the Holding Company & its subsidiaries (collectively referred as "Group") and its Associates, include the result of the Company and following entities:
  - Cholamandalam Securities Limited - Subsidiary
  - Cholamandalam Home Finance Limited - Subsidiary
  - White Data Systems India Private Limited - Associate
  - Vishvakarma Payments Private Limited - Associate (from 30th March 2021)
- The impact of COVID-19 pandemic including the "second wave", and its possible consequential implications on Company's operations and financial metrics, including the estimates of impairment of loans will depend on the future developments, which are highly uncertain. Management continues to monitor the evolving situation and has considered events up to the date of these financial results, to determine the financial implications including in respect of Expected Credit Loss (ECL) provisioning, as at June 30, 2021, and has made cumulative expected credit loss provision for loans as on June 30, 2021 which aggregates to Rs 2,926 Crore (Rs 2,444 crore for March 31, 2021). The Company holds a management overlay of Rs. 700 crore as at June 30, 2021 (Rs 1,100 crore - March 31, 2021) as part of its ECL provision. Given the dynamic and evolving nature of pandemic, these estimates are subject to uncertainty caused by the ongoing Covid-19 pandemic including its severity and duration and other related events.
- a) Disclosure as per format prescribed under notification no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 for the period ended June 30, 2021

Type of borrower	No. of accounts where resolution plan has been implemented under this window (A)	Exposure to account mentioned in (A) before implementation of the plan (B) Rs in lakhs	Of (B) aggregate amount of debt that was converted into other securities	Additional funding sanction, if any, including between invocation of the plan and implementation	Increase in provisions on account of implementation of the resolution plan Rs in lakhs
Personal Loans	1,504	28,089	-	-	1,882
Corporate #	-	-	-	-	-
Of which MSME	-	-	-	-	-
Others	-	-	-	-	-
Total	1,504	28,089	-	-	1,882

# As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

b) Disclosure pursuant to RBI notification - RBI/2020-21/17/DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 (for restricting of accounts of micro, small and medium enterprises (MSME) sector – Restructuring of advances having exposure less than or equal to Rs. 25 crores)

Type of borrower	No. of accounts where resolution plan has been implemented under this window (A)	Exposure to account mentioned in (A) before implementation of the plan of the plan (B) Rs in lakhs
MSMEs	12,610	1,18,178

C) Disclosure on resolution framework 2.0 implemented in terms of RBI Circulars RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 and RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021.

During the quarter ended June 30, 2021, the Company has implemented resolution plan in 38,462 accounts with a total outstanding of Rs 2,68,162 Lakhs as on June 30, 2021. Of these total loan accounts which were restructured during the quarter, for 36,753 cases, having an outstanding amount of Rs 2,57,890 lakhs, basis their credit assessment and terms of restructuring, the Company has classified such loan accounts as non-impaired (Stage 2 under Ind AS 109). The Company has evaluated the same basis life time repayment history of the borrower and other qualitative factors, which have been approved by the Audit committee in line with RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

- 2,30,180 options were exercised during the three months ended June 30, 2021(3,55,910 for three months ended March 31, 2021). The total outstanding employee stock options as at June 30, 2021 is 43,80,212(35,43,792 as at March 31,2021)
- The listed Non - Convertible Debentures of the Company aggregating to Rs. 8,287.90 crores as on June 30, 2021 are secured by way of an exclusive charge on identified standard receivables of the Company and also by a subservient charge over immovable property. The total asset cover is above hundred percent of the principal amount of the said debentures.
- In respect of standalone and Consolidated financial results, the figures for the quarter ended March 31,2021 is the balancing figure between the audited figures in respect of the full financial year and the published unaudited year-to-date figures upto the third quarter of the respective financial years which were subjected to limited review
- The Segment Reporting is given in Appendix 1 for Standalone Financial Results and in Appendix 2 for Consolidated Financial Results.
- The date on which the Code on Social Security, 2020 ('The Code') relating to employee benefits during employment and post-employment benefits will come into effect is yet to be notified and the related rules are yet to be finalised. The Company will evaluate the code and its rules, assess the impact, if any, and account for the same once they becomes effective.
- Prior period figures have been regrouped, wherever necessary, to conform to the current period presentation.

On behalf of the Board of Directors

  
Vellayyan Subbiah  
Chairman

Place : Chennai  
Date : July 30, 2021

visit us at [www.cholamandalam.com](http://www.cholamandalam.com)





**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**  
CIN - L65993TN1978PLC007576  
Registered Office : DARE HOUSE, 2, NSC Bose Road, Chennai - 600 001.

Appendix 1

**Segment wise Revenue, Results and Capital Employed for standalone financial results under Listing Regulations, 2015**


₹ lakhs

Particulars	Standalone			
	Three months ended			Year ended
	30.06.2021 Un-audited	31.03.2021 Audited (Refer Note 8)	30.06.2020 Un-audited	31.03.2021 Audited
	1	2	3	4
<b>1. Segment Revenue</b>				
Vehicle Finance	1,86,450	1,85,268	1,62,296	7,18,787
Loan against property	37,859	38,153	31,412	1,47,039
Home Loans	13,552	13,586	8,781	47,261
Others	1,328	1,238	(293)	3,318
Unallocable revenue	7,512	7,888	9,169	35,557
<b>Total</b>	<b>2,46,701</b>	<b>2,46,133</b>	<b>2,11,365</b>	<b>9,51,962</b>
<b>2. Segment Results (Profit / Loss before tax)</b>				
Vehicle Finance	24,533	16,854	41,824	1,24,199
Loan against property	5,156	6,139	7,001	33,937
Home Loans	3,534	3,071	1,930	12,179
Others	382	84	128	578
Unallocable	10,468	6,291	7,217	32,951
<b>Total</b>	<b>44,073</b>	<b>32,439</b>	<b>58,100</b>	<b>2,03,844</b>
<b>3. Segment Assets</b>				
Vehicle Finance	47,10,783	48,93,657	44,77,491	48,93,657
Loan against property	12,55,206	12,71,552	10,68,284	12,71,552
Home Loans	3,80,092	3,72,558	2,61,333	3,72,558
Others	50,174	45,828	26,141	45,828
Other Unallocable assets	10,29,346	8,71,247	9,54,289	8,71,247
<b>Total</b>	<b>74,25,601</b>	<b>74,54,842</b>	<b>67,87,538</b>	<b>74,54,842</b>
<b>4. Segment Liabilities</b>				
Vehicle Finance	40,83,562	42,66,080	39,11,756	42,66,080
Loan against property	10,88,081	11,08,484	9,33,305	11,08,484
Home Loans	3,29,484	3,24,780	2,28,313	3,24,780
Others	43,493	39,951	22,504	39,951
Other Unallocable liabilities	8,92,293	7,59,516	8,32,146	7,59,516
<b>Total</b>	<b>64,36,913</b>	<b>64,98,811</b>	<b>59,28,024</b>	<b>64,98,811</b>
<b>5. Capital Employed (Segment Assets - Segment Liabilities)</b>				
Vehicle Finance	6,27,221	6,27,577	5,65,735	6,27,577
Loan against property	1,67,125	1,63,068	1,34,979	1,63,068
Home Loans	50,608	47,778	33,020	47,778
Others	6,681	5,877	3,637	5,877
Other Unallocable assets minus liabilities	1,37,053	1,11,731	1,22,143	1,11,731
<b>Total</b>	<b>9,88,688</b>	<b>9,56,031</b>	<b>8,59,514</b>	<b>9,56,031</b>

**Note:**

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'. In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon by the Statutory Auditor.

On behalf of the Board of Directors

  
**Vellayan Subbiah**  
Chairman

Place : Chennai  
Date : July 30, 2021

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**Segment wise Revenue, Results and Capital Employed for consolidated financial results under Listing Regulations, 2015**

₹ lakhs

Particulars	Three months ended			Year ended
	30.06.2021 Un-audited	31.03.2021 Audited (Refer Note 8)	30.06.2020 Un-audited	31.03.2021 Audited
	1	3	3	4
<b>1. Segment Revenue</b>				
Vehicle Finance	1,86,450	1,85,268	1,62,296	7,18,787
Loan against property	37,859	38,153	31,412	1,47,039
Home Loans	13,552	13,586	8,781	47,261
Others	2,818	3,085	903	9,734
Unallocable revenue	7,512	7,888	9,169	35,557
<b>Total</b>	<b>2,48,191</b>	<b>2,47,980</b>	<b>2,12,561</b>	<b>9,58,378</b>
<b>2. Segment Results (Profit / Loss before tax)</b>				
Vehicle Finance	24,533	16,854	41,824	1,24,199
Loan against property	5,156	6,139	7,001	33,937
Home Loans	3,534	3,071	1,930	12,179
Others	633	357	226	1,471
Unallocable	10,468	6,291	7,217	32,951
<b>Total</b>	<b>44,324</b>	<b>32,711</b>	<b>58,198</b>	<b>2,04,737</b>
<b>3. Segment Assets</b>				
Vehicle Finance	47,10,783	48,93,657	44,77,491	48,93,657
Loan against property	12,55,206	12,71,552	10,68,284	12,71,552
Home Loans	3,80,092	3,72,558	2,61,333	3,72,558
Others	57,684	55,402	33,004	55,402
Other Unallocable assets	10,29,346	8,71,247	9,54,289	8,71,247
<b>Total</b>	<b>74,33,111</b>	<b>74,64,416</b>	<b>67,94,401</b>	<b>74,64,416</b>
<b>4. Segment Liabilities</b>				
Vehicle Finance	40,83,562	42,66,080	39,11,756	42,66,080
Loan against property	10,88,081	11,08,484	9,33,305	11,08,484
Home Loans	3,29,484	3,24,780	2,28,313	3,24,780
Others	46,471	45,576	26,166	45,576
Other Unallocable liabilities	8,92,293	7,59,516	8,32,146	7,59,516
<b>Total</b>	<b>64,39,891</b>	<b>65,04,436</b>	<b>59,31,686</b>	<b>65,04,436</b>
<b>5. Capital Employed (Segment Assets - Segment Liabilities)</b>				
Vehicle Finance	6,27,221	6,27,577	5,65,735	6,27,577
Loan against property	1,67,125	1,63,068	1,34,979	1,63,068
Home Loans	50,608	47,778	33,020	47,778
Others	11,213	9,826	6,838	9,826
Other Unallocable assets minus liabilities	1,37,053	1,11,731	1,22,143	1,11,731
<b>Total</b>	<b>9,93,220</b>	<b>9,59,980</b>	<b>8,62,715</b>	<b>9,59,980</b>

**Note:**

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'. In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon by the Statutory Auditor.

On behalf of the **Board of Directors**



**Vellayan Subbiah**  
Chairman

Place : Chennai  
Date : July 30, 2021

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**Information as required under Regulation 30 - Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

SN.	Requirement	Disclosure
1	Reason for change	<b>Reason for resignation of M/s. S.R. Batliboi and Associates LLP, Statutory auditors:</b> Pursuant to RBI Guidelines dated April 27, 2021 on Appointment of Statutory Auditors for Banks and NBFCs, M/s. S.R. Batliboi and Associates LLP (SRB) have communicated vide a letter dated 30 <sup>th</sup> July, 2021 their resignation as statutory auditors of the Company since they have completed four years of continuous audit and are ineligible to continue as auditors. SRB have further issued the limited review report on the standalone and consolidated financial results of the Company for the quarter ended 30 <sup>th</sup> June, 2021.
2	Date of cessation	July 30, 2021

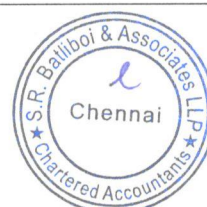
**For Cholamandalam Investment and Finance Company Limited**



**P Sujatha  
Company Secretary**

**Information from the statutory auditor upon resignation**

<b>Particulars</b>	<b>Remarks</b>
1. Name of the listed entity/ material subsidiary:	Cholamandalam Investment and Finance Company Limited
2. Details of the statutory auditor: a. Name: b. Address:  c. Phone number: d. Email:	S.R. Batliboi & Associates LLP 6th Floor -A Block, Tidel Park, No.4, Rajiv Gandhi Salai, Taramani, Chennai -600113  + 91 44 6117 9000 <a href="mailto:srba@srb.in">srba@srb.in</a>
3. Details of association with the listed entity/ material subsidiary: a. Date on which the statutory auditor was appointed:  b. Date on which the term of the statutory auditor was scheduled to expire:  c. Prior to resignation, the latest audit report/limited review report submitted by the auditor and date of its submission.	a. Auditors were appointed in the Annual General Meeting held on July 27, 2017 for a period of 5 years.  b. Till the end of 44th Annual General Meeting scheduled in year 2022.  c. Limited review for the quarter ended June 30, 2021 for which the report was issued on July 30, 2021.
4. Detailed reasons for resignation:	Consequent to the recently issued Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 17, 2021 issued by Reserve Bank of India (the "RBI Guidelines"), we are ineligible to continue as auditors of the Company after completing period of three years and hence, after the financial year ending March 31, 2021
5. In case of any concerns, efforts made by the auditor prior to resignation (including approaching the Audit Committee/Board of Directors along with the date of communication made to the Audit Committee/Board of Directors)	Not applicable, as the resignation is on account of a regulatory requirement.
6. In case the information requested by the auditor was not provided, then following shall be disclosed: a. Whether the inability to obtain sufficient appropriate audit evidence was due to a management-imposed limitation or circumstances beyond the control of the management. b. Whether the lack of information would have significant impact on the financial statements/results. c. Whether the auditor has performed alternative	Not Applicable





# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

procedures to obtain appropriate evidence for the purposes of audit/limited review as laid down in SA 705 (Revised)	
d. Whether the lack of information was prevalent in the previous reported financial statements/results. If yes, on what basis the previous audit/limited review reports were issued.	
7. Any other facts relevant to the resignation:	None

## **Declaration**

1. We hereby confirm that the information given in this letter and its attachments is correct and complete.
2. We hereby confirm that there is no other material reason other than those provided above for resignation of my firm.

## **For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

*Aravind K*

**Aravind K**

Partner

Membership No.: 221268



Place: Chennai

Date: July 30, 2021

**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CIFCL)**  
**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> JUNE 2021**

**Key Financial results (Q1 FY22):**

- **Disbursements at 3635 crs was marginally higher than Q1 FY 21.**
- **Total AUM at ₹ 75,763 Cr (Up 7% YoY)**
- **Net Income Margin at ₹ 1,363 Cr (Up 39% YoY) for Q1 FY22**
- **Pre-Provision Operating Profit (PPOP) at 993 crs registering a growth of 56%**
- **PAT at ₹ 327 Cr in Q1 FY22 as against ₹ 431 Cr in Q1 FY 21**

**Chennai, July 30, 2021:** The Board of Directors of CIFCL today announced the unaudited financial results for the quarter ended 30<sup>th</sup> June 2021.

**Highlights:**

Pursuant to the second wave of the COVID pandemic, localized lockdowns were imposed by various states starting mid-April 2021 which extended in most states till mid-June 2021 and in some states partial lockdowns are still in force. Many of the borrowers and the staff of CIFCL were impacted by the pandemic in the 2<sup>nd</sup> wave, whereby the priority shifted from business to protecting the wellbeing of the affected persons. This resulted in a setback in performance in Q1 on the disbursements and collections front. Disbursements were up by 1% as compared to Q1 of FY 21, as purchase of vehicles were predominantly deferred. Collections also suffered, resulting in increase in Stage 3 assets from 3.96% to 6.79%. The restructuring option with asset classification benefit extended by RBI under "Restructuring 2.0" was used to the extent of 3.86% of the book as of Jun21. Total restructuring (including the restructuring done under "Restructuring 1.0") stood at 5.44% of the book. These loans are classified as Stage 2 assets as a matter of prudence.

CIFCL held management overlay provisions of ₹ 750 Cr as on Dec'20 and created additional overlay provisions in Mar'21 to the tune of ₹ 350 Cr to support possible uncertainties that could arise due to the second wave, taking the total management overlay to Rs 1100 cr. Of this, management overlay of ₹ 400 Cr was reversed during the quarter ended June 2021. This release was towards

- a. additional provisions which were made in Stage 1 in Mar'21 and where the customer continued to be in Stage 1 in Jun'21, without downgrade to subsequent stage.
- b. additional provisions held in Mar'21 which were in Stage 1 and 2 in Mar'21 and moved into Stage 3 in Jun'21, on which higher provisions as per regular Stage 3 norms had been created.

Post this reversal of ₹ 400 crs, CIFCL still maintains a management overlay of ₹700 Cr in Stage 2 and Stage 3 to manage any future contingencies.

Chola has witnessed a recovery in disbursements and collections during the latter part of June 2021, post relaxation of state wise lockdowns. We expect a gradual revival in subsequent quarters in FY 22 with normalization and rollbacks of accounts which moved to higher buckets.

### **Performance Highlights:**

Particulars	Rs in Cr		
	Q1 FY-21	Q1 FY-22	Growth (Y-o-Y)
<b>Disbursements</b>	<b>3,589</b>	<b>3,635</b>	<b>1%</b>
<b>AUM</b>	<b>70,826</b>	<b>75,763</b>	<b>7%</b>
Total Income	2,114	2,467	17%
Finance Cost	-1,131	-1,104	-2%
<b>Net Income Margin</b>	<b>983</b>	<b>1,363</b>	<b>39%</b>
Total Expenses	-346	-371	7%
<b>PROP(Pre Provision Operating Profit)</b>	<b>637</b>	<b>993</b>	<b>56%</b>
Loan Losses	-56	-552	883%
<b>Profit Before Tax</b>	<b>581</b>	<b>441</b>	<b>-24%</b>
<b>Profit After Tax</b>	<b>431</b>	<b>327</b>	<b>-24%</b>

Note: Though Q1 of FY 21 was also impacted by Covid first wave, based on RBI guidelines and Board approved policy, moratorium was offered to more than 75% of our customers. The DPD positions of these customers hence remained static during the moratorium period and Loan Losses were thus minimal in Q1 of last year. In Q1 FY 22, due to second wave and localized lockdowns, there had been roll-forwards to higher buckets and hence a higher NCL, and considering the reasons specified, the quarters are not comparable. This position in Q1 FY 22 is temporary, and we expect the loan losses to get to normal levels in subsequent quarters, as it happened in Q3 and Q4 of FY 21 where the customers started paying up once the lockdown was lifted, and normalcy returned.

- Aggregate disbursements in Q1 FY 22 were at ₹ 3,635 Cr as against ₹ 3,589 in Q1 FY 21, growth of 1%, localized lockdown imposition in various states had hampered the growth in Q1 FY 22.
- Vehicle Finance (VF) business disbursed of ₹ 2,846 Cr in Q1 FY 22 as against ₹ 3,231 in Q1 FY21, registering a decline of 12%.
- Loan Against Property (LAP) business disbursed ₹ 386 Cr in Q1 FY 22, as against ₹ 119 Cr in Q1 FY 21, with a good growth rate of 225%. Previous year Q1 quarter LAP Disbursements was heavily disrupted due to Covid first lock-down.
- Home Loan (HL) business disbursed ₹ 199 Cr in Q1 FY 22, as against ₹ 190 Cr in Q1 FY 21 registering a growth rate of 5%.
- Assets under management as at end of June 2021, grew by 7% at ₹ 75,763 Cr as compared to ₹ 70,826 Cr as at end of June 2020.
- Profits after Tax (PAT) for Q1 FY 22 were at ₹ 327 Cr compared to ₹ 431 Cr in Q1 FY 21, registering a decline of 24%.
- PBT-ROA for Q1 FY 22 was at 2.5% as against 3.5% in previous year quarter Q1 FY 21.
- ROE for the quarter ended June 21 was at 13.5% as against 20.6% in previous year.

- The Company continues to hold strong liquidity position with ₹ 7,917 Cr as cash balance as at end of June 21 (including Rs 1500 Cr invested in Gsec shown under investments), with a total liquidity position of ₹16,417 Cr (including undrawn sanctioned lines). The ALM is comfortable with no negative cumulative mismatches across all time buckets.

### **Asset Quality**

CIFCL asset quality as at end of June 2021, represented by Gross Stage 3 assets stood at 6.79% with a provision coverage of 35.51%, as against 3.34% as at end of June 2020 with a provision coverage of 41.62%. The total provisions currently carried against the overall book is 4.37% as against the normal overall provision levels of 1.75% carried prior to the Covid-19 pandemic.

	Rs in Cr						
	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21
Gross Assets - Stage 3	2,024	2,163	1,996	1,904	2,486	2,705	4,545
Stage 3 Assets to Total Gross Assets	3.54%	3.80%	3.34%	2.98%	3.75%	3.96%	6.79%
ECL Provisions - Stage 3	667	898	831	818	1,082	1,197	1,614
<b>Coverage ratio (%) - Stage 3</b>	<b>32.95%</b>	<b>41.52%</b>	<b>41.62%</b>	<b>42.93%</b>	<b>43.52%</b>	<b>44.27%</b>	<b>35.51%</b>
Gross Assets - Stage 1&2	55,072	54,762	57,777	62,041	63,755	65,579	62,348
ECL Provisions - Stage 1 &2	391	625	607	871	963	1,247	1,313
<b>Coverage ratio (%) - Stage 1&amp;2</b>	<b>0.71%</b>	<b>1.14%</b>	<b>1.05%</b>	<b>1.40%</b>	<b>1.51%</b>	<b>1.90%</b>	<b>2.11%</b>
<b>Total ECL Provision</b>	<b>1,058</b>	<b>1,523</b>	<b>1,437</b>	<b>1,688</b>	<b>2,045</b>	<b>2,444</b>	<b>2,926</b>
<b>Overall Provision Coverage</b>	<b>1.85%</b>	<b>2.68%</b>	<b>2.40%</b>	<b>2.64%</b>	<b>3.09%</b>	<b>3.58%</b>	<b>4.37%</b>

Note: Sep-20 and Dec-20 numbers are before considering Supreme Court Interim orders, which had directed the accounts which were not declared NPA till 31-Aug-2020 shall not be declared as NPA till further orders. This is done to facilitate comparative numbers. The interim order granted stands vacated on March 23 and hence company has continued with the asset classification as per ECL model under INDAS for the quarter and year ended 31<sup>st</sup> March 2021.

Considering the Supreme Court Interim orders directions Stage 3 % for Sep-20 and Dec-20 works out to 2.75% and 2.57% respectively.

### **Capital Adequacy:**

The Capital Adequacy Ratio (CAR) of the company as on 30<sup>th</sup> June 2021, was at 19.08% as against the regulatory requirement of 15%. Tier-I Capital was at 16.60%.