

April 25, 2023

The Secretary
National Stock Exchange of India Limited
Capital Market – Listing, Exchange Plaza, 5th
Floor, Plot No. C/1, G Block, Bandra-Kurla
Complex, Bandra (E), Mumbai 400 051

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

NSE SCRIP CODE: CHOLAFIN EQ

BSE SCRIP CODE: 511243

Dear Sir,

Sub: Press-Release – Maiden NCD Issue Open, Effective Yield Up to 8.40% p.a.

We enclose the press release being made for publication with regard to the company's maiden public issue of secured, rated, listed redeemable non-convertible debentures of the face value of Rs.1,000 each (“**NCDs**”) with a base Issue size of Rs.500 crores with an option to retain any oversubscription up to Rs.500 crores, aggregating up to Rs.1,000 crores within the shelf limit of Rs.5000 crore (“**Tranche I Issue**”).

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

Cholamandalam Finance Maiden NCD Issue Open, Effective Yield Up to 8.40% p.a.##

- Maiden public issue of secured, rated, listed, redeemable non-convertible debentures (“NCDs”) of face value and Issue price of ₹ 1,000 each
- The Tranche I Issue includes a base Issue size of ₹ 500 crores with an option to retain oversubscription up to ₹ 500 crores aggregating up to ₹ 1,000 crores; within a shelf limit of ₹ 5,000 crore
- A.K.Capital Services Limited is the Sole Lead Manager to the Issue.
- NCDs proposed to be issued pursuant to the Tranche I Issue are rated as “IND AA+/Stable” by India Ratings & Research Private Limited and “[ICRA]AA+ (Stable)” by ICRA Limited
- Tenor options: 22 months, 37 months & 60 months with annual and cumulative coupon payment options
- Coupon rate up to 8.40% p.a.# and Effective Yield up to 8.40% p.a.##
- Tranche I Issue opens on Tuesday, April 25, 2023 and closes on Tuesday, May 9, 2023 (with an option of early closure)**
- Allotment on first-come-first-served basis.
- The NCDs are proposed to be listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). NSE Limited is the designated stock exchange for the Tranche I Issue.

For Series V## For Series VI

** The Tranche I Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the Tranche I Prospectus, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or Debenture Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of the Tranche I Issue have been given on or before such earlier or initial date of Tranche I Issue closure. Application Forms for the Tranche I Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Tranche I Issue Period. On the Tranche I Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day after the Tranche I Issue Closing Date. For further details please refer to the chapter titled “Issue Related Information” on page 36 of the Tranche I Prospectus.

Mumbai, April 25, 2023: Cholamandalam Investment and Finance Company Limited (CIFCL), a leading financial services provider in India, has opened its maiden public issue of secured, rated, listed redeemable non-convertible debentures of the face value of Rs. 1,000 each (“NCDs”) with a base Issue size of Rs. 500 crores with an option to retain any oversubscription up to Rs 500 crores, aggregating up to Rs. 1,000 crores, which is within the shelf limit of Rs 5000 crore (“Tranche I Issue”). The Tranche I Issue opened on Tuesday, April 25, 2023 and closes on Tuesday, May 9, 2023 with an option of early closure in compliance with SEBI NCS Regulations.

The NCDs are proposed to be listed on BSE and NSE (“NSE” together with BSE, the “Stock Exchanges”) NSE shall be the Designated Stock Exchange for the Tranche I Issue. The NCDs have been rated “IND AA+/Stable” by India Ratings & Research Private Limited and “[ICRA]AA+ (Stable)” by ICRA Limited.

A.K.Capital Services Limited is the Sole Lead Manager to the Issue. IDBI Trusteeship Services Limited is the Debenture Trustee to the Issue and KFin Technologies Limited is the Registrar to the Tranche I Issue.

The Tranche I Issue offers various series of NCDs for subscription with coupon rates ranging from 8.25% per annum to 8.40% per annum The minimum application size would be ₹ 10,000 (i.e., 10 NCDs) and thereafter in multiples of ₹ 1,000 (i.e. 1 NCD) thereof. The NCDs under the Tranche I Issue are being offered with maturity/tenor options of 22 months, 37 months and 60 months with annual and cumulative payments options across series I, II, III, IV, V and VI. Effective yield (per annum) for the NCD holders in all categories of Investors ranges from 8.25% per annum to 8.40% per annum. Interest payment modes for the NCDs is through various modes

selected by the investors. Amount on Redemption per debenture on maturity for the NCD holders in all Categories of Investors under the cumulative coupon payment option ranges from ₹ 1,156.64 to ₹ 1,497.40 per NCD across various tenures.

As of December 31,2022 the company had 22.70 Lakh Active Customers across India being served by 1,166 branches across 29 states and union territories in India. It has a geographically diversified exposure across North, South, East and West regions, 80% of its branches are located in Tier III, Tier IV, Tier V and Tier VI towns

Its principal businesses include vehicle finance, loan against property and home loans. Additionally it also provides financing to SMEs, Consumer and Small Enterprises. Recently it has forayed into providing secured business and personal loans. CIFCL's Total AUM as on Dec 31, 2022 stood at Rs 95,467 crs.

Out of the Net proceeds of the Tranche I Issue, after meeting the expenditures related to the Tranche I Issue, at least 75% shall be utilised for the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company and up to 25% for general corporate purposes.

The terms of each series of NCDs offered under the Tranche I Issue are set out below:

Series	I	II	III*	IV	V	VI
Frequency of Interest Payment	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative
Minimum Application	₹ 10,000 (10 NCDs) across all Series					
In Multiples of thereafter (₹)	₹ 1,000 (1 NCD)					
Face Value/ Issue Price of NCDs (₹/ NCD)	₹ 1,000					
Tenor	22 months	22 months	37 months	37 months	60 months	60 months
Coupon (% per annum) for NCD Holders in all Categories of Investors	8.25%	NA	8.30%	NA	8.40%	NA
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.26%	8.25%	8.30%	8.30%	8.39%	8.40%
Mode of Interest Payment	Through various modes available					

Series	I	II	III*	IV	V	VI
Redemption Amount (₹ / NCD) on Maturity for NCD Holders in all Categories of Investors	₹ 1,000	₹ 1,156.64	₹ 1,000	₹ 1,279.15	₹ 1,000	₹ 1,497.40
Maturity / Redemption Date (from the Deemed Date of Allotment)	22 Months	22 Months	37 Months	37 Months	60 Months	60 Months
Put and Call Option	Not Applicable					

* Company shall allocate and allot Series III NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series.

Please note that the Basis of Allotment under the Issue will be on the basis of date of upload of each application into the electronic book of the Stock Exchanges in accordance with the SEBI Operational Circular. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis. For further details refer section titled "Issue Procedure" on page 55 of the Tranche I Prospectus dated April 19, 2023.

About Chola

Cholamandalam Investment and Finance Company Limited (Chola), incorporated in 1978 as the financial services arm of the Murugappa group. Chola commenced business as an equipment financing company and has since expanded its operations to offer vehicle finance, loan against property, home loans, loans to small and medium-sized enterprise, consumer and small enterprise loans and secured business and personal loans. As of December 31, 2022, it had 1,166 branches across 29 States and Union Territories in India with assets under management above INR 1 Lakh Crores as of FY 2023. The subsidiaries of Chola are Cholamandalam Securities Limited, Cholamandalam Home Finance Limited and Payswiff Technologies Private Limited. As of December 31, 2022, we had 22.70 lakhs active customers across India.

For more details, please visit www.cholamandalam.com

About Murugappa Group

Founded in 1900, the INR 547 Billion (INR 54,722 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 29 businesses including ten listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., CG Power and Industrial Solutions Ltd., Cholamandalam Financial Holdings Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd. and Wendt (India) Ltd.

The Group holds leadership position in several product lines including Abrasives, Technical Ceramics, Electro Minerals, Auto Components & Systems, Power Conversion Equipment, Transformers & Reactors for the Power T&D segment, Solutions for Railways in Rolling Stock & Signalling Equipment, Bicycles, Fertilisers, Sugar, Tea and Spirulina (Nutraceuticals). The Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Rhodius, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 59,000 employees.

For more details, visit www.murugappa.com

Disclaimer: CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED ("Company"), subject to market conditions and other considerations is proposing a public issue of Secured, Rated, Listed, Redeemable Non-Convertible Debentures of face value of Rs. 1,000 each ("NCDs") and has led the Shelf Prospectus dated April 19, 2023 (the "Shelf Prospectus") and the Tranche I Prospectus dated April 19, 2023 (the "Tranche I Prospectus") with the Registrar of Companies, Tamil Nadu at Chennai, National Stock Exchange of India Limited, BSE Limited and SEBI. The Shelf Prospectus and the Tranche I Prospectus are available on the Company's website www.cholamandalam.com; on the website of the stock exchanges at www.nseindia.com and www.bseindia.com; on the website of SEBI at www.sebi.gov.in and the website of the lead manager at www.akargroup.co.in. Investors proposing to participate in the Tranche I Issue, should invest only on the basis of the information contained in the Shelf Prospectus and the Tranche I Prospectus. Investors should note that investment in this Public Issue of NCDs involves a high degree of risk and for details relating to the same, please refer to the Shelf Prospectus and the Tranche I Prospectus and your attention is drawn to the section on "Risk Factors" beginning on page 15 of the Shelf Prospectus.

LISTING: The NCDs proposed to be offered in pursuance of the Tranche I Prospectus will be listed on the BSE and NSE. The Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number DCS/BM/Pi-BOND/002/23-24 dated April 13, 2023 and from NSE by way of its letter bearing reference number NSE/LIST/D/2023/0090 dated April 13, 2023. The application for listing of the NCDs will be made to the Stock Exchanges at an appropriate stage. If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchanges, the Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Tranche I Prospectus. The Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days from the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

GENERAL RISKS: Investment in debt securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under "Risk Factors" on page 15 of the Shelf Prospectus and "Material Developments" on page 227 of the Shelf Prospectus and page 35 of the Tranche I Prospectus. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the debt securities or investor's decision to purchase such securities. The Tranche I Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), RoC or any stock exchange in India nor do they guarantee the accuracy or adequacy of this document.

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be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. The Rating Agency shall neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act, 2013. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

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Allotments on first come first serve basis:

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first serve basis, based on the date of upload of each Application in to the Electronic Book with Stock Exchanges in accordance with the SEBI Operational Circular, in each Portion subject to the Allocation Ratio indicated in the Tranche 1 Prospectus. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis. For further details refer section titled "Issue Procedure" on page 55 of the Tranche I Prospectus dated April 19, 2023.

For further information contact:

Mohamed Cholamandalam Investment & Finance Company Ltd Ph: +91 44 4090 7252	Ameya Gore/Vijay Shekhar Concept Public Relations M: +91 9769251999/+91 97890 52198
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