Chola
Financial Holdings



Building On Strengths

75 YEARS

CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED

ANNUAL REPORT 2023-24

About Murugappa Group

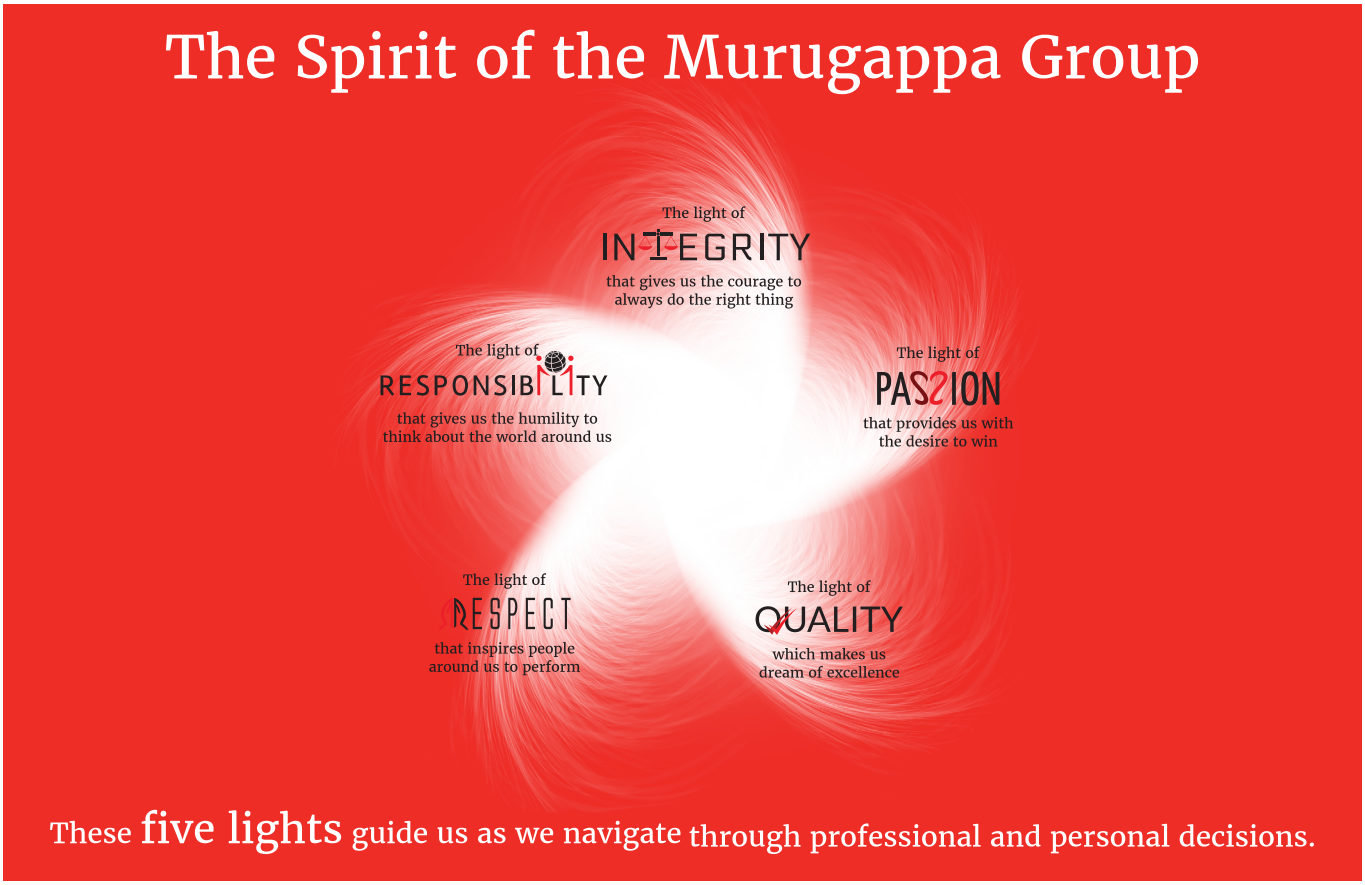
A 123-year-old conglomerate with presence across India and the world, the INR 742 billion Murugappa Group has diverse businesses in agriculture, engineering, financial services and more.

The Group has 9 listed companies under its umbrella — Carborundum Universal Limited, CG Power & Industrial Solutions Limited, Cholamandalam Financial Holdings Limited, Cholamandalam Investment & Finance Company Limited, Cholamandalam MS General Insurance Company Limited, Coromandel International Limited, EID Parry (India) Limited, Shanthi Gears Limited, Tube Investments of India Limited and Wendt India Limited. Brands such as Ajax, Hercules, BSA, Montra, Montra Electric, Mach City, Gromor, Paramfos, Parry's are part of the Group's illustrious stable.

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

Guided by the five lights — integrity, passion, quality, respect and responsibility — and a culture of professionalism, the Group has a workforce of over 73,000 employees.

For more details, visit https://www.murugappa.com



Building on Strengths

A significant pillar of our success has been the strength and synergy of our key business entities. Each of our business plays a crucial role in reinforcing our market position and driving innovation. At Cholamandalam Financial Holdings, we continue to harness the collective strengths of our group entities to drive innovation, optimise resources and create value.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. M M Murugappan, Chairman
Mr. B Ramaratnam, Independent Director
Mrs. Vasudha Sundararaman, Independent Director
Mr. K Balasubramanian, Independent Director
Mr. Vellayan Subbiah, Non-Executive Director
Mr. Sridharan Rangarajan, Non-Executive Director

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. B Ramaratnam, Chairman
Mrs. Vasudha Sundararaman
Mr. K Balasubramanian
Mr. Sridharan Rangarajan

NOMINATION & REMUNERATION COMMITTEE

Mrs. Vasudha Sundararaman, Chairperson
Mr. M M Murugappan
Mr. K Balasubramanian

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. M M Murugappan, Chairman
Mr. B Ramaratnam
Mr. Sridharan Rangarajan

RISK MANAGEMENT COMMITTEE

Mr. M M Murugappan, Chairman
Mr. B Ramaratnam
Mr. Sridharan Rangarajan
Mr. N Ganesh

MANAGER & CHIEF FINANCIAL OFFICER

Mr. N Ganesh

SECRETARY

Mrs. E Krithika

AUDITORS

M/s. Sharp & Tannan Associates
Chartered Accountants
87, Nariman Bhavan, 227, Nariman Point,
Mumbai - 400 021
Phone: 022 6153 7500/2202 2224/2202 8857

REGISTERED OFFICE

'Dare House', No. 234, NSC Bose Road,
Chennai - 600 001, Tamil Nadu
Phone: 044-42177770-5/40907638; Fax: 044-42110404
E-mail : investorservices@cfhl.murugappa.com
Website: www.cholafhl.com

CORPORATE IDENTIFICATION NUMBER

L65100TN1949PLC002905

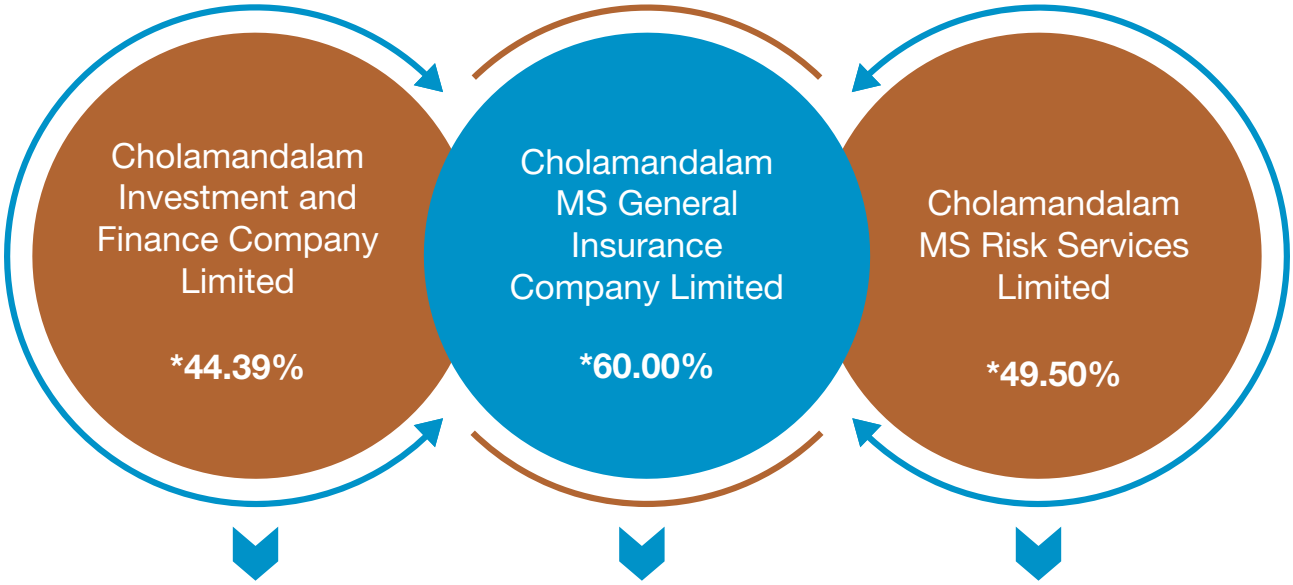
REGISTRAR & SHARE TRANSFER AGENT

KFIN Technologies Limited
Selenium Building, Tower - B, Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana, India - 500 032
Phone : 040-6716 2222; Toll free : 1800-309-4001
E-mail : einward.ris@kfintech.com
Website : https://ris.kfintech.com/
Contact Person: Mr. Rajkumar Kale,
Assistant Vice President - Corporate Registry

Cholamandalam Financial Holdings Limited

ABOUT US

Cholamandalam Financial Holdings Limited ('CFHL') incorporated in 1949, is a part of the Murugappa Group, one of the most diversified business conglomerates of India. CFHL is a Non-Deposit taking Systemically Important Core Investment Company registered with RBI and falls under the category of Middle Layer NBFC under the Scale Based Regulations of RBI. The Company holds substantial investments in group companies and offers a diverse range of financial products and risk management services to individual and corporate customers through its group companies.



- Listed Company and an NBFC registered with RBI and categorised as an Upper Layer NBFC
- Offers - Vehicle Finance, Loan against Property, Home Loans and other Secured/Unsecured Loans
- Stock broking and distribution of financial products through Subsidiary Companies

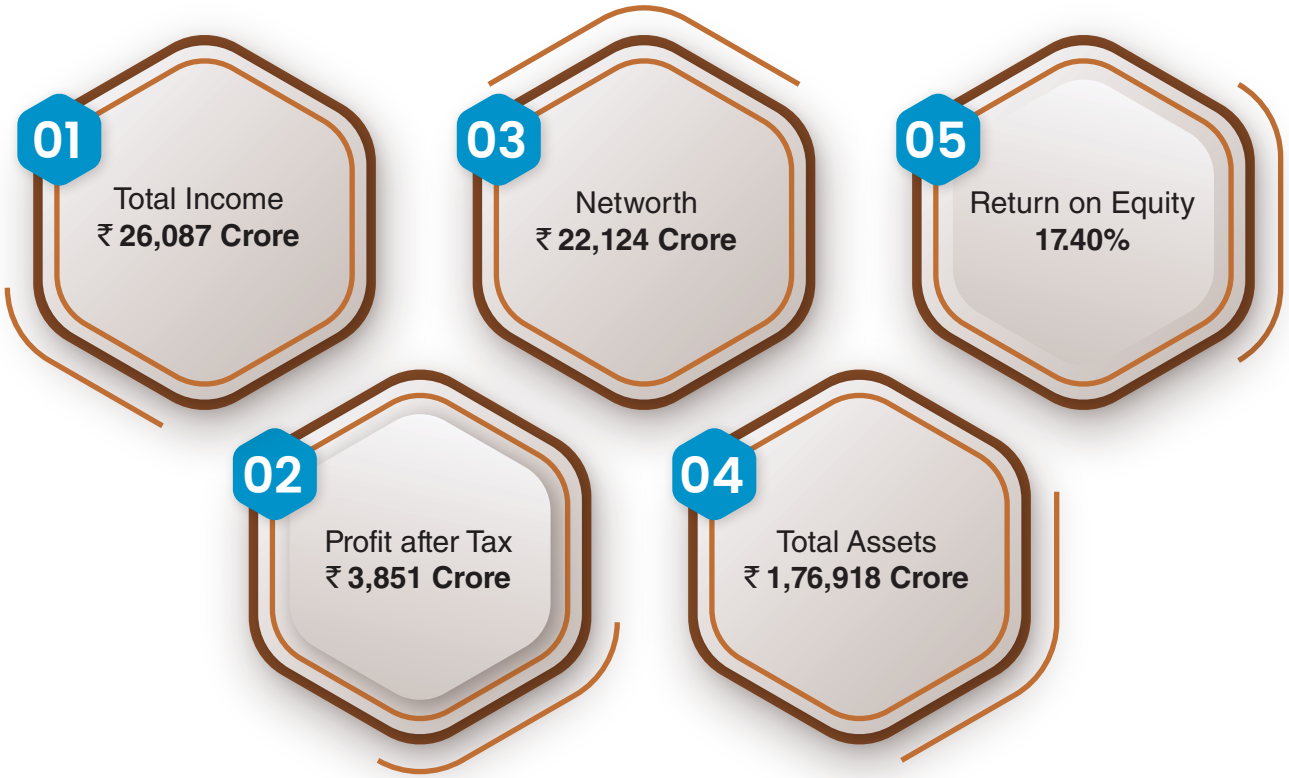
- Debt Listed Company - JV with Mitsui Sumitomo Insurance Group, Japan
- Registered with IRDAI as a general insurer
- Retail - Motor, Accident, Health, Home Insurance
- Commercial - Property, Engineering, Marine, Liability and Group Accident & Health Insurance

- A JV with Mitsui Sumitomo Insurance Group, Japan
- Offers Risk Management and Engineering Solutions - Environment, Health and Safety

** CFHL's stake in the entity*

Cholamandalam Financial Holdings Limited

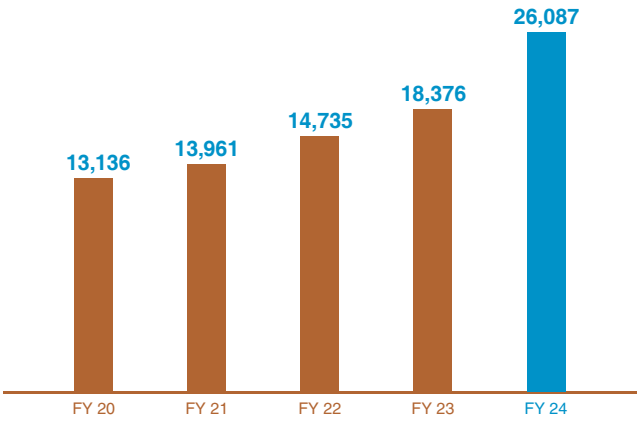
CONSOLIDATED FINANCIAL HIGHLIGHTS 2023-24



Cholamandalam Financial Holdings Limited

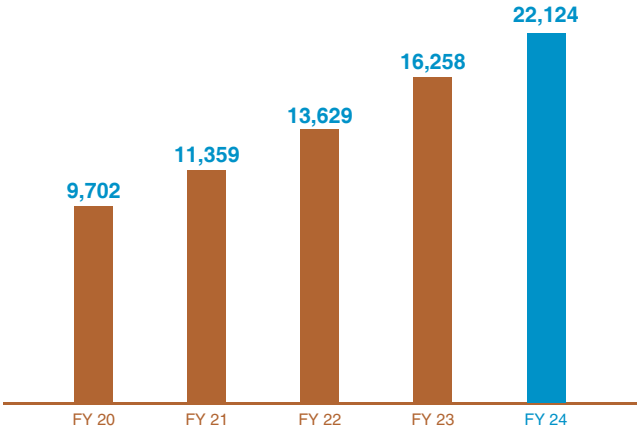
Total Income

(₹ in Crore)



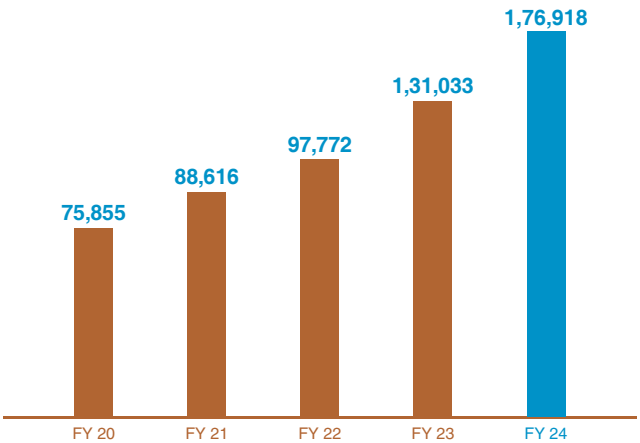
Networth

(₹ in Crore)



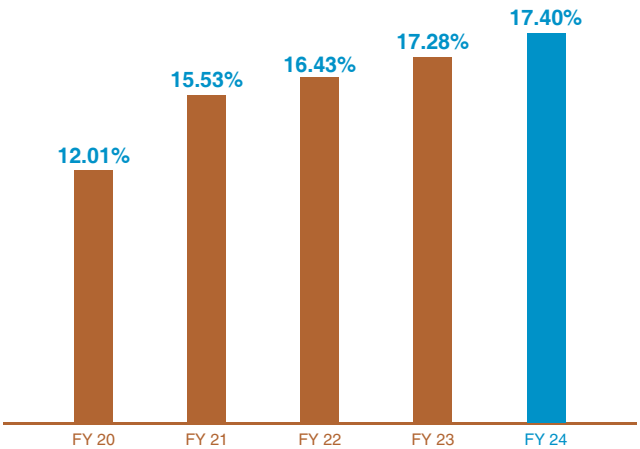
Total Assets

(₹ in Crore)



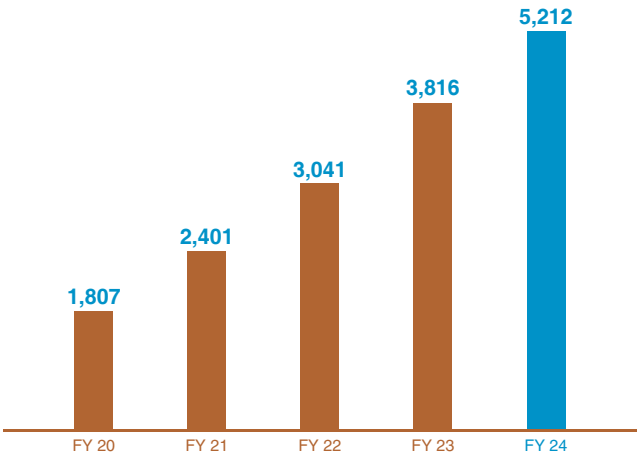
Return on Equity

(in %)



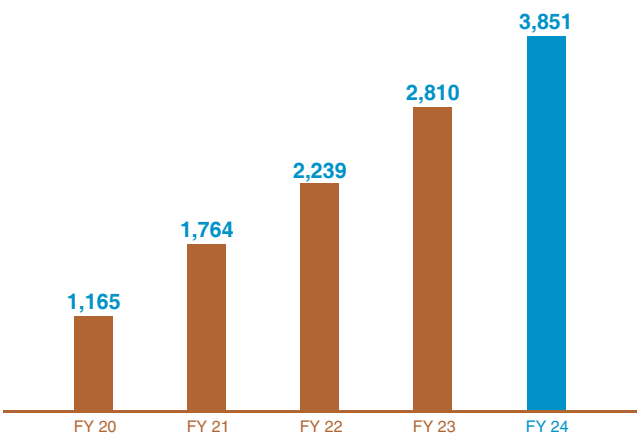
Profit before Tax

(₹ in Crore)



Profit after Tax

(₹ in Crore)



Cholamandalam Investment and Finance Company Limited

PRODUCTS & SERVICES

- COMMERCIAL VEHICLE LOANS
- PASSENGER VEHICLE LOANS
- TWO WHEELER LOANS
- THREE WHEELER LOANS
- TRACTOR LOANS
- CONSTRUCTION EQUIPMENT LOANS
- LOAN AGAINST PROPERTY
- HOME LOANS
- SME LOANS
- CONSUMER & SMALL ENTERPRISE LOAN
- SECURED BUSINESS & PERSONAL LOAN
- Chola | Securities — Enter a better life — STOCK BROKING
- Payswiff — SUCCESS, CREDITED. — OFFLINE PAYMENT AGGREGATOR
- Gaadi Bazaar.in — USED VEHICLE MARKETPLACE

Cholamandalam Investment and Finance Company Limited



36 lakh + Customers

Helping customers enter a better life

3.5 lakh customers in year 2010 to 36.4 lakh plus customers till date



54,000 + Employees

Experienced team to serve more customers

980 plus employees in year 2010 to 54,000+ employees today



₹ 1.5 lakh Cr. Total AUM

Healthy pre-tax ROA of 3.4%

PAT – 15-year CAGR of 48% from FY10 to FY24



₹ 97k+ Cr. Market Cap

Rapid market cap growth

From ₹ 623 Cr. in year 2010 to ₹ 97k+ Cr. in 2024



1387 Branches

Strong geographical presence

Across 26 states / 6 Union Territories 90% presence across tier III—VI towns



Diversified product portfolio

- Presence across Vehicle Finance loans, Loan Against Property, Home Loans, Consumer loans, Personal loans, SME Loans, Stock broking & distribution of financial products.



Experienced management

- Experienced management team with relevant industry experience
- Significant synergies with Murugappa group, deriving operational and financial benefits

Note: Employee count includes both on-roll and off-roll

Cholamandalam Investment and Finance Company Limited

FINANCIAL HIGHLIGHTS 2023-24

01 Total Disbursements **₹ 88,725 Crore**

02 Assets under Management(AUM) **₹ 1,53,718 Crore**

03 Total Income **₹ 19,216 Crore**

04 Profit After Tax **₹ 3,423 Crore**

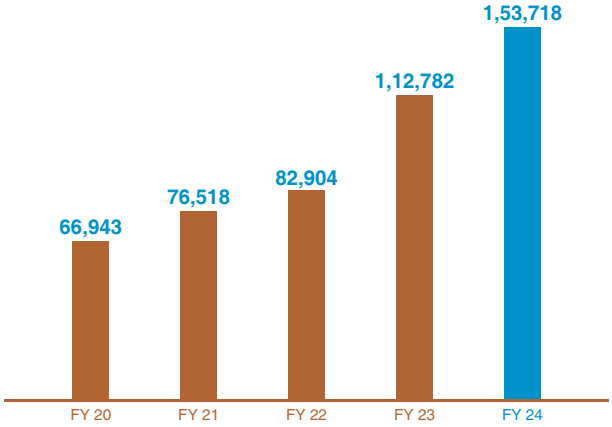
05 Loan Losses & Provisions **1.00%**

06 Capital Adequacy Ratio **18.57%**

Cholamandalam Investment and Finance Company Limited

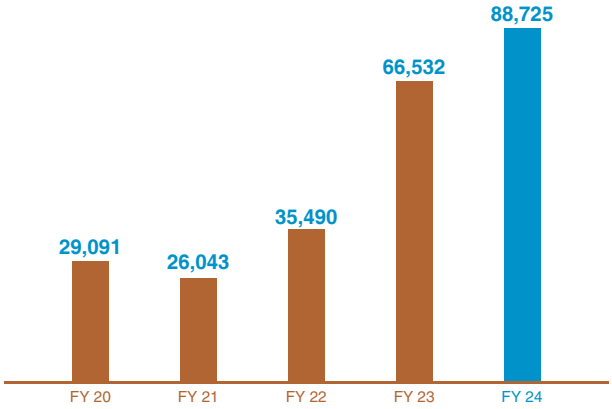
AUM

(₹ in Crore)



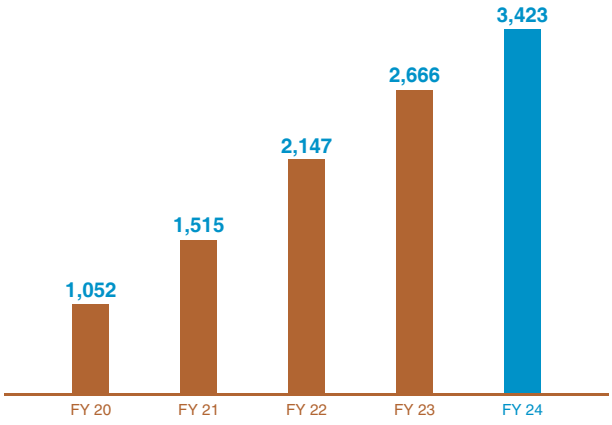
Disbursements

(₹ in Crore)



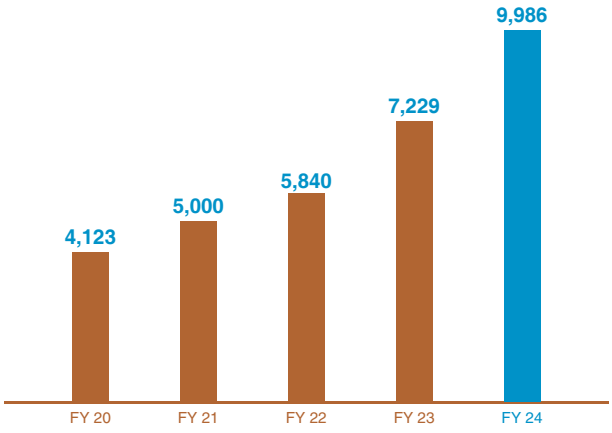
Profit After Tax

(₹ in Crore)



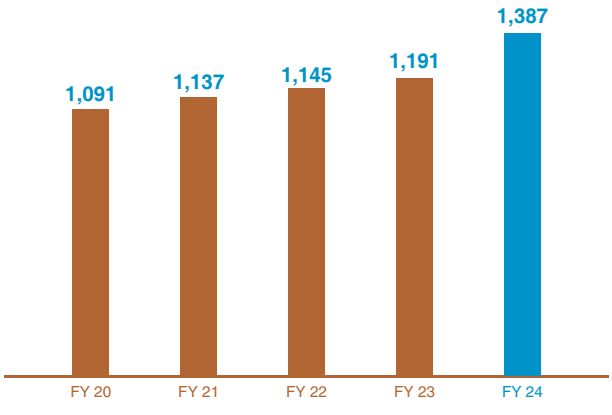
Net Income Margin

(₹ in Crore)



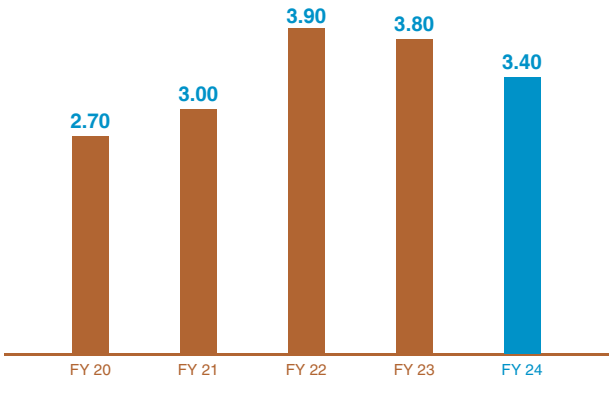
Branch Network

(in nos.)



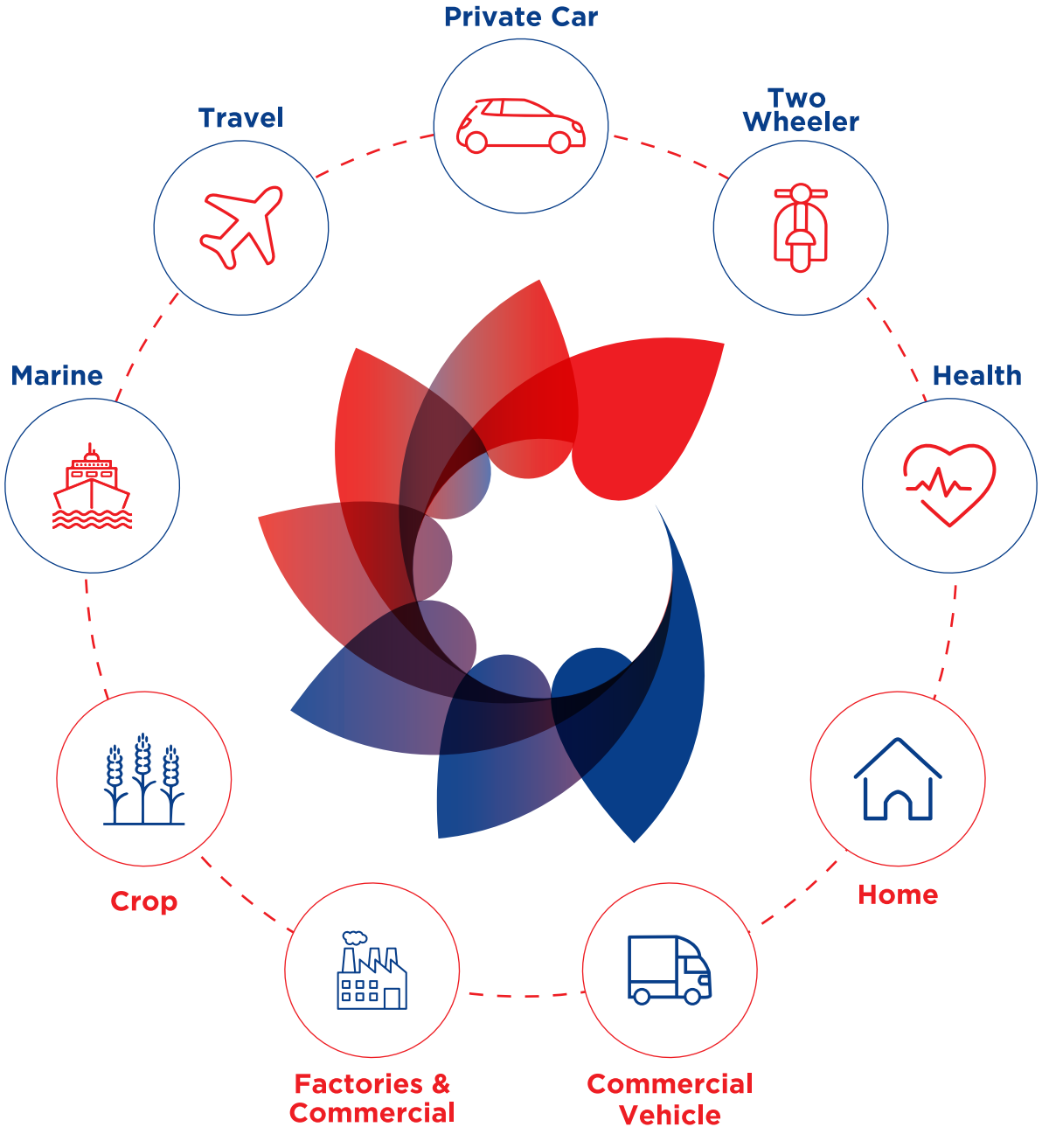
PBT - ROTA

(in %)



Cholamandalam MS General Insurance Company Limited

INSURANCE PRODUCTS



Cholamandalam MS General Insurance Company Limited



BUSINESS HIGHLIGHTS

- Solvency ratio of 1.79 times as against regulatory minimum of 1.50 times
- 16.46 million policies + certificates issued
- Serviced 0.60 million claims
- Wide product portfolio with comprehensive channel mix
- Credit rating of ICRA AA, CRISIL AA with a stable outlook for Non-Convertible Debentures issued
- ISO certified processes for:
  - Risk Management in General Insurance
  - Processing of Motor Vehicle Insurance Claims
  - Processing and settlement of Health Claims through Chola MS HELP
  - Processing and settlement of Commercial Claims
  - Provision of Investigation Process for Claims Settlement
  - Provision of Customer Relationship Management through Voice Support, Claim Support and Grievance Redressal
- PAN-India presence with more than 150 branches
- PAN India network of 12,000+ cashless hospitals
- PAN India network of 15,000+ cashless garages

Cholamandalam MS General Insurance Company Limited

FINANCIAL HIGHLIGHTS 2023-24

Gross Written Premium **₹ 7,542** Crore

Net Worth **₹ 2,462** Crore

Profit after Tax **₹ 441** Crore

Total Assets **₹ 20,783** Crore

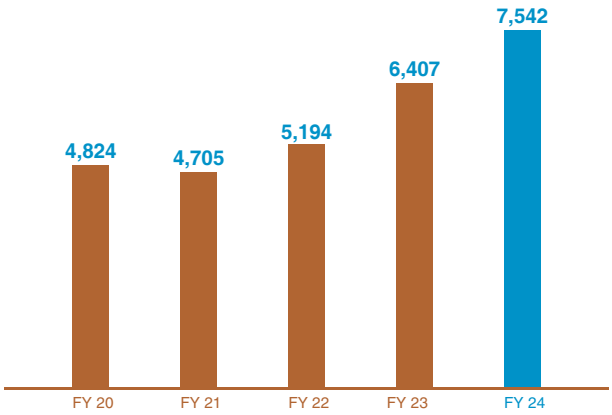
Investment Portfolio **₹ 16,538** Crore

**Figures reported are as per Ind-AS.*

Cholamandalam MS General Insurance Company Limited

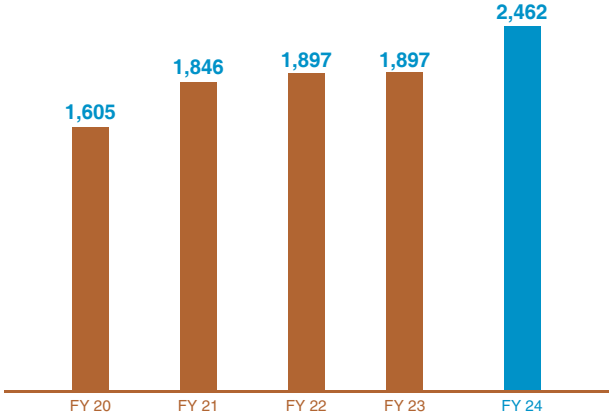
Gross Written Premium

(₹ in Crore)



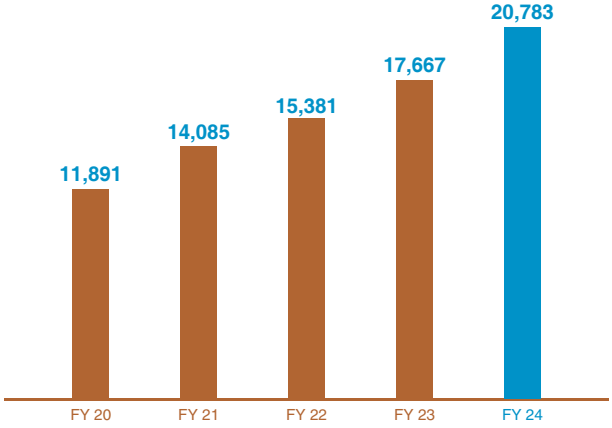
Networth

(₹ in Crore)



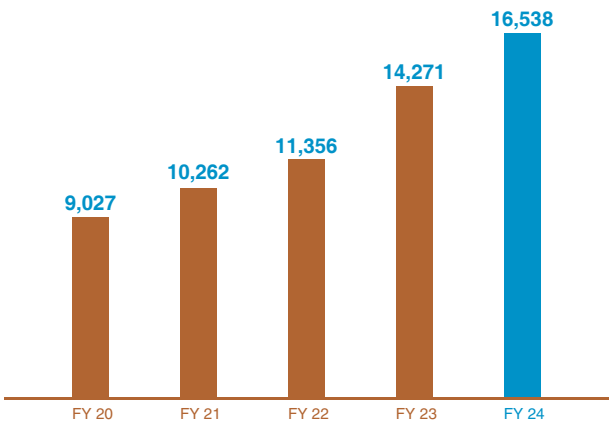
Total Assets

(₹ in Crore)



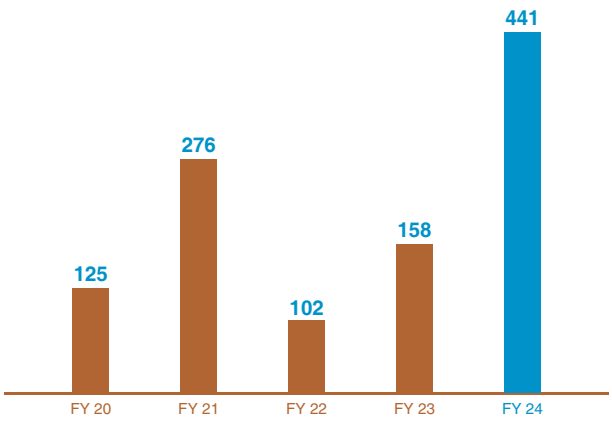
Investment Portfolio

(₹ in Crore)



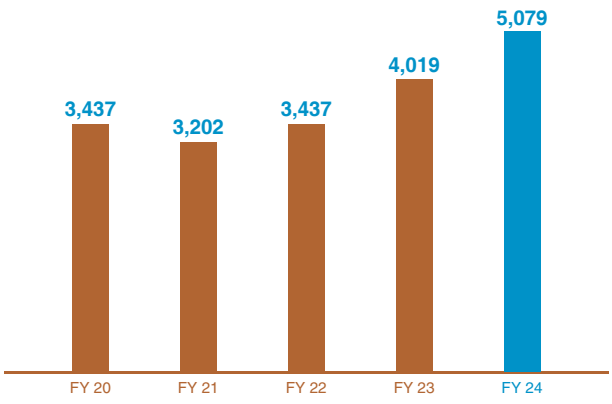
Profit after Tax

(₹ in Crore)



Net Earned Premium

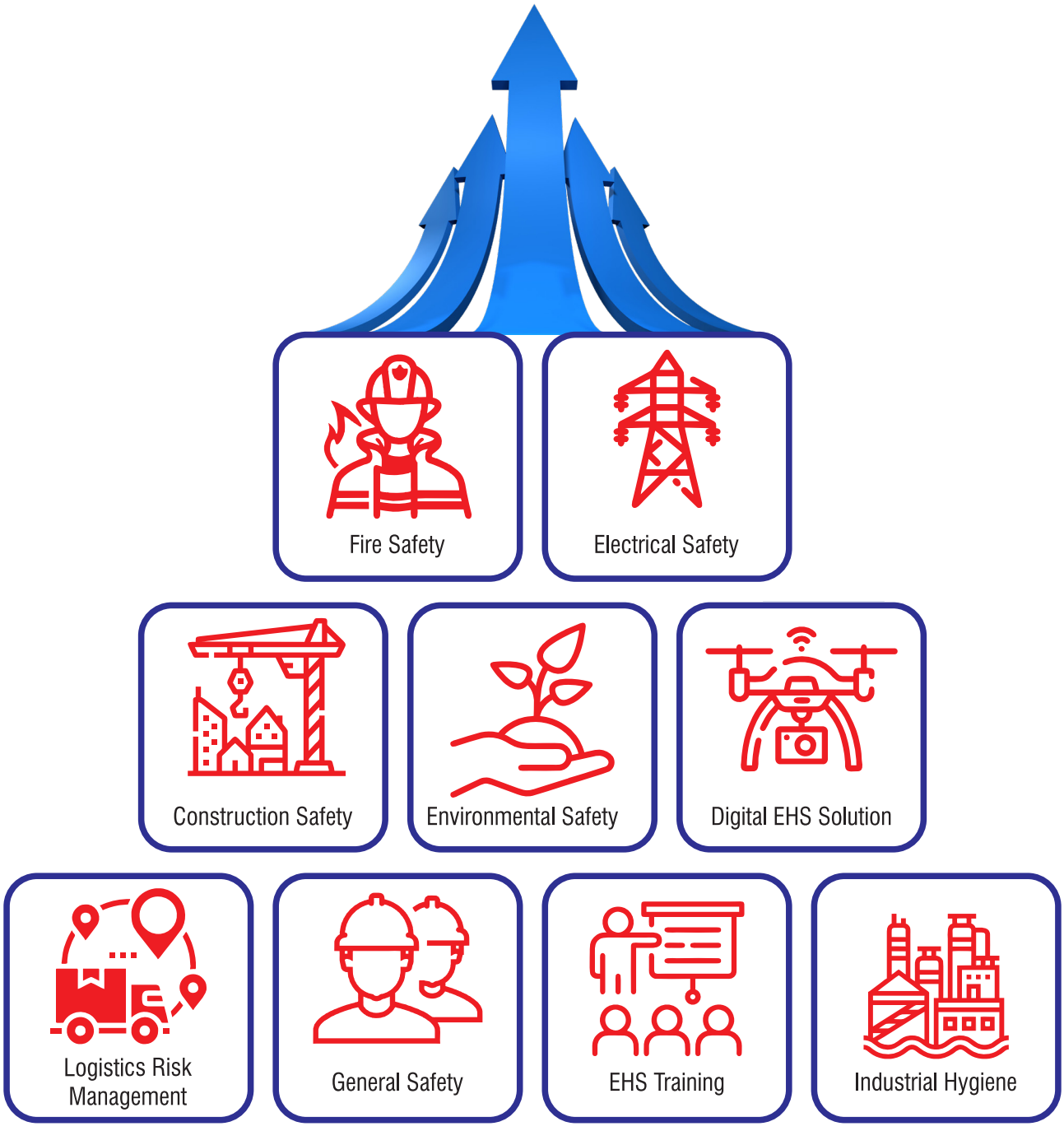
(₹ in Crore)



Figures reported are as per Ind-AS.

Cholamandalam MS Risk Services Limited

SERVICES OFFERED



Cholamandalam MS Risk Services Limited

FINANCIAL HIGHLIGHTS 2023-24



Business Highlights

- Services expanded by launching strategic projects in hydrogen safety, BRSR, and other sustainability services, and has executed projects in respective areas.
- Expanded its presence to around 100 locations across the country including resources deployed at various client project sites.
- Deepened partnerships with key allies like Inogen, BPC, and EIC-Dubai and strengthened ties with JV partner MS&AD.
- Took significant steps towards digitalization by signing agreements with MapMyIndia, Denxpert, and Crion Technologies.
- Crossed 430 resources mark backed by a strong technical team of multidisciplinary and certified professionals having exposure to domestic and international markets.

Message from the Chairman



Dear Shareholders,

Your Company celebrates its 75th anniversary this September. Over the decades, it has evolved from a manufacturing entity to an investment company, marking a significant transformation. Established in 1949 as 'TI Cycles of India Limited', in collaboration with Tube Investments Limited, UK, the then world's largest manufacturer of bicycles, the journey has been characterised by a series of strategic acquisitions and mergers. These moves expanded the Company's footprint in diverse segments including bicycles, engineering and metal formed products. Following the merger of 'Tube Products of India Limited' with the Company, it was renamed as 'Tube Investments of India Limited' in 1959.

After a successful foray in manufacturing business, your company ventured into financial services by acquiring major stake of Cholamandalam Investment and Finance Company in 2001 and in the same year, established its insurance business. In the year 2003, it entered joint venture with Mitsui Sumitomo Insurance, Japan holding stake in Cholamandalam MS General Insurance and Cholamandalam MS Risk Services.

FY 2017 marked a major structural shift for the Company which led to the demerger of manufacturing business and retention of financial services business by the Company. This strategic move brought a sharper business focus and helped realize maximum potential, thereby unlocking value for the stakeholders. As part of the demerger scheme, your Company was rechristened as 'TI Financial Holdings Limited' and then in 2019 renamed as 'Cholamandalam Financial Holdings Limited' to better reflect its business activities.

This milestone is not just a testament to our endurance but also a reflection of values and commitment that have guided us since inception. As we reflect on this journey, we honour the legacy of our founders and all individuals who have contributed to our growth.

On this note, it gives me immense pleasure to share the performance highlights of your Company and its group entities in FY 24.

India continued to be one of the few major economies demonstrating a strong growth of 8% in FY 24 amid challenging global conditions characterised by inflationary pressures, supply chain disruptions, and heightened geopolitical tensions.

Against this economic landscape, Cholamandalam Financial Holdings and its group entities delivered well in FY 24. Your Company ended the year with a consolidated income of ₹28,087 Crore, a growth of 42% compared to the previous year and a consolidated profits before tax of ₹5,212 Crore, 37% growth over the previous year. We have repaid all outstanding borrowings this year and the Company is now debt free. Strong execution by our leadership teams across key businesses have helped to successfully scale up the Company's performance

with improved profitability. I take this opportunity to acknowledge their efforts and commitment. Your Company has been consistent in sharing the benefits of improved performance with the shareholders. I am glad to inform you that the Board of Directors have proposed a dividend of 55% for FY 24.

The Indian financial services industry has displayed remarkable resilience over the last decade. In a dynamic market scenario, both NBFC and insurance sectors have undergone substantial transformation largely driven by enhanced financial inclusion, conducive policy environment and digital adoption. Your Company's NBFC subsidiary, Cholamandalam Investment and Finance Company (CIFCL) delivered yet again a stellar performance in terms disbursals, collections and profitability. CIFCL continually monitored risks and maintained a healthy ALM with its Total Assets under Management (AUM) crossing the ₹1.5 Lakh Crore mark in FY 24. Leveraging the industry growth, the company improved market share across its product segments. To augment capital adequacy for its growing balance sheet and enhanced regulatory requirements, CIFCL completed a composite QIP issue of equity shares and CCDs (Compulsory Convertible Debentures) aggregating to ₹4,000 Crore during the year.

On the insurance front, the non-life insurance industry offers considerable scope for insurance penetration given the fact that insurance penetration still languishes at about 1%. The insurance regulator has been steadfast in making the clarion call for insurance penetration and introducing reforms aimed at providing freedom to insurers in terms of products, shift to principle-based supervision, emphasis on policy holders' servicing and protection etc. CFHL's insurance subsidiary, Cholamandalam MS General Insurance has grown well in FY 24 by continuing to add to its business partners, re-entering the crop space, enhancing its retail customer base and diversifying its product mix. The company has grown its top-line, contained its underwriting losses and with higher investment income, enhanced its return to shareholders.

Cholamandalam MS Risk Services (Chola Risk), a JV company offering safety and environment engineering solutions, strengthened its order book by bagging new contracts aggregating to ₹100 Crore during the year. The company expanded its service offering by launching strategic projects in hydrogen safety and other sustainability services during the year. The company looks forward to diversifying its services into emerging areas viz., Ethanol, Biological Safety, Biodiversity, and Climate & Water Risk Assessments.

Aligned with technological and digital advancements, the businesses continued to innovate with new digital capabilities for enhancement of product offerings and operational efficiencies. Your Company stays committed to making a positive impact on society. Through the subsidiaries, we have initiated CSR activities in the areas of health, education, sports, environmental sustainability and community development during the year. We continued to incorporate environmental, social and governance principles in our operations. Our efforts towards community development and employee well-being reflect our commitment in creating sustainable long-term value for all stakeholders.

As the global economy recovers steadily, we look forward for an optimal environment to continue in the current year too supported by strong Government fundamentals and private demand. We remain committed to optimise resources, accomplish business specific priorities and deliver unparalleled customer satisfaction.

The Board plays a vital role in shaping and embedding the right corporate culture to progress our purpose. My colleagues on the Board have always been a great source of encouragement and support. I would like to thank them for their consistent counsel and guidance. I also thank and appreciate our Auditors, M/s Sharp & Tannan Associates for their oversight in upholding the standards of governance in the Company.

Before I conclude, I take this opportunity to extend my gratitude to all our stakeholders - regulators, business partners, shareholders and valuable customers for their unwavering support and patronage. My appreciation and best wishes to all our employees for their dedication and valuable contribution in driving the Company to reach greater heights.

Best Regards,
M M Murugappan

BOARD OF DIRECTORS



Mr. M M Murugappan
Chairman & Non-Executive Director
DIN: 00170478 ; 68 years

- Holds a Bachelor's degree in Chemical Engineering from the University of Madras and a Master's degree in Chemical Engineering from the University of Michigan, USA;
- Has over four decades of experience in diverse areas including strategy & business development, technology and human resources;
- Is the Non-Executive Chairman of Carborundum Universal Limited, Cholamandalam MS General Insurance Company Limited, Cyient Limited, Murugappa Water Technology and Solutions Private Limited and the Chairman of the Board of Governors of IIM Indore;
- Is a Board member of IIT Madras Research Park and Ambadi Investments Limited;
- Was elected as a fellow member of the Indian Ceramic Society and is also a member of the American Institute of Chemical Engineers and the Indian Institute of Chemical Engineers, Plastics & Rubber Institute;
- Is a trustee of the Murugappa Group's AMM Foundation, actively involved in the foundation's activities in the area of education, health care, etc.;
- Has been a Non-Executive Director of the Company since November 2017. Prior to that had served the Board of the Company as a Non-Executive Director from March 2002 till July 2017.



Mr. B Ramaratnam
Independent Director
DIN: 07525213 ; 69 years

- Graduated from the University of Mumbai and is a member of the Institute of Chartered Accountants of India;
- Has experience in the areas of statutory and internal audit, due diligence, SOX compliance and other professional services;
- Has worked for PricewaterhouseCoopers, A.F.Ferguson and Deloitte Haskins & Sells where he was a partner till 2015;
- During his long career, has serviced national and multinational clients from diverse sectors such as manufacturing, trading, software, time-share, real estate, financial services, pharma, engineering, construction services, etc.;
- Is a Board member of Redington Limited, ProConnect supply chain solutions Limited and Redserv Global Solutions Limited;
- Joined the Company's Board in March 2019.



Mrs. Vasudha Sundararaman
Independent Director
DIN: 06609400 ; 66 years

- Is a B.Sc (Zoology) graduate from Stella Maris College, Chennai, M.Sc (Zoology) from the Madras University and a Certified Associate of Indian Institute of Bankers;
- Joined State Bank of India as a probationary officer in 1981 in Delhi and retired in November 2017 as Chief General Manager;
- Has lengthy experience in grass-root, retail aspects of banking for close to 20 years as Branch Head, Head of Personal Banking Division, NRI Division and retail processing;
- Was actively involved in implementation of various projects of the bank aimed at impacting the employees and individual customers of the Bank;
- Is a Board member of Rane (Madras) Limited and Rane Engine Valve Limited. Has served as the Managing Director and Chief Executive Officer of SBI SG Global Securities Services Pvt. Limited, a JV between SBI and Societe Generale for over four years prior to retirement;
- Joined the Company's Board in February 2020.

BOARD OF DIRECTORS



Mr. K Balasubramanian
Independent Director
DIN: 00137260 ; 69 years

- Is a Science graduate and a member of the Institute of Chartered Accountants of India;
- Has over four decades of experience in finance, risk management, strategic investments and treasury;
- Has served as the CFO of listed entities and played a pivotal role in divestments and acquisitions of domestic and international businesses;
- Is a Board member of Fairmeans Investments Private Limited;
- Has wide experience in sourcing domestic and international finance, simplification of business processes and strengthening of internal controls;
- Was associated with PricewaterhouseCoopers, Africa for four years as a senior consultant during his early phase of career;
- Joined the Company's Board in March 2022.

- Holds a Bachelor of Technology degree in Civil Engineering from IIT Madras and a Masters degree in Business Administration from the University of Michigan, USA;
- Has over 27 years of experience in the varied fields of consulting, technology, projects, financial services and engineering in senior positions across different industries including Mckinsey & Company, 24/7 Customer Inc., etc.;
- Is the Chairman of Cholamandalam Investment and Finance Company Limited and CG Power & Industrial Solutions Limited and a director on the Boards of various other companies including SRF Limited and Ambadi Investments Limited;
- Is the Executive Vice Chairman of Tube Investments of India Limited;
- Is a recipient of 'EY World Entrepreneur of the Year 2024' Award, 'EY Entrepreneur of the Year 2023' Award and 'Extraordinary Entrepreneur of the Year - TiECON 2014' Award;
- Joined the Company's Board in November 2020.



Mr. Vellayan Subbiah
Non-Executive Director
DIN: 01138759 ; 54 years



Mr. Sridharan Rangarajan
Non-Executive Director
DIN: 01814413 ; 58 years

- Graduate in Commerce from the Madurai University, a member of the Institute of Chartered Accountants of India, a graduate member of the Institute of Cost Accountants of India and a certified six sigma 'Green Belt', trained 'Process Champion' and 'Black Belt';
- Has over 35 years of experience in finance, manufacturing, service & distribution, banking and contracting industries;
- Has rich multinational and cross-cultural work experience from having worked in companies like ABB, IDBI, LG Electronics, METITO, Trane Inc., USA and Timken;
- Is the Managing Director of Carborundum Universal Limited;
- Is a director on the Boards of various other companies including E.I.D. - Parry (India) Limited, Wendt (India) Limited, Cholamandalam MS General Insurance Company Limited, Parry Agro Industries Limited, Murugappa Morgan Thermal Ceramics Limited and has served as the Chief Financial Officer of the Murugappa Group;
- Joined the Company's Board in August 2018.

Board's Report & Management Discussion and Analysis

Dear Shareholders,

Your Directors take pleasure in presenting the 75th Annual Report together with the audited financial statements of the Company for the financial year ('FY') ended March 31, 2024.

COMPANY OVERVIEW

Cholamandalam Financial Holdings Limited ('CFHL') is primarily an investment company holding investments in its subsidiary/associate/joint venture and other group companies. CFHL is registered as a non-deposit taking Systemically Important Core Investment Company ('CIC') pursuant to the receipt of Certificate of Registration dated January 6, 2020, issued by the Reserve Bank of India ('RBI') under section 45-IA of the Reserve Bank of India Act, 1934. Pursuant to the Scale Based Regulatory Framework for NBFC's notified by RBI, the Company being a CIC falls under the category of Middle Layer NBFC ('NBFC-ML').

CFHL holds substantial investments in the following financial services/risk management companies of the Murugappa Group (hereinafter collectively referred as 'the group companies').

- Cholamandalam Investment and Finance Company Limited ('CIFCL'), a non-banking finance company engaged in lending business offers vehicle finance, home loans, loan against property, SME loans, secured business and personal loans (SBPL), consumer & small enterprises loans (CSEL) and a variety of other financial services to customers;
- Cholamandalam MS General Insurance Company Limited ('CMSGICL'), engaged in general insurance business offers a wide range of insurance products that include Motor, Health, Property, Accident, Engineering, Liability, Marine, Travel and Crop insurance for individuals and corporates;
- Cholamandalam MS Risk Services Limited ('CMSRSL') offers comprehensive Risk Management and Engineering solutions.

MACRO ECONOMIC ENVIRONMENT

Global economy witnessed elevated inflation across various countries in the year 2023. High inflation rates paired with other adverse factors dampened the growth pushing the world economy closer to its pre-pandemic levels. Headwinds from elevated price levels which caused significant strain in consumer demand, weaker trade, and spates of geopolitical tensions in addition to triggering supply chain disruptions tested the resilience of the global economy. With implementation of prudent policy measures, inflation rates have begun to decline and risks to the outlook are becoming more balanced. As per the IMF estimates, global inflation is expected to drop to 5.2% in 2024 from 8.7% in 2022. The global economic outlook is expected to moderate in 2024. With potential upsides to the outlook being faster decline in inflation levels leading to Central banks moving forward with policy easing, slower than assumed withdrawal of fiscal support, recovery in China and supply side reforms. Supply chain disruptions and ongoing geopolitical tensions pose downside risks to the economic growth besides extreme weather-related events. In this context, economists have projected global GDP growth at 3.1% in 2024, the same as in 2023, followed by a slight pick-up to 3.2% in 2025.

Despite the challenging macro environment, the Indian economy has been resilient during the year and maintained its stature as the fastest growing country in the world. The GDP gap, compared with pre-pandemic levels, continues to narrow as the recovery gains momentum. The economic growth in FY 24 was largely driven by strong tax revenue collections, increased government capital spending, firmness in domestic demand amid sustained levels of business and consumer confidence. On the supply side, mining, manufacturing, construction and certain services had a stronger output. Improved domestic and global demands and rising prices led to robust production of several minerals including coal, natural gas, and iron ore. Buoyant automobile sales, growth in passenger traffic, robust GST collections, rising electricity demand all reflect the continuing domestic demand. Strong growth in the manufacturing sector was steered mainly by easing of global commodity prices across energy, metal, and food categories. The agriculture sector contracted on account of uneven and deficient monsoon and is likely to remain subdued while the construction sector gained from infrastructure spending by the Government and buoyant real estate sector. The Consumer Price Index (CPI) based inflation moderated in FY 24 albeit with heightened volatility due to food price shocks.

Against this backdrop, the growth projection for Indian economy in FY 24 stands revised to 8% from the earlier

estimate of 7.2%. GDP growth in the fourth quarter is expected to moderate due to uncertainties related to general elections and modest consumption growth. Inflation and policy rates peaked during the year. The RBI's tighter monetary policy stance has helped to anchor inflation expectations, despite recurrent supply-side shocks. Headline inflation eased to 4.9% in March 2024, aided by lower import price growth and softer input prices, and core inflation stood at 3.2%. Domestic GDP growth is projected @ 6.6% in FY 25 backed by increased household consumption, positive fixed investment prospects, and greater integration into global supply chains aided by government capital expenditure focus, stronger bank and corporate balance sheets and improved business sentiments. Headwinds to the growth outlook include geopolitical tensions, volatility in international financial markets and geoeconomic fragmentation.

STANDALONE FINANCIAL RESULTS

(₹ in Crore)

Particulars	2023-24	2022-23
Total Income	86.00	83.76
Total Expenses	6.99	9.90
Profit Before Tax	**79.01**	**73.86**
Tax Expense	17.29	15.99
Profit for the year	61.72	57.87
Other Comprehensive Income	(0.28)	0.22
Total Comprehensive Income	**61.44**	**58.09**

SHARE CAPITAL

The paid-up equity share capital of CFHL as on March 31, 2024 was ₹18.78 Crore.

DIVIDEND

The Board of Directors have recommended a final dividend at the rate of 55% i.e., ₹0.55/- per equity share of face value of ₹1/- each for the year ended March 31, 2024.

APPROPRIATIONS

The Company has transferred a sum of ₹12.35 Crore (previous year: ₹11.58 Crore) to Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934 for the year ended March 31, 2024.

BUSINESS ENVIRONMENT

CFHL earns revenue primarily by way of dividend income from investments held in group companies. An overview of the financial services sector in which the Company operates along with a business update of group companies in FY 24 is summarised in the following paragraphs.

NBFC Industry & Business Update

India's financial sector is a highly diversified one comprising commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The sector is dominated by banking and non-banking financial companies ('NBFCs') which has witnessed remarkable transformations since its emergence, with segments such as housing finance, microfinance and consumer finance contributing to its expansion. After a moderation in growth post the pandemic, NBFCs are back on track with an expected credit growth of 13~14% in FY 24. The sector has grown significantly, with a number of players with heterogeneous business models starting operations. The increasing penetration of neo-banking, digital authentication, rise of UPI and mobile phone usage as well as mobile internet has resulted in the modularisation of financial services. The growth momentum is expected to continue in the current year also. The outlook for the industry remains positive as the country strides on its growth trajectory leading to higher credit demand. The growth in credit is expected to be broad based across products and segments with key risks being elevated interest rates and inflation.

Cholamandalam Investment and Finance Company Limited ('CIFCL'), an associate company of CFHL, was incorporated in 1978 as the financial services arm of the Murugappa Group. CIFCL is registered with RBI as an NBFC- Investment and Credit Company and is classified as an NBFC in Upper Layer ('NBFC-UL') under the Scale Based Regulatory Framework for NBFCs. The company continues to be one of the leading, comprehensive financial service providers offering vehicle finance, home loans, loan against property, SME loans, secured business & personal loans, consumer & small enterprises loans and a variety of other financial services to customers.

Vehicle Finance ('VF')

CIFCL's Vehicle Finance business comprising diversified portfolio viz., Two-Wheelers, Three-Wheelers, Commercial Vehicles, Passenger Vehicles, Used Vehicles, Tractors and Construction Equipment, continues to be the major segment contributing 58% of its aggregate Assets under Management ('AUM') as of March 31, 2024.

At the industry level, the Indian commercial vehicle ('CV') reported a flat growth in FY 24 after two years of strong growth and a high base effect. The Heavy Commercial Vehicle and Light Commercial Vehicle segment had a growth of 2% and 3% respectively for FY 24 while the Small Commercial Vehicle segment had a 6% de-growth

in FY 24. The growth in commercial vehicle segment is expected to continue at a single digit growth in FY 25. The Passenger vehicle (Car & MUV) segment had a growth 8% in FY 24, driven by replacement demand and the launch of new models especially in the MUV segment. The Two-wheeler industry had a growth of 13% in FY 24 and this segment is expected to grow at a moderate pace in the coming year supported by a recovery in rural demand. The Construction Equipment industry had a growth of 23% in FY 24 driven by an accelerated government spend on infrastructure. There might be a moderation in demand in the near future after two years of double-digit growth. The Tractor industry had a de-growth of 6% in FY 24 due to the high base effect of the previous year. This segment is expected to grow at a modest pace with expectations of normal monsoon and an uptick in rural demand.

The VF business disbursements of CIFCL were at an all time high of ₹48,348 Crore in FY 24 as against ₹39,699 Crore in the previous year with a growth of 22% and profit before tax ('PBT') for the year was ₹2,532 Crore as against ₹2,272 Crore in the previous year, a growth of 11%. The division will focus on increasing its reach in Tier 4 & Tier 5 markets there by de-risking business concentration and enabling better spread of field force for new acquisition of customers, collection coverage and efficiency. Retaining its existing customers through innovative technology and mobile platforms with limited intervention of field force will be a key focus. Analytics-based credit underwriting with pre-approved offers for both new and existing customers will help in faster loan delivery. The business will bring in AI based collection monitoring and digital modes of collection in early buckets to curtail flows and reduce costs. The Gaadi Bazaar platform helps in improving customer experience for all service-related queries, cross sell and vehicle discovery needs.

Loan against Property ('LAP')

The industry size of the Loan Against Property segment stands at around ₹10 lakh Crore. Out of this, NBFCs & HFCs have a market share of 46%. The NBFC LAP portfolio is expected to grow by 21-23% in FY 25 driven by a favourable economic environment and increase in business activities.

Assets Under Management ('AUM') for CIFCL's LAP business grew by 38% to ₹29,859 Crore (previous year: ₹21,588 Crore) and disbursements registered a growth of 46% to ₹13,554 Crore (previous year: ₹9,299 Crore). Pan-India geographical penetration into new markets, introduction of localized credit policy in line with market developments, increased contribution from rural branches have led to this growth. The business continues to focus on a systematic approach to build a healthy portfolio mix, with more than 78% of the portfolio being residential properties and an average loan ticket size of less than ₹50 lakhs. Average Loan-to-Value (LTV) ratio at origination is consciously maintained at 50% levels which provides adequate security cover to the business. The asset quality of this business has shown steady improvement with the net credit losses and stage 3 assets coming down significantly with consistent improvement in collection efficiency. Stage 3 assets of LAP business stand at 2.4% as of March 2024 compared to 4.02% as of March 2023.

Housing Finance

The size of the Affordable Housing Finance segment (AHFC) with an industry size of ₹1 lakh crore continues to deliver a robust growth of 26%. The growth is spurred by government initiatives aimed at achieving "housing for all." AHFCs constitutes 13% of the housing finance industry. This is expected to maintain a healthy growth rate of 12-14% per annum on the back of a revival in demand for affordable housing.

As of March 31, 2024, the HL business had 1.10 lac live accounts (58% growth Y-o-Y) with an AUM of ₹13,404 Crore (59% growth Y-o-Y). 97% of the portfolio is from Tier II, III, IV cities and towns. The disbursements grew by 66% Y-o-Y from ₹3,830 Crore in FY 23 to ₹6,362 Crore in FY 24. The target group remains the lower middle income group customer. The average ticket size is ₹13 lakhs with an average LTV of 50%. 83% of the portfolio comprises business owners with semi-formal income and significant business vintage and 24% of customers are first-time borrowers. The HL business leverages its strength in reaching out and underwriting lower and middle-income borrowers across the country, penetrating to the smallest villages and towns. CIFCL continues to build a strong ecosystem of channel partners, coupled with its digital offerings for customer service and on-boarding making it a trustworthy choice for customers pan India.

Consumer & Small Enterprise Loan ('CSEL')

In the Indian lending market, the personal and professional loans sector stands out as one of the fastest-growing segments. This sector experienced a surge in activity following the pandemic and is expected to further grow. Despite this rapid expansion, there remains a significant portion of individuals in India who lack access to formal sources of credit. In addition, the demand for credit within the MSME sector is consistently increasing year by year. Recognizing this pressing need

for greater financial inclusion in both the consumer and small enterprises sector, CIFCL entered this space in November 2021. Considering the increasing size and scope of digital lending in India and the growth in the consumer durable lending space, the CSEL division added the direct-to-consumer journey and consumer durable lending business to its portfolio. The CSEL division offers collateral-free personal and professional loans to both salaried and self-employed professionals, as well as business loans tailored for small enterprises in the manufacturing, trading, and services sectors. It also offers consumer durable loans for mobile phones.

As of March 31, 2024, the CSEL business has been serving close to 12 lakh customers with an AUM of ₹11,281 Crore. The business has expanded across the country covering 25 states and 4 union territories with over 205 area offices. The division has active strategic partnerships with eight prominent Fintech firms, in order to enhance financial inclusion, particularly among economically active individuals who lack sufficient access to formal credit. The division's primary strengths encompass a transparent end-to-end digital process, an exceptional customer experience journey, robust data-driven underwriting, and risk management capabilities.

Small and Medium Enterprises ('SME')

The Micro Small and Medium Enterprises (MSMEs) sector is a major contributor to the socio-economic development of the country. In India, the sector has gained significant importance due to its contribution to Gross Domestic Product (GDP) of the country and exports. The sector also offers entrepreneurship development especially in semi-urban and rural areas of India. While traditional banks have focused on MSME lending through innovative models such as co-lending, NBFCs have emerged as lenders, growing their MSME loans over three times faster. NBFCs offer custom-fit financing solutions, a major advantage for MSMEs with unique needs.

As of March 31, 2024, the SME business has around 20,000 MSME customers with an AUM of ₹5,000 Crore. The business has expanded across the country covering 20 states with over 70 branches. The division has entered into strategic partnerships with more than 16 OEMs and 10 leading Fintech companies to drive greater financial inclusion in the market. With growing Small and Medium Enterprises ecosystem, CIFCL's SME loans business division provides bouquets of products to meet the requirements of working capital and capex of SMEs viz., Secured Term loan, Equipment funding, Vendor Invoice discounting Channel finance and Loan Against Securities.

Secured Business and Personal Loan ('SBPL')

The Indian lending landscape faces a unique challenge: a segment that remains largely untapped despite possessing collateral and repayment capacity. This segment, distinct from regular Loan Against Property (LAP) borrowers, encounters barriers due to financial, geographical, and profile-related norms set by prime LAP lending institutions. India faces high levels of financial exclusion due to factors such as low income, lack of financial literacy, high costs, and poor infrastructure. As a result, many people still rely on informal sources of credit, such as relatives, money lenders, and landlords.

SBPL offers collateral backed business and personal loans on the basis of the credit assessment and cashflow projections of these businesses. As of March 31, 2024, the SBPL business had crossed 34,000 live accounts with an AUM of ₹1,404 Crore. The average ticket size is around 4.36 lacs with average tenure of 6 years. This business has digitised the entire customer loan journey for a hassle-free loan.

Outlook

Commercial Vehicle industry growth will largely come from improvement in macroeconomic environment and healthy traction in underlying industries such as mining, infrastructure, and construction. Credit demand across majority of retail assets to remain strong. Asset quality to remain at healthy levels. Favorable demographics, moderating affordability, and low inventory result in sustained end-user demand in residential real estate. The underpenetrated market and the Government's thrust on 'housing for all' are likely to support growth. Micro MSME segment is leading growth within India's MSME credit market and credit growth momentum to continue in FY 25.

General Insurance Industry & Business Update

In FY 24, the insurance regulatory front was vibrant in terms of the reforms push, imperative push for insurance penetration (Bima Vahak, state insurance plans, insurance awareness campaigns), policy holder protection push (100% cashless, price revision restraint on individual health covers, approach to internal ombudsmen), consolidation of several regulations into homogenous regulations with tweaks, fillip for domestic reinsurers (both Indian and Foreign reinsurance branches), digital push (Bima Sugam, national health claims exchange etc. A key change, effective from April 1, 2024 relates to de-notifying tariff for Motor, Fire, Engineering Marine (Tea tariff) lines which will enable insurers to innovate on products with differential protection, wordings and clauses, deductible levels etc.

The Gross Direct Premium of multi-line non-life insurers (excluding Standalone Health & Specialized insurers) was reported at around ₹2454 billion and registered a growth of around 14.2% over the previous year. Amongst various lines of businesses, motor insurance registered a growth of 12.9% while the fire line of business grew by 7.2%. Growth in the health and personal accident lines for general insurers was placed at 17.6% and 11.7% respectively. The rise in investment income aided by the rising interest rate environment and buoyant equity markets helped insurers to register overall operating profits.

Cholamandalam MS General Insurance Company Limited ('CMSGICL'), the insurance subsidiary of CFHL, is registered with the Insurance Regulatory and Development Authority of India ('IRDA') to carry on general insurance business. CMSGICL offers a wide range of insurance coverage including motor, travel, health, accident, home and other types of insurance for individual and corporate customers.

CMSGICL achieved a gross premium of ₹7,598 Crore, a growth of 22.5% which helped in growing its market share to 3.07% (among general insurance players). The company grew its business operations across all lines of business. The company re-entered the crop insurance business during the year and grew its business operations across channel categories of bancassurance, agents/POSPs, brokers, MISPs, CSC etc. CMSGICL re-launched its program for providing the thrust on building the agency channel across metro, semi-urban and rural markets. The company entered new OEM programs added to its bancassurance partners besides renewing all its relationships. Business line diversity was secured by growing business from commercial and SME lines, crop insurance and growth in retail health space.

Motor Insurance

The motor insurance business registered a growth of over 14.2% during the year as compared to the industry growth of 12.9%. The premium pricing in motor own-damage witnessed severe pressure with discounts across vehicle categories staying at higher levels. In motor third party, the pricing remained static even as the industry witnessed inflation in medical costs as well as continuous increase of the minimum wage levels across all states in the country. The company continues to exercise utmost care in its choice of sub-segments, geographies.

Property and Casualty Insurance

In the fire line of business, CMSGICL registered a growth of 8.2% as against the industry growth of 7.2% leading to a market share of 2.79% Marine and Group Accident lines of businesses also witnessed improved performance with increase in the levels of economic activity and focused sourcing. The miscellaneous lines of insurance business grew well during the year. The company registered growth across all its business verticals of Indian Commercial, SME, Japanese & Korean and Bancassurance. CMSGICL continues to follow disciplined underwriting and prudent risk selection in the highly demanding environment.

Health, Accident and Travel Insurance

The overall health, accident and travel volumes grew by more than 23.6% during the year with stronger growth in retail health. Even as retail indemnity business continues to scale up, the bancassurance led health benefit and accident product grew faster supported by buoyant economic activity. New health products - both indemnity and benefit were added during the year besides stepping up on its distribution build of both POSP as well as channel partners. The company continues to strengthen its underwriting framework with intelligent use of technology for its risk selection, upsell and cross-sell initiatives.

Crop Insurance

The company operates the crop insurance in a cluster in Maharashtra under the 80-110 loss corridor scheme. The indifferent monsoon in the Kharif season resulted in higher incidence of claims but the experience in the Rabi season was better. Chola MS will continue to explore opportunities for adding to the business as more States in the country enter the program.

Reinsurance (RI)

Reinsurance rates rose sharply in FY 24 in the wake of global risk events, rising inflation etc. In the Indian context, the multiple natural catastrophic events by way of Cyclone Biporjoy, Northern Indian floods, Cyclone Michaung, Southern Tamil Nadu inundation had an impact on the industry but with higher deductibles, the impact was soft for reinsurers. Renewal for FY 25 was marked by availability of capacity and flat/marginal improvement in terms for insurers.

During the year, the Company's proportional and non-proportional treaties generated surpluses for the reinsurers for the year. The Company could secure enhanced capacity, increase the scope of coverage on some treaties. The reinsurance placements for FY 25 were over-subscribed and placed with diversified and well rated reinsurers.

Claims functions

The year under review witnessed the claims management function stepping up speed of disposal while handling larger volumes with efficiency and productivity. The company continues its journey in digitization of its claims processes across lines of businesses.

Harnessing efficiencies for severity control across all lines, automation for speed and operational controls, proactive approach to servicing for building transparency and satisfaction levels of customers continue to be the focus area of the insurance business.

Outlook

The general insurance industry is poised to grow in the context of strong economic growth of the country. The regulatory changes and the thrust by the Regulator on attaining insurance penetration and for stepping insurance awareness, particularly in the rural markets should help in growth. Headwinds for the industry include the pricing pressures across product lines/segments and the possible impact from the de-tariff of fire/engineering/ motor lines as to product wordings. Higher inflation led by oil prices in the context of geo-political conflicts could impact customer sentiment and claims costs. Amongst the tail winds are the infrastructure spend thrust from the Government, expected credit offtake from the banks, the prediction of a normal monsoon, the re-entry of a few more states into the PMFBY scheme and the continued buoyancy in automobile sales. The interest rate environment, expected to sustain for the better part of the year, will augment the investment income for all players in the industry.

CMSGICL will continue its strong growth path by adding new channel partners, expand into new markets, enhance its focus on renewals besides launching new products across lines of businesses. The company is committed to further tightening its expense of management levels by a judicious mix of channels, product sub categories and rationalise commission structures linked to inherent profitability. CMSGICL will continue to operate as a prudent insurer in its choice of product portfolio and segments to fully live to its image of a trustworthy insurer in its claim management processes.

Digital/Technology Initiatives

Technology has become ingrained as a key driver in connecting people across various walks of life. Aligned with the trend, digital transformation continues to be the focus area of the group. Various initiatives and technology tools are deployed for automation of repetitive activities across functions wherever opportunity exists. Digital/Technology initiatives implemented by CMSGICL during the year include – enablement of new product launches and upgrades in API integrations, enablement of digital journey and integrations with new bancassurance partners, partnership tie-ups with NBFCs, OEMs, broking intermediaries etc., integration of health claims module with the National Health Claims Exchange (NHCX), ABHA integration and enablement of CIS (Customer Information Sheet). Further, several other operating measures were put in place relating to information security and running awareness campaigns for employees.

With regard to lending business, CIFCL aims to provide seamless digital experiences to customers while eliminating non-value-added activities and improving process execution through technology tools and automation. Over the last fiscal year, CIFCL has adopted an integrated application approach for employees to have a better application infrastructure. Several enhancements have been made to the application platform to upgrade and enable the executives to provide a smoother onboarding experience for field executives. In line with its vision of a digitally driven business, the integrated super app – Chola One was launched as a face of the CSEL business. As part of continued focus on vehicle ecosystem, the company continues to enhance the ease of experience for dealers, through its Gaadibazaar offering. Gaadibazaar offers services to buy, sell new, and used cars, auction repossessed vehicles, and serve vehicle brokers gain better visibility of their products. To manage risks related to external technology partners, the company has put in place a team of in-house developers to promote and enable faster turnaround to its business. The increasing reality of being digital brings with it the challenges around cyber security. The company has been building and investing in the people, processes, and tools necessary to be able to identify and mitigate the risks around cyber security to protect the increasing volume of data and digital assets built in multiple layers of increasing complexity. Further, the company continues to adopt data privacy practices in every point of storage and use of customer data to comply with regulatory norms on data privacy.

Risk Management Services - Business Update

Cholamandalam MS Risk Services Limited ('CMSRSL'), is a joint venture entity of the Murugappa Group and Mitsui Sumitomo Insurance Group, Japan. Established in the year 1994, CMSRSL provides risk management and engineering solutions in the areas of safety, health and environment. CMSRSL is part of the Inogen Alliance. Inogen Alliance is a global network of environment, health, safety and sustainability consulting companies working together to provide one point of contact to

guide multinational organizations to meet their global commitments locally.

During the year under review, the company expanded its service offering by launching strategic projects in hydrogen safety, BRSR, and other sustainability services, and has executed projects in respective areas. The company has expanded its footprint to around 100+ sites across the country, including resources deployed at various client project sites. Around 139 construction safety professionals and 140 logistics safety specialists were deployed at various locations for different companies. The company deepened partnerships with key allies like Inogen, BPC, and EIC-Dubai and strengthened ties with JV partner MS&AD during FY 24. Significant steps were taken towards digitalization by signing agreements with MapMyIndia, Denxpert, and Crion Technologies. The environment and sustainability division were further strengthened through engagement and gaining additional certification from Alliance Water Stewardship. The company also partnered with IIM Indore to launch a Young Leaders Program for young managers.

CMSRSL continues to serve Cholamandalam MS General Insurance Company Limited and its clients through value-added services like Thermography, Safety Audits, and Cargo Loss minimization studies. The company has around 430+ resources with a strong technical team of multidisciplinary and certified professionals having exposure to domestic and international markets. The JV Partner, Mitsui Sumitomo Insurance Company Limited, Japan, continues to support the company by introducing Japanese companies in the Indian market for risk management services and assisting in identifying potential partners in Digital EHS front.

The company plans to strategically expand service offerings into emerging areas like Ethanol, Biological Safety, Biodiversity, and Climate & Water Risk Assessments in FY 25. This expansion builds upon the company's established expertise in providing engineering solutions for safety, risk, and sustainability. Furthermore, the company recognizes the growing importance of Environmental, Social, and Governance (ESG) reporting. By collaborating with its Inogen partners, the business is focused to deepen its capabilities in net zero and zero waste to landfill consulting, aiming to become a prominent player in India's ESG market. CMSRSL plans to enter into new areas related to Ethonol, Biological Safety related services, Biodiversity and Climate & Water Risk Assessments.

CONSOLIDATED FINANCIAL RESULTS

(₹ in Crore)

Particulars	2023-24	2022-23
Total Income	26,086.76	18,376.03
Total Expenses	20,886.93	14,551.63
Profit Before Tax of Profits from Associate/Joint Venture and Tax	**5,199.83**	**3,824.40**
Share of Profit from Associates /Joint Venture (Net of Taxes)	12.08	(8.69)
Profit Before Tax	5,211.91	3,815.71
Tax Expense	1,361.35	1006.09
Profit for the year	**3,850.56**	**2,809.62**
Minority Interest	(2,078.04)	(1,519.39)
Net Profit for the year attributable to owners of the Company	**1,772.52**	**1,290.23**

During the year the Company has not made any investments in its subsidiaries. There has been no change in the nature of business of the company and the group companies during the year. The business performance of the group companies has been furnished in earlier paragraphs of this report.

A report on the performance and financial position of each of the group companies as per section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, in the prescribed form AOC-1 is annexed to this Report as **Annexure I**. The consolidated financial statements of the Company prepared in accordance with the Companies Act, 2013 ('the Act') and the relevant Accounting Standards, forms part of the annual report.

The annual report containing standalone and consolidated financial statements will be uploaded on the Company's website, www.cholafhl.com. Annual accounts of the group companies will also be uploaded on the Company's website and be made available for inspection by shareholders through electronic mode until the date of the Annual General Meeting ('AGM').

FINANCIAL REVIEW - SUBSIDIARY/ASSOCIATE/ JOINT VENTURE COMPANIES

CFHL earned an income of ₹86.00 Crore (previous year: ₹83.76 Crore) and profit before tax was ₹79.01 Crore (previous year: ₹73.86 Crore) for the financial year ended March 31, 2024. Aggregate investments stood at ₹1,279.31 Crore (previous year: ₹1,280.12 Crore) as on March 31, 2024. During the year, the Company repaid ₹50 Crore of Matured Non-Convertible Debentures ('NCDs') and there were no outstanding NCDs as on March 31, 2024.

Cholamandalam Investment and Finance Company Limited ('CIFCL')

The Company holds 44.39% in the paid-up equity share capital of CIFCL as on March 31, 2024 and has de-facto control as per the principles of Ind AS 110. Accordingly, CIFCL is treated as a subsidiary for the purpose of consolidation of financial statements. The securities of CIFCL are listed and traded on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE).

The Assets under Management ('AUM') grew by 37% to ₹1,53,718 Crore as at March 31, 2024 (previous year: ₹1,12,782 Crore). Loan disbursements aggregated to ₹88,725 Crore (previous year: ₹66,532 Crore) registering a growth of 33% during the year. Profit after tax grew by 28% to ₹3,423 Crore (previous year: ₹2,666 Crore). Investment portfolio of CIFCL as at end of FY 24 was ₹4,137 Crore including investments in government securities of ₹1539.07 Crore.

The company maintained a comfortable ALM position with no negative cumulative mismatches across all time buckets. As at end of FY 24, the capital adequacy ratio stood at 18.57% as against the minimum regulatory requirement of 15%. To augment capital adequacy for its growing balance sheet and enhanced regulatory requirements, CIFCL launched a composite QIP issue of equity shares of ₹2,000 Crore and compulsorily convertible debentures of ₹2,000 Crore, overall aggregating to ₹4,000 Crore and the issue was oversubscribed. Commercial Papers aggregating to ₹17,330 Crore were raised during FY 24 of which ₹13,930 Crore were repaid. Outstanding NCDs were ₹18,622 Crore and Tier II borrowings stood at ₹4,974 Crore as on March 31, 2024.

CIFCL paid an interim dividend of ₹1.30 (65%) per equity share of face value of ₹2/- each for FY 24. The Board of CIFCL has recommended a final dividend of ₹0.70 (35%) per equity share for FY 24, subject to their shareholders' approval.

The subsidiary companies of CIFCL are Cholamandalam Securities Limited ('CSEC'), Cholamandalam Home Finance Limited ('CHFL') and Payswiff Technologies Private Limited ('Payswiff'). CSEC is engaged in stock broking and investment advisory services. Payswiff is engaged in the business of offline payment aggregator services and provides e-commerce solutions. The associate companies of CIFCL are Vishvakarma Payments Private Limited and Paytail Commerce Private Limited (till March 21, 2024).

CSEC achieved a gross income of ₹156.85 Crore (previous year: ₹ 51.54 Crore) and profit before tax of ₹84.20 Crore (previous year: ₹8.68 Crore) for the year ended March 31, 2024. CHFL recorded a gross income of ₹186.05 Crore (previous year: ₹81.87 Crore) and made a profit before tax of ₹63.25 Crore (previous year: ₹7.66 Crore) for the year ended March 31, 2024. Payswiff recorded a gross consolidated income of ₹135.57 Crore (previous year: ₹230.27 Crore) and made a loss of ₹2.17 Crore (previous year: loss ₹12.03 Crore) for the year ended March 31, 2024.

Cholamandalam MS General Insurance Company Limited ('CMSGICL')

CMSGICL is a joint venture between the Murugappa Group and Mitsui Sumitomo Insurance Company Limited, Japan. The Company holds 60% of the paid-up equity share capital of CMSGICL. The IRDAI has deferred the implementation of Ind-AS for insurance companies. Therefore, the accounts of CMSGICL have been converted as per Ind-AS for consolidation purposes and figures of CMSGICL reported in this annual report are under Ind-AS.

CMSGICL achieved a gross written premium of ₹7,542 Crore in FY 24 (previous year: ₹6,407 Crore) and profit before tax was ₹590 Crore (previous year: ₹211 Crore). The investment portfolio of CMSGICL grew to ₹16,538 Crore as at March 31, 2024 (previous year: ₹14,271 Crore). The company took advantage of the rising interest rate environment to deploy its accretion/maturing funds at higher yields. The exposure to Central and State Government securities stood at 61.3% of the investment assets (previous year 65.1%). As of March 31, 2024, the company had nil non-performing assets in its investment portfolio. The solvency ratio of CMSGICL as on March 31, 2024, was 1.79 times as against the minimum regulatory requirement of 1.50 times.

With a view to conserving its resources and augment solvency ratio, the Board of CMSGICL has not recommended dividend for FY 24.

Cholamandalam MS Risk Services Limited ('CMSRSL')

The Company holds 49.5% stake in CMSRSL. CMSRSL achieved an income of ₹71.27 Crore (previous year: ₹64.93 Crore) and profit before tax of ₹8.18 Crore (previous year: ₹9.19 Crore) for the year ended March 31, 2024. The Board of CMSRSL has recommended a final dividend of 30% i.e. ₹3/- per equity share of face value of ₹10/- each for FY 24.

DIRECTORS

Mr. B Ramaratnam (DIN: 07525213) has been re-appointed as an Independent Director for a second term of three consecutive years with effect from March 18, 2024 till March 17, 2027 vide a special resolution passed by the shareholders at the 74th AGM held on August 10, 2023.

Mrs. Vasudha Sundararaman (DIN: 06609400), Independent Director, was appointed for a term of five consecutive years commencing from February 12, 2020, till February 11, 2025 and Mr. K Balasubramanian (DIN: 00137260), Independent Director, was appointed for a term of three consecutive years commencing from March 17, 2022 till March 16, 2025. In view of their current terms coming to an end on February 11, 2025, and March 16, 2025 respectively and based on the recommendation of the Nomination and Remuneration Committee, the Board recommends the re-appointment of Mrs. Vasudha Sundararaman and Mr. Balasubramanian as Independent Directors for a second term of three consecutive years each with effect from February 12, 2025 and March 17, 2025 respectively.

In the opinion of the Board, Mrs. Sundararaman and Mr. Balasubramanian continue to fulfill the criteria of independence prescribed in the Act and under the SEBI Listing Regulations for re-appointment as Independent Directors of the Company and that they are independent of the management. Necessary resolutions seeking shareholders' approval for re-appointment of Mrs. Vasudha Sundararaman and Mr. Balasubramanian as Independent Directors on the Board, forms part of the Notice convening the 75th AGM.

As per the provisions of section 152 of the Act, Mr. M M Murugappan (DIN: 00170478) retires by rotation at the ensuing AGM and being eligible offered himself for re-appointment. The Board recommends the re-appointment of Mr. Murugappan as a director liable to retire by rotation and the resolution in this regard forms part of the Notice convening the 75th AGM. Information as required to be disclosed under regulation 36(3) of the SEBI Listing Regulations, for re-appointment of director is provided in the Notice.

DECLARATION FROM INDEPENDENT DIRECTORS

The Independent Directors ('IDs'), Mr. B Ramaratnam, Mrs. Vasudha Sundararaman and Mr. K Balasubramanian have submitted declarations stating that they meet the criteria of independence as required under the provisions of section 149(6) of the Act and regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, all the IDs possess integrity, expertise and relevant experience in their respective fields including the proficiency required to effectively discharge their roles and responsibilities in directing and guiding the affairs of the Company.

In terms of section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, the IDs of the Company have registered their names in the independent directors' data bank, created and maintained by the Indian Institute of Corporate Affairs ('IICA'). The IDs are also required to pass an online proficiency self-assessment test conducted by the IICA within a period of two years from the date of inclusion of their names in the data bank, subject to exemption to individuals who fulfill the eligibility criteria prescribed under the said Rules. All the IDs are compliant with the requirement under the said Rules.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act, Mr. N Ganesh, Manager & Chief Financial Officer and Mrs. E Krithika, Company Secretary are the key managerial personnel of the Company and there were no changes during the year. At the 74th AGM held on August 10, 2023, the members approved the re-appointment of Mr. N Ganesh as the Manager for a further period of 3 years effective June 15, 2023.

STATUTORY AUDITORS

The shareholders at the 72nd AGM held on August 4, 2021, appointed M/s. Sharp & Tannan Associates ('S&T'), Chartered Accountants (Firm Registration No. 109983W) as the statutory auditors of the Company for a period of three years commencing from the conclusion of the 72nd AGM till the conclusion of the 75th AGM. Consequently, S&T retire at the conclusion of this AGM.

The Auditors' Report issued by S&T for the year under review is unmodified and does not contain any qualification, reservation, or adverse remark. The statutory auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under section 143(12) of the Act during the year.

Pursuant to the provisions of section 139(2) of the Act and the rules made thereunder and the guidelines for appointment of statutory auditors for Banks and NBFCs dated April 17, 2021 issued by the RBI ('RBI guidelines'), and based on the recommendation of the Audit Committee, the Board recommends the appointment of M/s. R.G.N Price & Co. (Firm Registration No. 002785S) as statutory auditors of the Company for a period of three years commencing from the conclusion of the 75th AGM till the conclusion of the 78th AGM. Necessary resolution seeking shareholders' approval for appointment of M/s. R.G.N Price & Co. as statutory auditors of the Company forms part of the Notice convening the 75th AGM.

INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT

Internal control system of an organisation is looked at as the key to its effective functioning. The Company has internal control systems in place commensurate with the nature of business and size of its operations, to ensure compliance with internal policies, regulatory matters and to safeguard reliability of financial reporting and its disclosures. An audit of systems and processes is conducted by the internal auditor of the Company.

The internal audit is performed based on the audit plan approved by the Audit Committee annually. The internal audit report along with the observations and recommendations from the audit review are discussed and reviewed in the quarterly meetings of the Audit Committee. The Audit Committee evaluates adequacy and effectiveness of the internal controls, performance of the internal audit, recommends improvements and reviews the action taken.

FINANCE

Deposits

The Company has not accepted any fixed deposits under Chapter V of the Companies Act, 2013 and as such no amount of principal and interest were outstanding as on March 31, 2024.

Particulars of Loans, Guarantees or Investments

The provisions of section 186 of the Act pertaining to investment and lending activities is not applicable to CFHL since the Company is an NBFC whose principal business is acquisition of securities. Information regarding investments made during the year is given in the financial statements. During the year the Company has not given any loans or guarantees under the provisions of section 186 of the Act.

Internal Financial Control Systems with reference to the Financial Statements

The Company has in place adequate internal financial controls to ensure reliability of financial and operational information and regulatory and statutory compliances. The Company's business processes are equipped with monitoring and reporting processes to ensure financial discipline and accountability. The internal financial control systems are monitored both by internal and statutory auditors of the Company. The statutory auditors of the Company have also certified the existence and operating effectiveness of the internal financial controls as on March 31, 2024.

Financial Ratios

The Company being an investment company does not carry on any business other than holding investments in its group companies. Dividend receipts from investee companies is the primary source of income. Key ratios of the Company are given in the table below:

Ratio Description	31-Mar-2024	31-Mar-2023
Return on Net Worth	4.79%	4.68%
Return on Total Assets	4.79%	4.49%
Debt Equity Ratio (No. of times)	NA	0.04
Leverage Ratio (No. of times)	0.0001	0.004
Ratio of Adjusted Net Worth (ANW) to its aggregate risk weighted assets	1763.36%	1123.23%

The Company redeemed NCDs aggregating to ₹50 Crore during the year. Therefore, there is a decrease in leverage ratio and debt equity ratio is not applicable. The increase in adjusted net-worth is on account of an increase in unrealised gains on investment in subsidiaries. The leverage ratio (maximum regulatory requirement: 2.5 times) and adjusted net worth ratio (minimum regulatory requirement: 30%) are computed in accordance with the Master Directions - Core Investment Companies (Reserve Bank) Directions, 2016 ('Master Directions of RBI').

RISK MANAGEMENT

Risk management is a process to identify and manage threats that could have an impact on the operations of the Company. Generally, this involves reviewing business operations, identifying potential threats to the company and the likelihood of their occurrence and then taking appropriate actions to address the most likely threats. The Company adopts a systematic approach to mitigate risks associated with accomplishment of objectives, operations, revenues and regulations. The risk management framework of the Company comprises of the following key elements viz., a) Risk Assessment: study of threats and vulnerability and exposure to various risks; b) Risk Management and Monitoring: probability of risk assumption is estimated and monitored; and c) Risk Mitigation: measures adopted to mitigate risks by the Company.

The Risk Management Committee assists the Board in monitoring various risks, reviews and analyses risk exposures and mitigation plans related to the Company and its group companies. A Risk Management Policy has been approved by the Board of Directors which

inter alia sets out risk strategy, approach and mitigation plans, liquidity risk management and asset liability management. During the year the Risk Management Committee of CFHL reviewed key risk exposures of the Company along with mitigation measures, asset liability management, structural liquidity management besides review of key risk exposures and mitigation measures of group companies.

Key risk exposures of the Company along with risk mitigation measures are provided in the table below. The risks furnished below are not exhaustive and assessment of risk is based on management perception.

Risk Category	Description	Risk Identification	Risk Mitigation Measures
Financial Risk	Risks that has a measurable impact on P&L viz., loss of revenue/higher costs/loss of opportunity etc.,	▪ Risks to raise capital on a timely basis to fund business operations of its group companies; ▪ Risks in meeting cash flow requirements of the company.	▪ Monitor capital adequacy requirement on a continual basis. ▪ Meeting capital requirement through own/borrowed funds; ▪ Monitor investments such that investments mature to meet anticipated cash flow requirements. ▪ Investment portfolio shall include fixed deposits with Banks/financial institutions and mutual funds for improved liquidity.
Governance Risk	Risks that could arise due to in-effective governance of group companies.	▪ Exposure to regulators/ stakeholders; ▪ Impact on the consolidated financial position of CFHL and share value. ▪ Risk of loss of Dividend Income.	▪ Monitor business operations of the group companies periodically by CFHL. ▪ Ensure adoption of comprehensive risk management framework by the group companies.
Market Risk	Risks on account of adverse and un-anticipated market and economic conditions which could impact market value of investments.	▪ Downgrade in credit rating of banks & financial institutions in which CFHL holds investments; ▪ Volatility in CFHL's share price in securities market.	▪ Track market trends and economic forecasts by expert agencies; ▪ Undertake only such transactions permissible under applicable laws including the RBI guidelines.
Reputation Risk	Risks on account of negative publicity, public perception or uncontrollable events which has an adverse impact on company's reputation	▪ Risk of deterioration in stakeholders' relationship viz., JV partners, shareholders, regulators etc., ▪ Risk of loss of brand fee income.	▪ Follow ethical code of conduct; ▪ Root cause analysis and action; ▪ Responsive to business environment.
Compliance Risk	Non-adherence to the applicable laws/regulations	Risk exposure to legal penalties, financial forfeiture and material loss due to failure to act in accordance with statutory laws and regulations and internal policies/ procedures.	▪ Monitor regulatory compliance through internal audit system; ▪ Effective systems in place to check compliances.

Further, risks arising out of NBFC and insurance business constitute the dominant risks of the Company on a consolidated basis. The group companies have their own risk management framework in line with its strategic business operations as appropriate to the industry in which they operate. The risk management framework of NBFC and insurance business are broadly based on: clear understanding and identification of various risks, disciplined risk assessment by evaluating the probability and impact of each risk, measurement and monitoring of risks by establishing key risk indicators with thresholds for all critical risks and adequate review mechanism to monitor and control risks. The business operations of each of the group companies, the risks faced by them, and the risk mitigation tools followed by them are reviewed periodically by the Risk Management Committees and the Boards of the respective companies.

CIFCL has robust management information reporting (MIS) to provide the board and senior management in a clear and concise manner with timely and relevant information concerning the risk profile. MIS includes all risk exposures including those that are off-balance sheet. Senior management is informed of the assumptions behind and limitations inherent in specific risk measures. Risk appetite is an articulation of the quantum of risk the company is willing to accept, in pursuit of its strategy approved by the Board. The company has defined its risk appetite and tolerance limits within its risk management policy framework for specific organizational objectives.

CMSGICL has put in place an appropriate risk management system covering various risks the company is exposed to. The risk management framework of CMSGICL broadly comprise of establishment of risk management policy, formulation of risk register, review of key risk exposures and asset liability management. Risk management activities of CMSGICL are aligned to its corporate objectives, organisational priorities and designed to protect and enhance its reputation.

CORPORATE GOVERNANCE

The Company firmly believes in committing itself to maintaining high standards of corporate governance. A report on corporate governance of the Company together with a certificate from practicing company secretaries in accordance with the SEBI Listing Regulations is annexed to this Report as **Annexure II**. The Report further contains other details which are required to be provided in the Board's Report.

BOARD MEETINGS

Five meetings of the Board were held during the year ended March 31, 2024. Further details on the Board meetings are disclosed in the Report on Corporate Governance.

COMPOSITION OF THE AUDIT COMMITTEE

The Board has constituted an Audit Committee in terms of the applicable provisions of the Act, the SEBI Listing Regulations and the Master Directions of RBI. Details of terms of reference, composition and meetings of the committee are disclosed in the Report on Corporate Governance.

BOARD EVALUATION

Pursuant to the provisions of section 134 of the Act and regulation 17 of the SEBI Listing Regulations, the Board of Directors have carried out an annual performance evaluation of the Board itself, the individual directors, various committees of the Board and the Chairman for FY 24. The manner in which the evaluation has been carried out is provided in the Report on Corporate Governance.

POLICY ON BOARD NOMINATION AND REMUNERATION

The Board has formulated a policy for selection and appointment of directors, senior management and their remuneration. Details of which are furnished in the Report on Corporate Governance.

CORPORATE SOCIAL RESPONSIBILITY ('CSR')

With the enactment of Corporate Social Responsibility (CSR) provisions in the Companies Act, 2013, the Company has framed a CSR Policy and the policy is available on the Company's website at http://www.cholafhl.com/article/profile/967. Pursuant to the provisions of section 135(5) of the Act, every company shall spend at least two percentage of its average net profits made during the three immediately preceding financial year in pursuance of its CSR Policy. The Company does not have CSR obligations for FY 24. Therefore, the annual report on CSR activities as required under the Act is not attached to this Report.

RELATED PARTY TRANSACTIONS

The Company has formulated a policy on related party transactions. All transactions that were entered into by the Company with related parties during the financial year were in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions during the year which had potential conflict with the interests of the Company at

large. Pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014, there were no transactions during the year to be reported under section 188(1) of the Act in Form AOC-2.

Necessary disclosures on related party transactions have been made in the notes to the financial statements. None of the Directors had any pecuniary relationships or transactions vis-a-vis the Company.

HUMAN RESOURCES ('HR') AND PARTICULARS OF EMPLOYEES

Human Resources ('HR') are the valuable assets for the group. CFHL along with its group companies has a work force of more than 39,700 employees as of March 31, 2024. The group companies have robust HR management practices enabling achievement of organizational goals and key milestones through people. The safety and well-being of the employees continues to be focus area. The group continues to emphasize on resourcing and talent planning strategies based on their functional and general management requirements in preparing the organisation for the future.

As on March 31, 2024, there were two employees on the rolls of CFHL. The information required to be disclosed under the provisions of section 197 of the Act read with rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure III** to this Report.

EMPLOYEE STOCK OPTION ('ESOP') SCHEMES

The Company's ESOP Schemes viz., Employee Stock Option Plan 2007 ('ESOP 2007') and Employee Stock Option Plan 2016 ('ESOP 2016') have been approved by the shareholders. There are no options outstanding under either of the schemes as on March 31, 2024.

Further, there have been no fresh grants under either of the schemes during the year. Details in respect of ESOP 2007 and ESOP 2016 as required under the applicable SEBI regulations are displayed on the Company's website at http://www.cholafhl.com/article/investors/554. Both the schemes are in compliance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share Based Employee Benefits) Regulations, 2014 respectively.

The certificate from the secretarial auditor, M/s. Srinidhi Sridharan & Associates, Practicing Company Secretaries confirming that ESOP 2007 and ESOP 2016 schemes have been implemented in accordance with the applicable regulations and shareholders' resolutions passed in the general meeting of the Company, will be available for the shareholders at the ensuing AGM.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no activity relating to consumption of energy or technology absorption etc. and does not have any foreign exchange earnings. There was a foreign exchange outgo during the year by way of repatriation of dividend amounting to ₹0.31 Lakh (previous year: ₹0.31 Lakh).

WHISTLE-BLOWER/VIGIL MECHANISM

In compliance with the provisions of section 177(9) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, regulation 22 of the SEBI Listing Regulations and the Scale Based Regulations of RBI, the Company has established a whistleblower/vigil mechanism for directors and employees to report genuine concerns. The mechanism provides for adequate safeguards against victimisation of persons using the mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The policy is available on the Company's website at http://www.cholafhl.com/article/investors/34.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated a policy for prevention of sexual harassment at workplace. An internal complaints committee ('ICC') is in place to redress complaints received regarding sexual harassment. The policy extends to all employees (permanent, contractual, temporary and trainees). During the calendar year 2023 no referrals were received under the policy and no complaints were pending at the beginning and end of the year.

SECRETARIAL AUDIT

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and regulation 24A of the SEBI Listing Regulations, the Board appointed M/s. Srinidhi Sridharan & Associates, Practicing Company Secretaries, to conduct the secretarial audit for the year ended March 31, 2024. The Report issued by the secretarial auditor in the prescribed form MR-3 is annexed to this Report as **Annexure IV**. The

secretarial audit report does not contain any qualification, reservation or adverse remark by the secretarial auditor.

In compliance with regulation 24A of the SEBI Listing Regulations, the secretarial audit report of the Company's material subsidiary, Cholamandalam MS General Insurance Company Limited, for the year ended March 31, 2024 is annexed to this Report as **Annexure V**.

COST RECORD AND COST AUDIT

Maintenance of cost records and requirements of cost audit as prescribed under the provisions of section 148(1) of the Act is not applicable to the Company.

ANNUAL RETURN

Pursuant to the provisions of section 92(3) and section 134(3)(a) of the Companies Act, 2013, the annual return for the year ended March 31, 2024 is available on the Company's website at http://www.cholafhl.com/article/subsidyfinancials/400.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2024, and the date of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of regulation 34(2)(f) of the SEBI Listing Regulations, annual report of top one thousand listed entities based on market capitalization, shall contain the Business Responsibility and Sustainability Report ('BRSR') describing the initiatives taken by the entity from an environmental, social and governance perspective. Accordingly, the Company has prepared BRSR, which indicates the Company's performance against the principles of the National Guidelines on Responsible Business Conduct. A copy of the BRSR is annexed to this Report as **Annexure VI**.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors confirm that the Company has in place a framework of internal financial control and compliance system, which is reviewed by the Audit Committee and the Board and independently reviewed by the internal auditors, statutory auditors and secretarial auditors. Further, pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors confirm that:

a) in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed and that there were no material departures therefrom;

b) they have, in the selection of the accounting policies, consulted the 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 March 31, 2024 and of the profit of the Company for the year ended on that date;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual financial statements on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the year ended March 31, 2024; and

f) proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended March 31, 2024.

DECLARATIONS/AFFIRMATIONS

- There were no significant material orders passed by the regulators or courts or tribunals impacting the Company's going concern status and its operations in future.
- The Company does not carry on any activities other than those specifically permitted by the RBI for CICs.

  RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or the correctness of any of the statements or representations made

or opinions expressed by the Company and for discharge of any liability by the Company.

Neither there is any provision in law to keep, nor does the Company keep any part of the deposits with RBI and by issuing a Certificate of Registration to the Company, RBI neither accepts any responsibility nor guarantees the payment of deposits to any depositor or any person who has lent any sum to the Company.

- There are no applications made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 during the year.
- During the year, the Company had not made any one-time settlement with banks or financial institutions.

ACKNOWLEDGMENT

The Directors express their gratitude for the support and co-operation extended by the Ministry of Corporate Affairs, Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and other statutory authorities. The Directors also wish to thank all investors, vendors, financial institutions, banks and joint venture partners for their continued support and faith reposed in the Company. The Board places on record its appreciation for the contribution made by the employees of the Company and its group companies across all levels.

On behalf of the Board

M M Murugappan
Chairman
DIN:00170478

Place : Chennai
Date : May 10, 2024

Form AOC – 1

ANNEXURE I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries / associate companies/joint ventures under Ind-AS

Part A - Subsidiaries

(₹ in Crore)

SN.	Particulars/Name of the subsidiary	Cholamandalam Investment and Finance Company Limited (CIFCL)	Cholamandalam Securities Limited	Cholamandalam Home Finance Limited	Cholamandalam MS General Insurance Company Limited
			Subsidiaries of CIFCL		
1	Reporting period of the subsidiary	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
2	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not applicable	Not applicable	Not applicable	Not applicable
3	Share capital	168.06	22.50	42.40	298.81
4	Reserves & surplus	19,388.45	21.23	18.19	2,163.36
5	Total assets	1,56,450.77	367.00	63.73	20,782.96
6	Total Liabilities	1,36,894.26	323.26	3.14	18,320.79
7	Investments	4,137.32	0.10	1.51	16,537.90
8	Turnover	19,216.28	156.85	186.05	6,969.57
9	Profit/(Loss) Before Tax	4,582.10	84.20	63.25	590.09
10	Provision for taxation	1,159.34	17.32	17.90	149.49
11	Profit/(Loss) After Tax	3,422.76	66.88	45.35	440.60
12	Proposed Dividend	35%	Nil	Nil	Nil
13	% of shareholding	44.39%	100.00%	100.00%	60.00%

Notes:

1. Names of subsidiaries which are yet to commence operations - Nil
2. Names of subsidiaries which have been liquidated or sold during the year - Nil

Part B - Associates and Joint Ventures

(₹ in Crore)

SN.	Particulars/Name of the Associate / Joint Venture (JV) Company	Cholamandalam MS Risk Services Limited (Joint Venture Company)	Vishvakarma Payments Private Limited (Associate of CIFCL)	Payswiff technologies Private Limited (Joint Venture with CIFCL)
		Audited	Unaudited	Audited
1	Latest Audited Balance Sheet Date	31-Mar-24	31-Mar-24	31-Mar-24
2	Share of Associate/Joint Venture held by the Company on the year end			
	No. of Shares	9,89,979	2,100	28,15,578
	Amount of Investment (₹ in Cr)	0.99	0 *	456.82
	Extent of Holding (%)	49.50%	21.00%	74.69%
3	Description of how there is significant influence	By way of shareholding	By way of shareholding	By way of shareholding and rights in share holding agreement
4	Reason why the Associate/Joint Venture is not consolidated	Not applicable	Not applicable	Not applicable
5	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in Cr)	42.84	0 *	20.00
6	Profit/(Loss) for the year (₹ in Cr)	6.08	0 *	16.46
	i. Considered in Consolidation	3.01	0 *	12.29
	ii. Not Considered in Consolidation	3.07	0 *	4.17

** Amount involved is less than ₹1 Lakh*

Notes:

1. Names of associates/joint ventures which are yet to commence operations - Nil
2. Names of associates/joint ventures which have been liquidated or sold during the year - Nil

For and behalf of the Board

Sridharan Rangarajan
Director
DIN:01814413

M M Murugappan
Chairman
DIN:00170478

Place : Chennai
Date : May 10, 2024

E Krithika
Company Secretary

N Ganesh
Manager & Chief Financial Officer

Report on Corporate Governance

ANNEXURE II

Corporate Governance is about transparency, accountability and reliability of any organisation. It is also about how an organization is managed and defines the relationships between its corporate and business structure, its culture, policies and various stakeholders. Key elements in corporate governance include transparency, internal controls, risk management and internal/external communications.

CORPORATE GOVERNANCE PHILOSOPHY

Cholamandalam Financial Holdings Limited ('CFHL') being a part of the Murugappa Group, has always believed in and practiced various elements of corporate governance. The Company is committed to the highest standards of corporate governance in all its spheres of activities and processes. The Board recognizes that governance expectations are constantly evolving, and it is committed in keeping its standards of corporate governance under review to meet both letter and spirit of the law and its own demanding levels of business ethics. The Company believes that sound corporate governance practices are crucial to the smooth, effective, and transparent operations of a Company. Everything the Company does is defined and conditioned by the highest standards of governance, which serve its values. CFHL is committed to upholding the core values of integrity, passion, responsibility, quality, and respect in dealing with its stakeholders in pursuing its spirit of enhancing corporate governance at all times.

The Company firmly believes in and follows the Arthashastra quote: "The fundamental principle of economic activity is that no man you transact will lose, then you shall not". The corporate governance philosophy of CFHL is driven by the following fundamental principles:

- Adhere to corporate governance standards beyond the letter of law;
- Maintain transparency and high degree of disclosure levels;
- Maintain a clear distinction between the personal and corporate interest;
- Have a transparent corporate structure driven by business;
- Ensure compliance with applicable laws.

BOARD OF DIRECTORS

The primary responsibility of the Board of Directors is to foster the Company's short and long-term success through sustainable continuance and progress of its business, and thereby create value for its stakeholders. The role of the Board includes responsibilities to oversee the conduct of the Company's business and to supervise and support the management which is responsible for the day-to-day operations.

The Company's Board is comprised of eminent professionals from diverse areas viz., banking and financial services, manufacturing, technology and general management. The independent directors are professionals, possessing wide experience and expertise in their areas of function. They provide independent judgment, external perspective and objectivity on the issues which are placed before them.

Composition of the Board

The Board has been constituted in an appropriate manner comprising independent and non-independent directors to ensure proper governance and management. The composition of the Board is in compliance with the provisions of section 149 of the Companies Act, 2013 ('the Act') and regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations'). As on March 31, 2024, the Company's Board comprised of six directors with three independent directors (including a woman director) and three non-independent directors. The Chairman of the Board, Mr. M M Murugappan, is a Promoter & Non-Executive Non-Independent Director. The directors are selected based on their qualifications and expertise in varied fields as well as the industry in which the Company operates. All directors meet the fit and proper criteria stipulated under the Master Directions - Core Investment Companies (Reserve Bank) Directions, 2016 ('RBI Master Directions'). During the year, Mr. B Ramaratnam, Independent Director, completed his term of five years as Independent Director, on March 17, 2024 and has been re-appointed for a second term of three years effective March 18, 2024 till March 17, 2027.

The size of the Board is commensurate with the Company's nature of business operations. There is no relationship between the directors inter-se. None of the directors on the Board hold directorships in more than ten public companies and neither of them serve as Director or as Independent Directors in more than seven listed entities. A brief profile of the directors is provided in the annual report for information of the shareholders.

Independent Directors

The Independent Directors, Mr. B Ramaratnam, Mrs. Vasudha Sundararaman and Mr. K Balasubramanian have submitted declarations stating that they meet the criteria of independence as stipulated under section

149(6) of the Act and regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act and SEBI Listing Regulations. Based on the declarations received from the independent directors, the Board confirms that in its opinion the independent directors fulfil the conditions specified under the Act and SEBI Listing Regulations and are independent of the management. All the Independent Directors are also in compliance with the limit on directorships in listed companies as prescribed under regulation 17A of the SEBI Listing Regulations. In terms of regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In terms of the provisions of schedule IV of the Act and regulation 25(3) of the SEBI Listing Regulations, a meeting of the independent directors was held on March 29, 2024, without the presence of non-independent directors and members of the management. The meeting was attended by all the independent directors. At the meeting, the independent directors had discussions inter-alia for: a) evaluation of the performance of non-independent directors and the Board of Directors as a whole; b) evaluation of the performance of the Chairman of the Company taking into consideration the views of all directors; c) evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Board Functioning and Procedure

The Board plays a pivotal role in ensuring good governance and functioning of the Company. The Board of Directors meet at regular intervals to discharge their duties. The Company has a well-established practice regarding deciding the dates of meetings. The annual calendar for the meetings of the Board is finalised well in advance in consultation with all Board members. A minimum of four Board meetings are held in each financial year. Meetings of the Committees of the Board are also planned and scheduled along with the Board meetings. Review and approval of financial statements of the Company, review of business performance of subsidiary/ associate companies, approval of investments and approval of annual business plan constitute the primary business of the Board besides reviewing the compliance matters. In case of matters that require urgent decisions, approval of the Board/Committee is sought by means of resolutions passed by circulation, as permitted by law, which is noted in the subsequent meeting.

The Company ensures that timely and relevant information is made available to all directors to facilitate their effective participation and contribution during the meetings. The notice of Board/Committee Meetings is given well ahead to all directors (unless the meeting is held by shorter notice for which requisite consent is obtained). The agenda notes together with relevant materials for the meetings are circulated in advance to enable the Board/Committees to take informed decisions. Periodic presentations are made at the Board and Committee meetings on performance updates of the Company as well as its group companies. The Board also has complete access to the management to seek clarifications on any matter of discussion. Information as required under regulation 17(7) of the SEBI Listing Regulations is submitted to the Board on a quarterly basis. Besides the senior management of the Company, business/function heads of group companies are invited to the Board/Committee meetings to present business perspective and risk management framework of their respective businesses on a need basis.

Meetings and Attendance

The meetings of the Board and Committees are usually held at the Company's registered office in Chennai. The Act read with the rules made there under, facilitates the participation of a director in board/committee meetings through video conferencing ('VC') or other audio-visual means. Accordingly, the Company provides the facility for directors to participate in the meetings through audio-visual mode. The Board and Committee meetings conducted are paperless with meeting related documents/presentations uploaded on secured board portal and accessed online.

Five meetings of the Board were held during the year ended March 31, 2024, on the following dates: May 12, 2023, August 10, 2023, November 9, 2023, February 5, 2024 and March 29, 2024. Maximum gap between two Board meetings did not exceed one hundred and twenty days during the year. The attendance (including attendance through VC) of each director at the Board meetings held during the year ended March 31, 2024, and at the 74th Annual General Meeting ('AGM') of the Company held on August 10, 2023 is given in the table below:

SN.	Name of the Director	No. of Board meetings attended (No. of meetings held)	Attendance at the 74th AGM
1.	Mr. M M Murugappan	5(5)	Present
2.	Mr. B Ramaratnam	5(5)	Present
3.	Mrs. Vasudha Sundararaman	5(5)	Present
4.	Mr. K Balasubramanian	5(5)	Present
5.	Mr. Vellayan Subbiah	3(5)	Not Present
6.	Mr. Sridharan Rangarajan	5(5)	Present

Directorships and Committee memberships of directors

(i) Details of number of directorships and committee positions held by the directors and their shareholding in CFHL as on March 31, 2024 are given in the table below:

SN.	Name of the Director	Category of directorship	No. of directorships including CFHL (Out of which as Chairman)[1.]	No. of committee memberships including CFHL (Out of which as Chairman)[2.]	No. of shares held in CFHL[3.]
1.	Mr. M M Murugappan	Chairman / Promoter/NED	10(5)	3(2)	8,42,405 equity shares of ₹1/- each
2.	Mr. B Ramaratnam	NED/ID	4	5(3)	Nil
3.	Mrs. Vasudha Sundararaman	NED/ID	3	3	Nil
4.	Mr. K Balasubramanian	NED/ID	2	1	Nil
5.	Mr. Vellayan Subbiah	Promoter/NED	12(2)	3(1)	Nil
6.	Mr. Sridharan Rangarajan	NED	10	6(1)	Nil

(ii) Details of directorships held by the directors in other listed entities as on March 31, 2024, are given in the table below:

SN.	Name of the Director	Category of directorship	Name of the Listed Entity
1.	Mr. M M Murugappan	Chairman/NED	Carborundum Universal Limited
		Chairman/NED	Cholamandalam MS General Insurance Company Limited[4.]
		Chairman/NED	Cyient Limited
2.	Mr. B Ramaratnam	NED/ID	Redington Limited
3.	Mrs. Vasudha Sundararaman	NED/ID	Rane (Madras) Limited
			Rane Engine Valve Limited
4.	Mr. K Balasubramanian	-	-
5.	Mr. Vellayan Subbiah	Chairman/NED	Cholamandalam Investment and Finance Company Limited
		Executive Vice-Chairman (WTD)	Tube Investments of India Limited
		Chairman/NED	CG Power and Industrial Solutions Limited
		NED	SRF Limited
6.	Mr. Sridharan Rangarajan	MD	Carborundum Universal Limited
		NED	E.I.D.- Parry (India) Limited
		NED	Wendt (India) Limited
		NED	Cholamandalam MS General Insurance Company Limited[4.]

NED: Non-Executive Director, ID: Independent Director, MD: Managing Director, WTD: Whole-Time Director

[1.] includes directorships in public/private/section 8 companies and excludes foreign companies

[2.] includes only memberships in Audit Committee and Stakeholders Relationship Committee

[3.] includes individual holding and holdings in the capacity as Karta of HUF

[4.] debt listed entity

Training and Induction

At the time of appointment of a director on the Board, the incumbent director is provided with a directors' handbook comprising the compendium of the role, powers, duties and responsibilities of a director including code of conduct of the Company, the compliance obligations and disclosure requirements under the Act and the SEBI Listing Regulations. The handbook also provides the directors with an insight into the Group's practices. The Board members are also provided with the necessary documents, reports, and internal policies to enable them to familiarise with the Company's procedures and practices.

A formal letter of appointment is given to independent directors at the time of appointment which sets out the

role and duties of an independent director. As per the provisions of regulation 46 of the SEBI Listing Regulations, the terms and conditions of appointment of independent directors is made available on the Company's website at http://www.cholafhl.com/article/investors/466.

The Company has in place familiarisation programme for directors with regard to their roles, duties, rights, responsibilities in the company. Directors are familiarised with the organisational set-up, businesses including its associate/subsidiary/JV companies, the environment in which it operates and relevant information pertaining to the company and its group companies. Details of familiarisation programme are available on the website at: http://www.cholafhl.com/article/investors/858.

Core Skills/Expertise/Competencies

The core skills/expertise/competencies identified by the Board which in its opinion are pertinent for effective functioning of the Company are Finance, Governance, Strategy, General Management and Technology. All these skills/expertise/competencies are available with the Board.

The names of directors who have such skills/expertise/competence are given below:

SN.	Name of the Director	Skills/Expertise/ Competencies
1.	Mr. M M Murugappan	Finance, Governance, Strategy, General Management & Technology
2.	Mr. B Ramaratnam	Finance, Governance, Strategy & Technology
3.	Mrs. Vasudha Sundararaman	Finance, Governance, Strategy & General Management
4.	Mr. K Balasubramanian	Finance, Governance, Strategy & Technology
5.	Mr. Vellayan Subbiah	Finance, Governance, Strategy, General Management & Technology
6.	Mr. Sridharan Rangarajan	Finance, Governance, Strategy & Technology

Performance Evaluation

Pursuant to the provisions of section 134 of the Act read with the rules made thereunder, schedule IV to the Act and the SEBI Listing Regulations, the Board carried out an annual evaluation of its own performance, its Committees and individual directors. The evaluation was carried out through an online module using structured assessment questionnaires. The assessment questionnaires cover various parameters. The parameters for Board evaluation inter alia include Board's structure, governance, dynamics & functioning and financial reporting process. The criteria for assessment of individual directors include attendance, effective participation at the meetings and familiarity with the Company's business and policies and the criteria for assessment of Board Committees include frequency of the meetings and effective functioning of the Committee. The directors duly completed and submitted the questionnaires providing their feedback. The performance evaluation of self/peer was carried out by the Board based on feedback received from the individual directors. The Board carried out the Committee evaluation based on feedback received from the respective committee members. The performance evaluation of the Board as a whole, non-independent directors and the Chairman were carried out by the independent directors at their separate meeting.

Performance evaluation criteria for independent directors

The Non-Independent directors carried out the performance evaluation of independent directors including fulfilment of the independence criteria as specified in the Act and the SEBI Listing Regulations. The evaluation is based on the criteria including their ability to maintain independence from the entity and exercise his/her opinion freely on the matters discussed at the meetings.

COMMITTEES OF THE BOARD

Various Committees have been constituted by the Board in terms of regulatory requirements and to oversee operational/strategic matters thereby supporting the Board in discharging its duties efficiently. The committees of the Board are Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee. The Board at the time of constitution of committees approves the terms of reference of each committee. The minutes of the meetings of the committees of the Board are circulated to the Board for information and noting. Recommendations of the Committees on various matters are placed before the Board for approval. The committees' recommendation on various matters were accepted by the Board during the year.

Audit Committee

The Audit Committee has been constituted pursuant to the provisions of section 177 of the Act, regulation 18 of the SEBI Listing Regulations and the RBI Master Directions.

Brief terms of reference

- Oversee the company's financial reporting process and disclosure of its financial information;
- Review financial statements and auditors' report before submission to the Board;
- Recommend appointment, remuneration and terms of appointment of auditors of the company;
- Approve related party transactions and subsequent material modifications to related party transactions;
- Scrutiny of inter-corporate loans and investments;
- Evaluate internal financial controls and risk management systems;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Review internal audit scope/plan and findings;
- Approve the appointment of Chief Financial Officer (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background etc., of the candidate;
- Review functioning of whistle blower mechanism and oversee the vigil mechanism of the company;
- Review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- Review utilization of loans and/or advances from/ investment in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.

Composition

As on March 31, 2024, the Committee comprised of four members viz., Mr. B Ramaratnam (Chairman), Mrs. Vasudha Sundararaman, Mr. K Balasubramanian and Mr. Sridharan Rangarajan. All members of the audit committee are financially literate and have knowledge of financial management and accounts. Mr. B Ramaratnam, Chairman of the Audit Committee attended the previous AGM of the Company held on August 10, 2023. The Company Secretary is the secretary of the audit committee. To acquaint the members with their roles and responsibilities, a handbook on Audit Committee is provided to them at the time of induction.

Meetings and Attendance

The Committee met five times during the year ended March 31, 2024. The statutory auditor and internal auditors are invited to attend quarterly meetings of the Committee. The Manager & Chief Financial Officer is invited to attend all meetings of the Committee. The independent directors who are members of the Audit Committee had two meetings on May 12, 2023, and February 5, 2024, with the representatives of the statutory auditors without the presence of management of the Company, during the year. The attendance (including attendance through VC) of each member at the committee meetings held during the year is given in the table below:

Name of the Member	Category	No. of meetings attended (No. of meetings held)
Mr. B Ramaratnam (Chairman)	NED/ID	5(5)
Mrs. Vasudha Sundararaman	NED/ID	5(5)
Mr. K Balasubramanian	NED/ID	5(5)
Mr. Sridharan Rangarajan	NED	5(5)

NED: Non-Executive Director, ID: Independent Director

Nomination & Remuneration Committee

The Nomination & Remuneration Committee has been constituted in terms of section 178 of the Act, regulation 19 of the SEBI Listing Regulations and the RBI Master Directions.

Brief terms of reference

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for the directors, key managerial personnel and other employees;
- Formulate the criteria for evaluation of performance of independent directors and the Board;
- Identify persons who are qualified to become directors, recommend to the Board any new appointments including re-appointments and the tenure of office and their removal;
- Determine the manner for effective evaluation of Board performance, its committees and individual directors and review its implementation and compliance;
- Devise a policy on Board diversity;
- Recommend to the Board the remuneration including commission payable to non-executive directors subject to the statutory limits;
- Recommend to the Board all remuneration, in whatever form, payable to the senior management;
- Implement, administer and monitor the Employee Stock Option Plan/Schemes of the Company.

Composition

As on March 31, 2024, the Committee comprised of three members viz., Mrs. Vasudha Sundararaman (Chairperson), Mr. M M Murugappan and Mr. K Balasubramanian.

Meetings and Attendance

The Committee met twice during the year ended March 31, 2024. The attendance (including attendance through VC) of each member at the Committee meetings held during the year is given in the table below:

Name of the Member	Category	No. of meetings attended (No. of meetings held)
Mrs. Vasudha Sundararaman (Chairperson)	NED/ID	2(2)
Mr. M M Murugappan	NED	2(2)
Mr. K Balasubramanian	NED/ID	2(2)

NED: Non-Executive Director, ID: Independent Director

Remuneration to Directors

The success of any organisation in achieving good performance and governance depends on its ability to attract quality individuals as executive and independent directors. The compensation to the non-executive directors takes the form of commission on profits paid in proportion to their tenure on Board. Though the shareholders have approved payment of commission up to one per cent of the net profits of the Company for each year calculated as per the provisions of the Companies Act, 2013, the actual commission paid to the directors will be restricted to a fixed sum. The Board taking into consideration various factors such as performance of the Company, time devoted by the directors in attending to the affairs and business of the Company and the extent of responsibilities cast on the directors under various laws and other relevant factors and based on the recommendation of the Nomination & Remuneration Committee, revised the commission payable to each non-executive director from ₹7,50,000/- to ₹10,00,000/- from FY 24, subject to availability of adequate profits. The non-executive directors are also paid sitting fees subject to the statutory ceiling for all Board and Committee meetings attended by them. The directors are paid sitting fee of ₹50,000/- each for attending every meeting of the Board and Audit Committee and ₹30,000/- each for every meeting of other committees of the Board.

The details of commission payable/sitting fees paid to non-executive directors for the year ended March 31, 2024, are given in the table below:

(in ₹)

SN.	Name of the Director	Commission*	Sitting Fee	Total
1.	Mr. M M Murugappan	10,00,000	4,90,000	14,90,000
2.	Mr. B Ramaratnam	10,00,000	6,80,000	16,80,000
3.	Mrs. Vasudha Sundararaman	10,00,000	5,60,000	15,60,000
4.	Mr. K Balasubramanian	10,00,000	5,60,000	15,60,000
5.	Mr. Vellayan Subbiah	10,00,000	1,50,000	11,50,000
6.	Mr. Sridharan Rangarajan	10,00,000	6,80,000	16,80,000
	Total	**60,00,000**	**31,20,000**	**91,20,000**

** Payable subject to deduction of tax and adoption of accounts by shareholders at the ensuing 75th AGM*

Policy - Board Diversity, Board Nominations and Remuneration

In compliance with the requirements of the Companies Act, 2013, the Board on recommendation of the Nomination & Remuneration Committee, has adopted the following policies:

- Board Diversity policy;
- Policy on Board nominations; and
- Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company.

The above policies are available on the Company's website at http://www.cholafhl.com/article/investors/600.

The Board Diversity Policy sets out the approach to diversity on the Board of the Company to ensure a process which is transparent with diversity of thought, experience, knowledge, perspective, and gender on the Board.

The Nomination & Remuneration Committee is responsible for identifying persons for nomination as directors and evaluating incumbent directors. The policy for Board nomination lays down qualifications, positive attributes and independence criteria for Board positions and re-appointment of directors. The Board, while considering a person for appointment as director, determines suitability of the person based on qualification, track record, expertise, integrity and ensures that the appointee fulfills the 'fit and proper' criteria for directors.

The remuneration policy provides a framework to ensure reasonableness and sufficiency of remuneration so that the company attracts, retains, and motivates resources. The policy reflects the remuneration philosophy of the group and considers factors to ensure pay structures are appropriately aligned.

Stakeholders Relationship Committee

The Committee has been constituted pursuant to the provisions of section 178 of the Act and regulation 20 of the SEBI Listing Regulations.

Brief terms of reference

- Approve transfer and transmission of shares/debentures, splitting and consolidation of shares/debentures/ warrants certificates, transposition of names of holders and issue of renewed and issue of letter of confirmation for such requests lodged with the Company or the Registrar and Share Transfer Agent;
- Formulate shareholders servicing plans and policies in line with Corporate Governance plans and develop the standards therefor;
- Consider and resolve grievances of security holders of the Company;
- Monitor and review the mechanism of share transfers, dividend payments, dematerialisation process, sub-divisions, consolidations, issue of letter of confirmation in lieu of duplicate certificates etc., and to determine and set standards for processing of the same;
- Review adherence to the service standards in respect of various services rendered by the Registrar & Share Transfer Agent;
- Review share transfers to the Investors Education and Protection Fund and the related matters including processing claims of shareholders from IEPF account and unclaimed suspense account of the Company.

Composition

As on March 31, 2024, the Committee comprised of three members viz., Mr. M M Murugappan (Chairman), Mr. B Ramaratnam and Mr. Sridharan Rangarajan. Mrs. E Krithika, Company Secretary is the Compliance Officer.

Meetings and Attendance

Two meetings of the Committee were held during the year ended March 31, 2024. The attendance of each member at the committee meetings held during the year is given in the table below:

Name of the Member	Category	No. of meetings attended (No. of meetings held)
Mr. M M Murugappan (Chairman)	NED	2(2)
Mr. B Ramaratnam	NED/ID	2(2)
Mr. Sridharan Rangarajan	NED	2(2)

NED: Non-Executive Director, ID: Independent Director

Investor Complaints

During the year 3 investor complaints were received and all the complaints were resolved to the investor's satisfaction. No complaints were pending as on March 31, 2024.

Risk Management Committee

The Committee has been constituted pursuant to the provisions of regulation 21 of the SEBI Listing Regulations and the RBI Master Directions.

Brief terms of reference

- Formulate a detailed risk management policy for the Company;
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Review the risk management policy, after considering the changing dynamics and evolving complexity;
- Review the process for systematic identification and assessment of the business risks including cyber security.

Composition

As on March 31, 2024, the Committee comprised of four members viz., Mr. M M Murugappan (Chairman), Mr. B Ramaratnam, Mr. Sridharan Rangarajan and Mr. N Ganesh (Manager & Chief Financial Officer).

Meetings and Attendance

The Committee met four times during the year ended March 31, 2024. The attendance of each member at the committee meetings held during the year is given in the following table:

Name of the Member	Category/ Designation	No. of meetings attended (No. of meetings held)
Mr. M M Murugappan (Chairman)	NED	4(4)
Mr. B Ramaratnam	NED/ID	4(4)
Mr. Sridharan Rangarajan	NED	4(4)
Mr. N Ganesh	Manager & Chief Financial Officer	4(4)

NED: Non-Executive Director, ID: Independent Director

In terms of the RBI Master Directions, the Board constituted an Asset Liability Management Committee ('ALCO'). The role of ALCO inter-alia includes a) analysis

and monitor the liquidity risk profile of the Company; b) decision on maturity profile and mix of incremental assets and liabilities; c) management of liquidity risks and oversee liquidity position of the Company; d) implementation of liquidity risk management strategy. Mr. Sridharan Rangarajan (Head), Mr. N Ganesh, Manager & CFO and Mrs. E Krithika, Company Secretary are members of the Committee. The ALCO met three times during the year.

CRITERIA FOR APPOINTMENT IN SENIOR MANAGEMENT

The Nomination & Remuneration Committee is responsible for identifying persons who are qualified to be appointed in senior management. In terms of section 178 of the Act, the Committee has formulated criteria for the appointment of personnel in senior management comprising attributes viz., personal traits, competencies, experience and background. These attributes are considered for nominating candidates for senior management position.

SENIOR MANAGEMENT

Mr. N Ganesh, Manager & Chief Financial Officer and Mrs. E Krithika, Company Secretary, are the senior management personnel of the Company. There were no changes in the senior management of the Company since the close of the previous financial year.

SUCCESSION PLANNING

The Company has a mechanism in place for ensuring orderly succession of appointments to the Board and to senior management positions.

SUBSIDIARY COMPANIES

Cholamandalam MS General Insurance Company Limited ('CMSGICL') is the material subsidiary of the Company as per regulation 16(1)(c) of the SEBI Listing Regulations. CMSGICL was incorporated on November 2, 2001 at Chennai. M/s. Sharp and Tannan ('S&T'), Chartered Accountants, and M/s. R.G.N Price & Co. ('RGN'), Chartered Accountants, are the joint statutory auditors of CMSGICL. S&T and RGN were re-appointed for a second term of five years each with effect from July 28, 2020 and July 29, 2021 respectively. The directors, Mr. M M Murugappan and Mr. Sridharan Rangarajan are also on the Board of CMSGICL. Pursuant to the SEBI Listing Regulations, a policy on material subsidiaries has been formulated by the Board. The policy is available on the Company's website at http://www.cholafhl.com/article/investors/475.

The Audit Committee reviews the financial performance of group companies and investments made by the subsidiary. The minutes of board meetings of the subsidiary companies are placed before the Board at its quarterly meetings along with a statement of significant transactions and arrangements, if any, entered into by them. The Board reviews the business performance of group companies periodically besides review of their risk management framework.

RELATED PARTY TRANSACTIONS

Prior approval of the Audit Committee is obtained for all transactions with related parties. An omnibus approval of the Committee is obtained at the commencement of the year, for related party transactions proposed to be entered into by the Company. The Audit Committee reviews the details of related party transactions entered into by the Company at its quarterly meetings. Disclosure of transactions with related parties as required under applicable accounting standards is given in Note 22 and Note 40 of the standalone and consolidated financial statements respectively. In compliance with regulation 23(9) of the SEBI Listing Regulations, the Company submits disclosures of related party transactions on a half yearly basis to the stock exchanges in the prescribed format. The disclosures are also published on the Company's website. The Board has formulated a policy on related party transactions and the policy is available on the Company's website at: http://www.cholafhl.com/article/investors/476.

MEANS OF COMMUNICATION

The audited as well as un-audited financial results of the Company are informed to the stock exchanges as soon as these are approved by the Board. Financial results are published in English in 'Business Standard' and 'The New Indian Express' and in Tamil in 'Dinamani'. A press release is given along with the publication of the quarterly/ annual results, explaining the business environment and performance in order to enable the investing community to understand the financial results better.

The financial results, shareholding pattern, corporate governance report, corporate announcements, press release and other communications to stock exchanges are available under the 'Investors' section on the Company's website. The Company also schedules calls with investors immediately after declaration of quarterly financial results to brief them on the performance of the Company. In terms of regulation 46 of the SEBI Listing Regulations, the presentations, audio recordings and transcripts of investors call on performance of

the Company are submitted to stock exchanges and made available on the Company's website. Statutory disclosures and other regulatory communications are intimated in electronic mode through web portals of stock exchanges for dissemination of such information to the public at large. The aforesaid details are available on the Company's website at https://www.cholafhl.com/qreport

The Company usually sends annual report, intimation of dividend payment, notices for general meetings and postal ballot by e-mail to those shareholders whose e-mail addresses are registered with the Company/Depository Participants and in hard copies to those shareholders whose e-mail addresses are not registered. In view of the relaxation provided by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ('SEBI'), the Annual Report for FY 23-24 and the notice convening the 75th AGM are being sent by the Company in electronic form to the registered e-mail addresses of the shareholders. Shareholders who have not registered their e-mail address may refer to the procedure provided in the Notice to obtain the aforesaid documents.

INVESTOR SERVICE

The Company attends to investors' queries/grievances in a timely manner and valid requests for issue of duplicate share certificates, share transmissions, etc., are processed within the regulatory time frame. KFin Technologies Limited ('KFin') is the Company's Registrar and Share Transfer Agent. Share transfers, transmissions, issue of duplicate share certificate(s), etc., as well as requests for dematerialization/rematerialisation are processed by KFin at periodical cycles. In order to expedite the redressal of complaints, investors are requested to register their complaints to the exclusive e-mail address: investorservices@cfhl.murugappa.com for monitoring follow up action taken.

SEBI Complaints Redress System (SCORES): Investor complaints are processed in a centralized web-based complaints redress system of SEBI (SCORES). The salient features of this system are centralized database of all complaints, online upload of Action Taken Report (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Online Dispute Resolution (ODR) Portal: In accordance with SEBI Circular dated July 31, 2023, the Company has registered itself on the ODR portal. The ODR portal harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market and can be accessed through https://smartodr.in/.

STATUTORY COMPLIANCE

The Company has systems in place to remain updated with changes in statutes and the means of compliance. An affirmation regarding compliance with the applicable statutes by the Compliance Officer is placed before the Board on a quarterly basis besides circulation of compliance highlights along with the agenda notes.

INTERNAL CONTROLS

The Company is conscious of the importance of internal processes and controls. The Company has adequate internal control systems and review mechanisms in place commensurate with the nature of its business and size. These systems are regularly reviewed and improved upon. In terms of regulation 17(8) of the SEBI Listing Regulations, a certificate from the Manager & Chief Financial Officer with regard to financial statements and internal control systems has been submitted to the Board.

DISCLOSURES REGARDING COMMODITY PRICE RISK AND HEDGING ACTIVITIES

The Company is an investment company and does not have exposure to commodity risks and hedging activities.

WHISTLE-BLOWER/VIGIL MECHANISM

The Company has established a whistleblower/vigil mechanism for the employees and the directors as an avenue to voice concerns relating to unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Ombudsperson appointed by the Board deals with the complaints received and ensures appropriate action. Report from Ombudsperson is placed before the Audit Committee every quarter. The mechanism also provides for adequate safeguards against victimisation of persons using the mechanism and provides direct access to the chairperson of the Audit Committee in exceptional cases. During the year, no personnel have been denied access to the Audit Committee.

DIVIDEND DISTRIBUTION POLICY

The Company has formulated a dividend distribution policy as required under regulation 43A of the SEBI Listing Regulations. The policy is available on the company's website at: http://www.cholafhl.com/article/investors/601.

FEES PAID TO STATUTORY AUDITOR/NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, for the year ended March 31, 2024, is furnished in the table below:

(₹ in Crore)

Particulars	Amount
Fees for audit and related services paid to M/s. Sharp & Tannan Associates and its Affiliates firms and to entities of the network of which the statutory auditor is a part	0.612
Other fees paid to M/s Sharp & Tannan Associates & Affiliates firms and to entities of the network of which the statutory auditor is a part	-
Total	**0.612**

CODE OF CONDUCT

The Board has laid down a code of conduct for all directors and senior management of the Company as required under regulation 17 of the SEBI Listing Regulations. The code is available on the Company's website at http://www.cholafhl.com/article/investors/33. The directors and the senior management personnel have furnished affirmation of compliance with the code for the year ended March 31, 2024. A declaration of affirmation in this regard certified by the Manager & Chief Financial Officer is annexed to this report.

The senior management personnel of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

PROHIBITION OF INSIDER TRADING

The Company has framed and adopted a code of conduct to regulate, monitor and report trading by designated persons in the securities of the Company (Code for designated persons), as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('SEBI PIT Regulations'). The Code requires pre-clearance for dealing in the Company's shares for all transactions by the designated persons and prohibits the purchase or sale of Company securities by designated persons while in possession of unpublished price sensitive information ('UPSI') in relation to the Company. Further, trading in Company's securities is also prohibited for designated persons during the period when the trading window is closed. The policy containing procedures for conducting inquiry in case of leakage of UPSI or suspected leakage of UPSI forms part of the Code for designated persons.

Further, in terms of the aforesaid regulations, the Company has formulated a code for fair disclosure of UPSI and a policy for determination of 'legitimate purposes' for communicating/procuring UPSI. The Code for fair disclosure is available on the Company's website at http://www.cholafhl.com/article/investors/493.

COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

The Company has complied with all mandatory requirements of corporate governance norms as specified under the SEBI Listing Regulations. The requirements stipulated in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of the SEBI Listing Regulations to the extent applicable to the Company have been complied with.

The Company is compliant with the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations: a) the Company does not have a CEO/MD, hence the requirement of separate posts of Chairman and CEO/MD is not applicable b) the Company's financial statements for the year ended March 31, 2024 are with unmodified audit opinion c) the Internal Auditor directly reports to the Audit Committee.

CERTIFICATE ON CORPORATE GOVERNANCE

M/s. Srinidhi Sridharan & Associates, Practicing Company Secretaries, have issued a certificate regarding compliance with the provisions relating to corporate governance as per Chapter IV of the SEBI Listing Regulations. The certificate is annexed to this report.

CERTIFICATE ON DIRECTOR'S DISQUALIFICATION

Pursuant to regulation 34(3) and Schedule V Para C clause 10 (i) of the SEBI Listing Regulations, M/s. Srinidhi Sridharan & Associates, Practicing Company Secretaries, have issued a certificate that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company, by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed to this report.

OTHER DISCLOSURES

- A Management Discussion and Analysis Report highlighting the performance of individual businesses forms part of the Board's Report.
- The Company has complied with all regulatory requirements.
- The Company has followed relevant accounting standards notified by the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time while preparing the financial statements.
- There were no instances of non-compliance by the Company nor were there any penalties or strictures imposed on the Company by the stock exchanges, Securities and Exchange Board of India or any statutory authority on any matter related to capital markets in the preceding three years.
- The Company has not raised any funds through preferential allotment or qualified institutional placement during FY 24.
- Disclosure regarding prevention of sexual harassment (POSH) of women at the workplace is furnished in the Board's Report. There was no complaint received under POSH policy during the year.
- There was no instance of non-acceptance by the Board of any recommendations of its committees during the year.
- There are no agreements with any party which impact the management or control of the Company or impose any restriction or create any liability upon the Company.
- The Company has not granted loans and advances to firms/companies in which directors are interested during the year ended March 31, 2024.

GENERAL SHAREHOLDER INFORMATION

A separate section furnishing other details viz., last three Annual General Meetings, its time and venue, share price movement, distribution of shareholding, etc., is annexed to this report.

On behalf of the Board

Place : Chennai
Date : May 10, 2024

M M Murugappan
Chairman

Annexure to the Report on Corporate Governance

DECLARATION ON CODE OF CONDUCT

To
The Members of
Cholamandalam Financial Holdings Limited

This is to confirm that the Board has laid down a Code of Conduct for all Board members and senior management of the Company. The Code of Conduct has also been posted on the website of the Company.

It is further confirmed that all directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2024, as envisaged in regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Chennai
Date : May 10, 2024

N Ganesh
Manager & Chief Financial Officer

Annexure to the Report on Corporate Governance

CORPORATE GOVERNANCE CERTIFICATE

The Members
CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED
Dare House, No. 234, N S C Bose Road,
Chennai - 600 001

We have examined all relevant records of **CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED, (CIN: L65100TN1949PLC002905)** [hereinafter referred to as "the Company"] having its Registered Office at Dare House, No.234, N S C Bose Road, Chennai- 600001, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called "SEBI (LODR) Regulations 2015") for the financial year ended 31st March, 2024. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

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

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of SEBI (LODR) Regulations, 2015 as amended for the financial year ended 31st March, 2024.

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

For **SRINIDHI SRIDHARAN & ASSOCIATES**
COMPANY SECRETARIES

CS SRINIDHI SRIDHARAN
CP NO. 17990
FCS NO. 12510
PR NO: 655/2020
UIN: S2017TN472300
UDIN: F012510F000344897

Place : CHENNAI
Date : May 10, 2024

Annexure to the Report on Corporate Governance

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

The Members,
CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED
CIN: L65100TN1949PLC002905
Dare House, No.234, N S C Bose Road,
Chennai - 600001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED** (CIN: L65100TN1949PLC002905) having its Registered Office at Dare House, No.234, N S C Bose Road, Chennai - 600001 (hereinafter referred to as "The Company") produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such other statutory authority.

SN.	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF INITIAL APPOINTMENT
1.	00170478	M M Murugappan	Chairman & Non-Executive - Non Independent Director	11/11/2017
2.	01814413	Sridharan Rangarajan	Non-Executive - Non-Independent Director	30/08/2018
3.	07525213	B Ramaratnam	Non-Executive - Independent Director	18/03/2019
4.	06609400	Vasudha Sundararaman	Non-Executive - Independent Director	12/02/2020
5.	01138759	Vellayan Subbiah	Non-Executive - Non- Independent Director	11/11/2020
6.	00137260	K Balasubramanian	Non-Executive - Independent Director	17/03/2022

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

For **Srinidhi Sridharan & Associates**
Company Secretaries

CS Srinidhi Sridharan
CP No. 17990
FCS No. 12510
PR NO: 655/2020
UIN: S2017TN472300
UDIN: F012510F000344919

Place : Chennai
Date : May 10, 2024

Annexure to the Report on Corporate Governance

GENERAL SHAREHOLDER INFORMATION

REGISTERED OFFICE

'Dare House', No. 234, NSC Bose Road,
Chennai - 600 001

CORPORATE IDENTIFICATION NUMBER (CIN)

L65100TN1949PLC002905

ANNUAL GENERAL MEETING

Day : Friday

Date : August 9, 2024

Time : 3.00 pm IST

Mode : The Ministry of Corporate Affairs ('MCA') vide its General Circular No. 9/2023 dated September 25, 2023 have allowed companies to conduct Annual General Meeting ('AGM') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') in accordance with the requirements mentioned therein. Accordingly, the 75th AGM of the Company is being held in an electronic mode through VC.

FINANCIAL YEAR: April 1 to March 31

TENTATIVE CALENDAR FOR FY 2024-25

The tentative financial calendar for Board meetings and AGM of the Company is given below:

Un-audited financial results for the quarter ending 30th June, 2024	August 2024
Un-audited financial results for the quarter/half year ending 30th September, 2024	November 2024
Un-audited financial results for the quarter ending 31st December, 2024	February 2025
Audited financial results for the quarter/year ending 31st March, 2025	May 2025
76th Annual General Meeting	August/September 2025

DATES OF BOOK CLOSURE

Saturday, August 3, 2024 to Friday, August 9, 2024 (both days inclusive)

DIVIDEND PAYMENT DATE

The Board of Directors have recommended a final dividend at the rate of 55% being ₹0.55/- per equity share of face value of ₹1/- each for the year ended March 31, 2024. The dividend will be paid on or before September 7, 2024, upon approval by the shareholders at the 75th AGM.

LISTING ON STOCK EXCHANGES

Equity shares of the Company are listed on the following stock exchanges:

Stock Exchanges	Address	Stock/Scrip Code
National Stock Exchange of India Limited	Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051	CHOLAHLDNG
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	504973

Annual listing fee for FY 25 has been paid to the above Stock Exchanges.

REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Limited ('KFin') (formerly, KFin Technologies Private Limited) is the Registrar and Share Transfer Agent ('RTA') of the Company. The shareholders are requested to address their share related requests/ queries to the RTA.

Contact details of RTA
KFin Technologies Limited
Selenium Building, Tower - B, Plot No.31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana, India - 500 032
Phone: 040-6716 2222; Toll free: 1800-309-4001
E-mail: einward.ris@kfintech.com
Website: https://ris.kfintech.com/
Contact person: Mr. Rajkumar Kale, Assistant Vice President - Corporate Registry

DEBT SECURITIES

During the year the Company redeemed Non Convertible Debentures ('NCDs') aggregating to ₹50 Crore and there are no outstanding NCDs as on March 31, 2024.

CREDIT RATING

The credit rating agency, India Ratings and Research Private Limited has affirmed a rating of IND AA+/Stable for the debt securities of the Company during the year.

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited, a SEBI registered Trust Management Company, is the agent and trustee for and on behalf of the debenture holders.

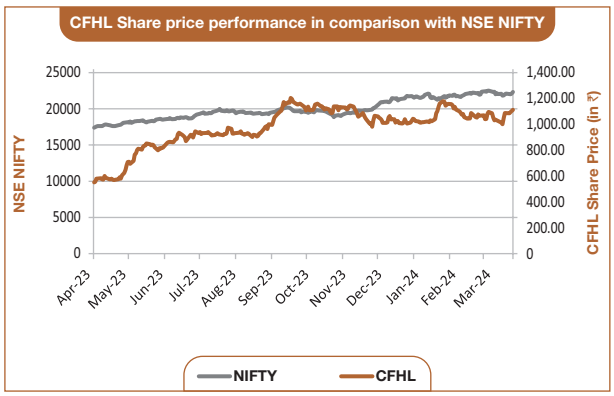
SHARE PRICE DATA

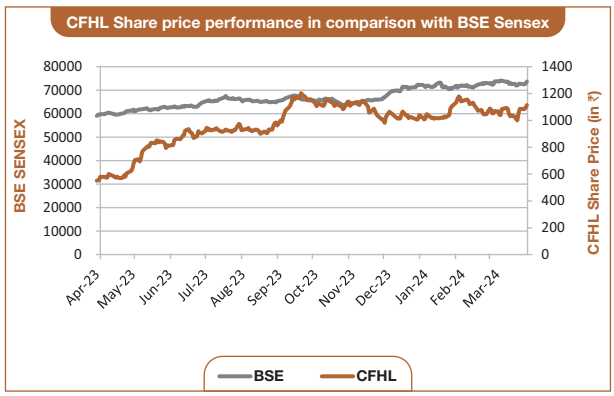
Monthly high and low price of the equity shares of the Company during 2023-24 are as follows:

Contact details of the Debenture Trustee:

IDBI Trusteeship Services Limited
Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai - 400 001 Phone: 022-4080 7000;
E-mail: itsl@idbitrustee.com,
Website: https://www.idbitrustee.com/
Contact person: Mr. Ashish Naik

Month	National Stock Exchange of India Limited			BSE Limited		
	High (in ₹)	Low (in ₹)	Volume	High (in ₹)	Low (in ₹)	Volume
Apr-23	607.00	550.75	16,77,661	607.10	551.60	42,853
May-23	851.10	623.30	51,85,071	850.45	622.80	1,52,389
Jun-23	935.50	811.20	29,36,818	935.85	810.05	9,10,799
Jul-23	974.80	914.50	30,74,870	974.85	913.55	2,39,533
Aug-23	984.10	902.30	30,90,197	984.40	899.95	93,842
Sep-23	1,203.50	963.85	79,83,710	1,203.45	962.55	32,49,061
Oct-23	1,159.30	1,085.15	41,67,345	1,158.00	1,083.90	9,49,935
Nov-23	1,146.15	981.85	32,94,560	1,146.50	981.85	64,273
Dec-23	1,065.70	1,006.35	52,26,874	1,066.45	1,005.55	6,68,324
Jan-24	1,179.75	1,006.20	57,33,673	1,178.20	1,006.95	2,50,932
Feb-24	1,174.75	1,042.90	39,67,878	1,172.70	1,043.70	1,37,217
Mar-24	1,111.50	1,000.45	23,42,129	1,114.95	1,000.55	85,966





UNCLAIMED DIVIDEND

Pursuant to the provisions of section 124 of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended, companies are required to transfer dividends which remain unpaid or unclaimed for seven consecutive years or more, from the unpaid dividend account of the company to the Investor Education and Protection Fund ('IEPF'). Further, the IEPF Rules mandate that the shares on which dividend has not been claimed /en-cashed for seven consecutive years or more be transferred to the demat account of the IEPF.

Details of dividend paid by the Company and the respective due dates for transfer of the unclaimed/un-en-cashed dividend to the IEPF is given in the table below:

Financial year to which the dividend relates		Date of Declaration	Due date of transfer to IEPF
2017-18	Interim	05.02.2018	12.03.2025
	Final	31.07.2018	06.09.2025
2018-19	Interim	04.02.2019	12.03.2026
	Final	01.08.2019	07.09.2026
2019-20	Interim	26.02.2020	03.04.2027
2020-21	Final	04.08.2021	09.09.2028
2021-22	Final	10.08.2022	15.09.2029
2022-23	Final	10.08.2023	15.09.2030

The Company sends periodic intimation to the shareholders concerned advising them to claim unpaid

dividend from the Company. The Company also publishes notices in newspapers informing the members of the due date for transfer of dividend and shares to the IEPF Authority. Dividends upto interim dividend for FY 2016-17 has been transferred to the IEPF. Members are requested to contact the Company or the Company's RTA to claim the unpaid dividend within the prescribed period. Details of unclaimed/unpaid dividends lying with the Company as on March 31, 2023 is available on the Company's website at www.cholafhl.com/investors/706 and the Ministry of Corporate Affairs at www.iepf.gov.in. No claim shall lie against the Company for the amounts so transferred nor shall any payment be made in respect of such claims.

SHARES TRANSFERRED TO IEPF

During the year pursuant to the IEPF Rules 41,400 equity shares of ₹1/- each pertaining to 71 shareholders were transferred to the demat account of the IEPF. Members/ claimants may claim their shares and dividend transferred to the IEPF including benefits accruing on such shares, if any, by following the procedure for refund as detailed on the website of IEPF at www.iepf.gov.in. Details of the nodal officer of the Company for the purpose of IEPF is available on the Company's website. During the year, 11 claims aggregating to 20,590 shares were processed by the IEPF Authority and credited to the demat account of the claimants. As on March 31, 2024, 8,67,338, equity shares of the Company were lying in the demat account of the IEPF.

OTHER INFORMATION TO THE SHAREHOLDERS

(a) Share Transfer System

All shareholders' requests are processed through the Company's RTA, Kfin Technologies Limited. The compliance with the share transfer/transmission formalities is audited by a Practicing Company Secretary (PCS) in terms of regulation 40(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations') annually and a certificate to this effect is filed with the stock exchanges.

As per SEBI circular no. SEBI/HO/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022, shareholders' requests for transfer, transmission, issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division /splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition of securities shall be effected in dematerialised form only. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares on submission of necessary documents. In view of this requirement members holding shares in physical form are requested to consider converting their holdings to dematerialised form at the earliest. As on March 31, 2024, no shares have been transferred to the Suspense Escrow Account.

(b) Furnishing of PAN, KYC and Nomination details:

Shareholders are requested to note that SEBI circular dated November 03, 2021, further amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023 has mandated that the security holders holding securities in physical form and whose folio(s) are not updated with the PAN, KYC details viz., Contact Details; Mobile Number and Bank Account Details and signature and Choice of Nomination, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from **April 01, 2024**. The Company has sent individual letters to all the shareholders holding shares in physical form for furnishing their PAN, KYC, and nomination details.

Therefore, in order to receive the amount of dividend, shareholders are requested to update the KYC details by submitting the relevant ISR forms and SH-13, duly filled in, along with self-attested supporting proofs. The forms can be downloaded from the website of the Company at http://www.cholafhl.com/investors/1028. and of RTA at https://ris.kfintech.com/clientservices/isc/isrforms.aspx

(c) Compulsory linking of PAN with Aadhaar Number

As per the Central Board of Direct Taxes ('CBDT'), it is mandatory to link PAN with Aadhaar number for resident investors. Security holders who have not linked their PAN with Aadhaar number are requested to get the same completed at the earliest.

(d) Investor Charter

In order to facilitate investor awareness for various service requests, SEBI has prescribed Investor Charter for RTAs, inter alia, detailing the services provided to investors, rights of

investors, timelines for various activities of RTAs, Do's and Dont's for Investors and Grievance Redressal Mechanism. The Investor Charter of the Company's RTA is available on their website at https://ris.kfintech.com/clientservices/isc/#div_icharter.

(d) Dividend Payment

Pursuant to the Income Tax Act, 1961 ('IT Act'), as amended by the Finance Act, 2020, dividends declared and paid by the Company with effect from April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source ('TDS') at the time of payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to complete and/or update their residential status, PAN, category as per the IT Act with their DPs or in case shares are held in physical form, with the Company by sending documents by July 31, 2024. Members may note that in the absence of the PAN details, the Company would be required to deduct tax at a higher rate prescribed under the IT Act. Members seeking non-deduction of tax on their dividends, may submit Form 15G/15H as applicable to the Company on a yearly basis at the link https://ris.kfintech.com/form15/. Detailed information with respect to TDS on dividend payments including the formats of Form 15G/Form 15H for seeking exemption is available on the Company's website at http://www.cholafhl.com/investors/983. Members may contact the Company's RTA, KFin or the Company in case of any clarification in this regard. In case of any clarification in this regard, members may send a mail to the Company at investorservices@cfhl.murugappa.com.

(e) Nomination Facility

As per the SEBI circular dated November 3, 2021, facility for registering nomination is available for members in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a shareholder desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website http://www.cholafhl.com/investors/1028. The shareholders holding shares in dematerialised form are requested to submit their nomination form to the concerned depository participants and to RTA in case the shares are held in physical form.

(f) Green Initiative

In order to conserve paper and environment, the Ministry of Corporate Affairs has allowed the companies to send Notices of General Meetings/other Notices, Audited Financial Statements, Board's Reports, Auditors' Reports, etc., henceforth to their shareholders electronically as a part of its Green Initiative in Corporate Governance. Shareholders can avail e-communication facility by registering their e-mail address with the Company by sending a request mail to investorservices@cfhl.murugappa.com or to the RTA at einward.ris@kfintech.com.

DETAILS OF SHAREHOLDERS' COMPLAINTS

Complaints relating to	No. of complaints		
	Received during the year	Resolved/ Disposed off during the year	Pending as on March 31, 2024
Dividend	1	1	Nil
Share certificate	1	1	Nil
Dematerialisation of shares	1	1	Nil

SHAREHOLDING PATTERN AS ON MARCH 31, 2024

Category	No. of Shares held	% of Shareholding
Promoter & Promoter Group	8,89,53,939	47.37
Mutual Funds and UTI	4,42,27,360	23.55
Banks, Financial Institutions, Insurance Companies	23,29,003	1.24
Foreign Institutional Investors	2,67,22,365	14.23
Bodies Corporate	41,15,961	2.19
Resident Individuals	1,78,44,280	9.51
NBFCs	14,725	0.01
NRI and Others	35,69,829	1.90
Grand Total	**18,77,77,462**	**100.00**

During the year, pursuant to the receipt of requests from certain members belonging to the 'Promoter/Promoter Group' category for re-classification to 'public shareholders' category, the Company in compliance with regulation 31A of the SEBI Listing Regulations has made necessary application seeking approval of the regulatory authorities for the re-classification.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2024

Category (Shares)	No. of Shareholders	% to Shareholders	No. of Shares	% to Equity
Upto 5000	33,025	97.51	94,78,285	5.05
5001 - 10000	317	0.94	23,41,928	1.25
10001 - 20000	178	0.53	25,34,911	1.35
20001 - 30000	70	0.21	17,20,537	0.92
30001 - 40000	42	0.12	14,64,931	0.78
40001 - 50000	17	0.05	7,73,061	0.41
50001 - 100000	50	0.15	35,27,575	1.88
100001 and above	169	0.50	1,65,93,6234	88.37
Total	**33,868**	**100.00**	**18,77,77,462**	**100.00**

DEMATERIALISATION OF SHARES

The equity shares of the Company are available for trading in dematerialised form. The Company's ISIN allotted by the National Securities Depository Ltd ('NSDL') and Central Depository Services (India) Ltd ('CDSL') is INE149A01033. Distribution of shareholding as at March 31, 2024 is given below:

Mode of Shareholding	No. of Shareholders	% to Shareholders	No. of Shares	% to Equity
Physical	435	1.28	7,01,433	0.37
Demat/Electronic	33,433	98.72	18,70,76,029	99.63
Total	**33,868**	**100.00**	**18,77,77,462**	**100.00**

RECONCILIATION OF SHARE CAPITAL AUDIT

The Company obtains a certificate on quarterly basis from a Practicing Company Secretary on reconciliation of share capital audit with regard to the total admitted equity share capital with NSDL and CDSL and those held in physical form, with the issued and listed capital under regulation 55A of the SEBI (Depositories and Participants) Regulation, 1996. The certificate is submitted to the stock exchanges and placed before the Board at its quarterly meetings.

COMMODITY PRICE RISK/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is into investment business and has no exposure to commodity price risk and commodity hedging activities. Foreign currency trade exposures are monitored regularly.

GDRs/ADRs

There are no outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, that is likely to impact the equity share capital of the Company.

GENERAL BODY MEETINGS

The date, time and venue of the last three Annual General Meetings are given in the table below:

Year	Date	Time	Venue/Mode
2020-21	August 04, 2021	3.30 PM	Held through Video Conferencing
2021-22	August 10, 2022	3.30 PM	
2022-23	August 10, 2023	3.30 PM	

POSTAL BALLOT

No resolutions were passed through postal ballot during FY 24. Currently, no resolution is proposed to be passed through postal ballot during FY 25.

DETAILS OF SPECIAL RESOLUTIONS PASSED DURING THE LAST THREE ANNUAL GENERAL MEETINGS

Date of AGM	Whether any special resolution was passed	Particulars
August 04, 2021	No	-
August 10, 2022	No	-
August 10, 2023	Yes	• Re-appointment of Mr. B Ramaratnam as Independent Director for a second term of 3 years effective March 18, 2024. • Amendment to Articles of Association of the Company.

UNCLAIMED SHARES

In accordance with the requirement of regulation 34(3) and part F of Schedule V to the SEBI Listing Regulations, details in respect of equity shares lying in the Unclaimed Suspense Account of the Company are given in the table below:

SN.	Particulars	No. of Shareholders	No. of Shares
1.	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account as on 1.04.2023	657	6,92,231
2.	Shareholders who approached for transfer of their shares from the Unclaimed Suspense Account during the year	25	65,450
3.	Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	25	65,450
4.	Shareholders whose shares were transferred to the demat account of the Investor Education & Protection Fund Authority during the year	40	26,235
5.	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account as on 31.03.2024	592	6,00,546

Shareholders who continue to hold the share certificates with face value of ₹10/₹2 each are entitled to claim the equity shares with face value of ₹1/- each from the Unclaimed Suspense Account. The voting rights on the shares outstanding in the suspense account as on March 31, 2024, shall remain frozen till the rightful owner of such share claims the shares. On receipt of the claim, the Company will, after verification, arrange to credit the equity shares to the demat account of the shareholder concerned or deliver the share certificate to the shareholder in physical mode after re-materialisation.

LOCATION

The Company's registered office is in Chennai and does not have any other branches.

CONTACT DETAILS:

For assisting and handling investor grievances:

Mrs. E Krithika
Compliance Officer & Company Secretary
'Dare House', No.234, NSC Bose Road, Chennai - 600 001
E-mail : investorservices@cfhl.murugappa.com, krithikae@cfhl.murugappa.com
Phone : 044 - 4090 7638 / 2530 6486
Fax : 044 - 4211 0404

ANNEXURE III

Information under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Details of employees in terms of remuneration drawn during the financial year 2023-24 as per Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name (Age)	Designation/ Nature of duties	Gross remuneration paid (in ₹)	Qualification and experience (years)	Date of commencement of employment/ deputation	Previous employment
N Ganesh (52)	Manager & Chief Financial Officer	1,24,91,913	B.Com, ACA (28 Years)	August 9, 2017	GMAC Financial Services India Limited
E Krithika (44)	Company Secretary	37,84,989	M.Com, ACS (18 years)	August 9, 2017	Cholamandalam MS General Insurance Company Limited

Notes:

1. *The Company has 2 employees, who are the Key Managerial Personnel (KMPs). Details of the KMPs are furnished in the table above.*
2. *Mr. Ganesh is employed on deputation basis from Cholamandalam Investment and Finance Company Limited (CIFCL). Remuneration of Mr. Ganesh represents the cost of deputation paid to CIFCL. Remuneration of Mrs. Krithika given above includes salary, allowances, company's contribution to provident fund and gratuity fund computed as per the Income Tax Act/ Rules.*
3. *None of the above employees are related to any director of the Company and hold any shares in the Company. Neither of them are vested with stock options under the Company's Employee Stock Option Schemes.*

(ii) Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Designation	Ratio
Mr. M M Murugappan	Chairman/Non-Executive Director	0.18
Mr. B Ramaratnam	Independent Director	0.21
Mrs. Vasudha Sundararaman	Independent Director	0.19
Mr. K Balasubramanian	Independent Director	0.19
Mr. Vellayan Subbiah	Non-Executive Director	0.15
Mr. Sridharan Rangarajan	Non-Executive Director	0.21

Notes:

1. *Remuneration of directors comprises of commission payable for FY 23-24 and the sitting fees paid during the year*
2. *Directors' remuneration have been annualized*

(iii) Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer & Company Secretary in the financial year:

Directors: All directors are paid sitting fees at the same scale for attending Board and Committee meetings. In addition to sitting fees, a fixed sum is paid as commission to all directors proportionate to their tenure on the Board. The commission payable to directors has been increased from ₹7,50,000/- to ₹10,00,000/- (33% increase) for each director from FY 24.

Key Managerial Personnel: Manager & CFO - 17.3%; Company Secretary - 14.4%

(iv) Percentage increase in median remuneration of employees in the financial year: 16.6%

(v) Number of permanent employees on the rolls of the Company as on 31.03.2024:

Two employees i.e. Mr. Ganesh, Manager & CFO and Mrs. Krithika, Company Secretary.

(vi) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Not applicable. There are no employees other than the managerial personnel.

(vii) Affirmation:

The Company affirms that the remuneration is in line with its Remuneration Policy.

On behalf of the Board

Place : Chennai
Date : May 10, 2024

M M Murugappan
Chairman

Secretarial Audit Report

for the financial year ended 31st March 2024

ANNEXURE IV

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

The Members,
CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED
CIN: L65100TN1949PLC002905
Dare House, No.234, N S C Bose Road,
Chennai - 600 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED** [CIN: L65100TN1949PLC002905] (hereinafter called "the Company") for the financial year ended 31st March, 2024. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2024 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under FEMA and hence, the requirement of complying with the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under does not arise;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the company during the year under review);

d) The Employee Stock Option Plan, 2016 approved under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 & the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the Employee Stock Option Scheme, 2007 approved under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the company during the year under review);

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable as the company is not registered as Registrar to an Issue and Share transfer Agent during the year under review);

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

(Not applicable to the company during the year under review); and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the company during the year under review);

(vi) We have reviewed the systems and mechanisms established by the Company for ensuring compliances under various laws which are specifically applicable to the Company and categorized under the following major heads/ groups:

a) Reserve Bank of India Act, 1934, Rules, Regulations, guidelines, circulars, directions, notifications made there under.

b) Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016.

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

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

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (revised effective from October 1, 2017) and the guidance Note on Meetings of the Board of Directors and General Meetings (revised) issued by The Institute of Company Secretaries of India.

(ii) The Uniform Listing Agreement entered into with BSE Limited and the National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (hereinafter referred as "Listing Regulations").

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Woman Independent Director and Independent Directors. The Company has appointed "Manager" pursuant to Sections 196 and 203 of the Companies Act, 2013. The changes in the composition of the Board of Directors pertaining to re-appointment of Independent Director that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all the directors before schedule of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with.

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

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors/Committee Members and no Director/ Members of the Committee dissented on the decisions taken at such Board/Committee Meetings. Further, in the minutes of the General Meeting, the number of votes cast against the resolution(s) have been recorded.

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

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

8th February, 2019 issued by the Securities and Exchange Board of India.

We further report that as per the information and explanations provided by the Management, the Company has Material Subsidiary incorporated in India pursuant to Regulation 16(1)(c) and Regulation 24A of the Listing Regulations.

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

1. Obtained approval from the shareholders on August 10, 2023 for alteration of Articles of Association of the Company by replacing the existing Articles of Association (AoA) with new set of Articles of Association (AoA) in alignment with the requirements of SEBI (Debenture Trustees) Regulations, 1993.
2. Obtained approval from the Board of Directors at their meeting held on 5th February, 2024 for reclassification of certain persons belonging to the Promoters/Promoter Group of the Company to "Public" Category pursuant to family arrangement.
3. Redeemed unsecured redeemable non-convertible debentures amounting to ₹50 Crores.

For **SRINIDHI SRIDHARAN & ASSOCIATES**
Company Secretaries

CS SRINIDHI SRIDHARAN
CP No. 17990
FCS No. 12510
PR NO: 655/2020
UIN: S2017TN472300
UDIN: F012510F000344842

Place : Chennai
Date : May 10, 2024

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

Annexure A

The Members,
CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED
CIN: L65100TN1949PLC002905
Dare House, No.234, N S C Bose Road,
Chennai - 600 001

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

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

For **SRINIDHI SRIDHARAN & ASSOCIATES**
Company Secretaries

CS SRINIDHI SRIDHARAN
CP No. 17990
FCS No. 12510
PR NO: 655/2020
UIN: S2017TN472300
UDIN: F012510F000344842

Place : Chennai
Date : May 10, 2024

Secretarial Audit Report

for the financial year ended 31st March 2024

ANNEXURE V

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,

CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED

CIN: U66030TN2001PLC047977

Dare House, II Floor, No.234, N S C Bose Road,

Parrys, Chennai - 600 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED** [Corporate Identification Number: U66030TN2001PLC047977] (hereinafter referred to as "the Insurance Company") for the financial year ended 31st March, 2024. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Insurance Company's books, documents, minute books, forms and returns filed and other records maintained by the Insurance Company and also the information provided by the Insurance Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Insurance Company has, during the audit period for the financial year ended 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Insurance Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, documents, minute books, forms and returns filed and other records maintained by the Insurance Company for the financial year ended 31st March, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under. There was no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the year under review;

(v) The Insurance Company has listed its debt securities with the National Stock Exchange of India Limited and the following provisions are applicable and complied:

a) Chapters II, III and V of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to the extent applicable;

c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; [Not applicable as the Insurance company is not registered as Registrar to an Issue and Share transfer Agent during the year under review]

d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Insurance Company has not listed its equity shares in any of the Stock exchanges and hence the question of complying with the provisions of the following Regulations (a to e) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) does not arise:-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

e) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

(vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:

1. Insurance Act, 1938
2. Insurance Rules, 1939
3. Insurance Laws (Amendment) Act, 2015
4. IRDAI Regulations, Guidelines, Circulars, directions and notifications made there under.

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

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

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (Revised effective from October 1, 2017) and Guidance Note on Meetings of the Board of Directors and General Meetings (Revised) issued by the Institute of Company Secretaries of India.

(ii) Chapters II, III and V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. [hereinafter referred to as "Listing Regulations"]

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

The Board of Directors of the Insurance Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Independent Director and Independent Directors. There were no changes in the composition of the Board of Directors during the financial year under review.

Adequate notice is given to all Directors/Members before the schedule of the Board Meetings/Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with. The Directors/Members participated through video conferencing or other audio visual means during the period under review, the necessary compliances of Rule 3 of the Companies (Meetings of Board and its powers) Rules, 2014 have been complied with. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities pertaining to Board/Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Insurance Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors/Committee Members and no Director/ Member dissented on the decisions taken at such Board/Committee Meetings. Further, as per the minutes of the general meetings duly recorded and signed by the Chairman, the decisions were unanimous and no dissenting views have been recorded.

We further report that based on review of compliance mechanism established by the Insurance Company and on the basis of the Compliance certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations, circulars, guidelines, directions and notifications.

We further report that during the audit period, the Insurance Company had obtained approval of Board of directors at their meeting held on 30th January, 2024 for issue and allotment of unsecured, subordinated, listed, redeemable, non-convertible debentures for cash at par upto a sum not exceeding Rs. 1000 million to eligible persons on a private placement basis in one or more series/tranches.

For **R. SRIDHARAN & ASSOCIATES**
Company Secretaries

CS R. SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO: 657/2020
UIN: S2003TN063400
UDIN: F004775F000235258

Place : Chennai
Date : April 27, 2024

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

Annexure A

The Members,
CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED
CIN: U66030TN2001PLC047977
Dare House, II Floor, No. 234, N S C Bose Road,
Parrys, Chennai - 600 001

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

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

For **R. SRIDHARAN & ASSOCIATES**
Company Secretaries

CS R SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO: 657/2020
UIN: S2003TN063400
UDIN: F004775F000235258

Place : Chennai
Date : April 27, 2024

ANNEXURE VI

Business Responsibility And Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L65100TN1949PLC002905
2.	**Name of the Listed Entity**	Cholamandalam Financial Holdings Limited
3.	**Year of incorporation**	9th September, 1949
4.	**Registered office address**	'Dare House', No. 234, NSC Bose Road, Chennai - 600 001
5.	**Corporate address**	'Dare House', No. 234, NSC Bose Road, Chennai - 600 001
6.	**E-mail**	investorservices@cfhl.murugappa.com
7.	**Telephone**	044-4217 7770-5/4090 7638
8.	**Website**	www.cholafhl.com
9.	**Financial year for which reporting is being done**	April 1, 2023 to March 31, 2024
10.	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited and BSE Limited
11.	**Paid-up Capital**	₹18.78 Crore
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Sridharan Rangarajan, Director Phone: 044 - 2530 6204 E-mail: sridharanr@corp.murugappa.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)**	This report is prepared on a consolidated basis including the Company's subsidiary/associate companies viz., Cholamandalam Investment and Finance Company Limited ('CIFCL'), referred to in this report as lending business and Cholamandalam MS General Insurance Company Limited ('CMSGICL') referred to in this report as insurance business. (Together the entities are referred to as 'Group' in this report)
14.	**Name of assurance provider**	Not Applicable (NA)
15.	**Type of assurance obtained**	NA

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

SN.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Financial Services	Lending Business	74.40%
2.	Insurance Business	General Insurance Business	24.40%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

SN.	Product/Service	NIC Code	% of total Turnover contributed
1.	Lending [Vehicle Finance, Loan Against Property, Home Loans, Secured Business and Personal Loans (SBPL), Consumer and Small Enterprises Loans (CSEL), Small and Medium Enterprise Loans (SME)]	K649	74.40%
2.	General Insurance [Health, Home, Motor, and Travel Insurance]	6512	24.40%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Locations	Number of Plants*	Number of offices	Total
National	NA	1,539	1,539
International	NA	Nil	Nil

** The group is not engaged in manufacturing activities, hence this criterion is not applicable.*

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Lending Business: 26 States / 6 Union Territories Insurance Business: 25 States
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil. The group provides financial services to the Indian market.

c. A brief on types of customers

Lending Business: The company focusses on retail borrowers including First time Borrowers (FTB) and New to Credit Customers (NTCC) ensuring financial inclusion. Following are the types of customers based on the products:

(i) **Vehicle Financing:** Transport entrepreneurs, FTB and NTCC predominantly in geographies with limited presence of banks and other organized financiers.

(ii) **Loan against Property:** Small business entrepreneurs against the collateral of self-occupied residential property.

(iii) **Affordable Housing:** Underserved customers in Tier III, IV, V, and VI cities to enable them to achieve their dream of owning a home. It also serves customers from unorganized segments who receive their salaries in cash and women borrowers.

(iv) **Secured Business and Personal Loans (SBPL):** Under-served self-employed non-professional customers (eg, grocery shop, dairy owners, unskilled laborers, low salaried/cash salaried workers).

(v) **SME Loans:** Funding to Micro, Small, and Medium Enterprises (MSME) customers through various products like Term Loan against property as collateral, Equipment Finance as against machinery as collateral, and supply chain finance for purchase & sales of inventory to their customers. This supports SME customers for their working capital needs. The company has also forayed into leasing thereby enhancing the loan offerings to the borrowers as per their requirements.

(vi) **Consumer and Small Enterprises Loans (CSEL):** Unsecured lending to retail customers including NTCC through partnership business to support lower-income segment people, salaried, self employed and proprietorships/partnerships etc.,

General Insurance Business:

Provides wide range of products and services to both commercial and retail customers. The customer base includes corporates, small, micro, medium enterprises and individuals. The vehicle insurance business provides insurance coverage for two wheelers, four wheelers, commercial vehicles and tractors. The property and casualty insurance business comprises the marine, fire, engineering, commercial, SME and bancassurance verticals. The business also provides health, accident and travel insurance.

IV. Employees

20. Details as at March 31, 2024:

a. Employees and workers (including differently abled):

SN.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	39,734	38,533	97%	1,201	3%

SN.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
2.	Other than Permanent (E)	13	11	85%	2	15%
3.	**Total employees (D + E)**	**39,747**	**38,544**	**97%**	**1,203**	**3%**
WORKERS						
4.	Permanent (F)	Nil				
5.	Other than Permanent (G)					
6.	**Total workers (F + G)**					

b. Differently abled Employees and workers:

SN.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	21	20	95%	1	5%
2.	Other than permanent (E)	-	-	-	-	-
3.	**Differently Abled employees (D + E)**	21	20	95%	1	5%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Nil				
5.	Other than Permanent (G)					
6.	**Total workers (F + G)**					

21. Participation/Inclusion/Representation of women as on March 31, 2024:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6	1	16.7%
Key Management Personnel	2	1	50%

22. Turnover rate for permanent employees and workers as on March 31, 2024:

Particulars	FY 24			FY 23			FY 22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	33%	24%	32%	19%	19%	19%	16%	22%	16%
Permanent Workers	NA			NA			NA		

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding/subsidiary/associate companies/joint ventures:

SN.	Name of the holding/subsidiary/ associate companies/ joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Cholamandalam Investment and Finance Company Limited ('CIFCL')	Associate*	44.39 %	Yes
2.	Cholamandalam MS General Insurance ('CMSGICL')	Subsidiary	60.00%	Yes
3.	Cholamandalam MS Risk Services Limited ('CMSRSL')	Joint Venture	49.99%	No

** Treated as a subsidiary under Ind-AS for consolidation purposes*

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013? (Yes/No)

Yes. The Company on a standalone basis does not have CSR obligation for the reporting financial year. Details on a consolidated basis are furnished below:

(ii) Turnover (in ₹): 26,086.76 Crore

(iii) Net worth (in ₹): 22,124.02 Crore

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 24			FY 23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	http://www.cholafhl.com/docs/CFHL-Business-Resposibility-Policy.pdf	-	-	-	-	-	-
Investors (other than shareholders)	http://www.cholafhl.com/docs/CFHL-Whistle-Blower-Policies.pdf	3	-	-	-	-	-
Shareholders	http://www.cholafhl.com/docs/CFHL-Business-Resposibility-Policy.pdf	4	-	-	10	-	-
Employees and workers	http://www.cholafhl.com/docs/CFHL-Whistle-Blower-Policies.pdf	1	-	-	2	-	-
Customers		3,111	56*	-	2,108	-	-
Value Chain Partners	http://www.cholafhl.com/docs/CFHL-Business-Resposibility-Policy.pdf	-	-	-	1	-	-
Other (please specify)		-	-	-	-	-	-

**All complaints have since been resolved.*

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

SN.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Financial Inclusion	Opportunity	Enhancing quality of life for customers, particularly those residing in semi-urban and rural areas of India, where the availability of financial products and services is limited.		Positive Implication

SN.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Regulatory Compliance	Risk	Non-compliance of applicable regulations may lead to regulatory action and reputational damage.	Systems are in place to track regulatory changes. Risk assessments are carried out to identify potential compliance risks. The group strives to ensure adherence to regulatory requirements at all times.	Negative Implication
3.	Employee Well-Being	Opportunity	Focus on employee wellbeing helps in talent retention and enhancing productivity and fosters innovation.		Positive Implication
4.	Technology	Opportunity	Digitalization and innovation have unleashed opportunities in new markets and areas that were earlier difficult to penetrate and helps enhance value creation for customers and other stakeholders.		Positive Implication
5.	Data Privacy and Cyber Security	Risk	Improper use/data leakage may lead to impairment of stakeholders' confidence and disrupt business operations.	The group has policies in place to monitor and ensure data privacy and security. All company data is secured and the multi-layer protection technology is adopted to protect stakeholders' personal information against privacy breaches. Trainings and awareness sessions are conducted for employees on significance of cyber security and data privacy. Non-disclosure agreements are entered with service providers/vendors to ensure data privacy.	Negative Implications
6.	Corporate Governance (Transparency and Disclosures)	Opportunity	Highest ethical standards and corporate governance principles are central to the group's core values and business which would enhance stakeholder's trust and strengthen the brand value.		Positive Implication
7.	Customer Support and Satisfaction	Opportunity	Strong customer relations and management enhance loyalty and customer retention.		Positive Implication
8.	Branding and Reputation	Opportunity	Enhancing credibility and trust among diverse stakeholders and emphasizing the group's reputation as an ethically managed business.		Positive Implication
9.	Diversity and Inclusiveness	Opportunity	Reiterates the group's commitment to social inclusion and merit-based engagement of employees, customers, suppliers, etc.,		Positive Implication

SN.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	CSR	Opportunity	Giving back to the community ensures social license to operate, as also economic development of underprivileged, broadening economic activity and offering opportunities for financial services.		Positive Implication
11.	Risk Management	Opportunity	Risk Management provides reasonable assurance regarding achievement of the group's objectives.		Positive Implication
12.	Human Rights	Opportunity	Respect and promotion of human rights improves talent retention and business reputation.		Positive Implication
13.	Climate Change (emissions, renewables/ energy efficiency	Risk	Increasing climate change considerations may adversely impact business operations.	Key climate risks are incorporated into business considerations. Wherever feasible, the group ensures its offices are operating in LEED certified green buildings.	Negative Implication

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.cholafhl.com/docs/CFHL-Business-Resposibility-Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	Insurance Business: ISO 31000:2018	Lending Business: ISO 30408:2016	-	-	-	-	-	Insurance and Lending Business: ISO 9001:2015

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Lending business: Ensure 0% data breaches in customer data protection.	• Lending business: Increase EV loan disbursements by 5% YOY from 2023-2025. • Insurance business: Eliminate plastic usage and use sustainable alternatives. Development of comprehensive climate risk management framework.	• Lending business: To achieve and sustain zero accident culture through the company's road safety awareness initiatives. • Insurance business: Implement digitization solutions for enhanced learning and development purposes.	-	-	• Lending business: - Achieve green building status for corporate office by 2024. - Replace 100% of CFL lighting with LED systems at all operations by 2025. - Reduce water consumption through efficient water flow solutions. • Insurance business: Reduce carbon emissions and improve the environment.	-	Insurance business: Improvement in gender diversity and inclusion	Lending business: Attain ISMS certification by 2025
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met*.	Lending business: Ensured 0% breach in data security in FY 24	Lending business: EV disbursement target of 5% improvement Y-o-Y was over achieved. ₹ 298.41 Crore disbursed in FY 24, while ₹ 91.12 Crore was disbursed in FY 23.	Lending business: To achieve zero accident culture, e-modules are assigned to all employees and road safety mailers are circulated periodically.	-	-	Lending Business: Green building status will be achieved for head office in 2024. 100% of branches were fitted with water aerators.	-	-	Lending business: Stage 1 audit completed for ISO 27001 in applicable Information technology domains.
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	We are committed to deliver seamless and consistent growth to all stakeholders by conducting business in a responsible and sustainable manner through a robust governance mechanism. Some of the initiatives undertaken on ESG include sustainable local sourcing policies, safe disposal of e-waste, adopting water conservation measures, etc. Robust policies viz., code of conduct, human resource, grievance redressal and whistle blower policy are formulated for all group entities to safeguard against any materiality concerns. We are committed to following ESG principles in alignment with our BRSR policy for smooth business operations.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Sridharan Rangarajan, Director DIN: 01814413 E-mail: sridharanr@corp.murugappa.com								
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes. The group entities have their own policies as approved by their respective Boards. The implementation of the policies is monitored through their respective board/management committee.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, the review is undertaken periodically by the management and is placed with the respective boards									Annually								

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, review of compliance with statutory requirements as applicable to each entity is undertaken by the respective management committees.									Quarterly								

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No. Evaluation is done internally on a continuous basis by the respective entities.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA								
It is planned to be done in the next financial year (Yes/No)	NA								
Any other reason (please specify)	NA								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1:- BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	ESG Strategy Awareness and Responsible Business conduct.	100%
Key Managerial Personnel	4		100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	871	Various training programmes are conducted for the benefit of employees throughout the year. Trainings include topics such as prevention of sexual harassment (POSH), code of conduct, whistle blower, customer relationship management and other employee welfare policies.	63%
Workers	NA		

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Particulars	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/Fine	Nil				
Settlement					
Compounding fee					

Non-Monetary				
Particulars	**NGRBC Principle**	**Name of the regulatory/enforcement agencies/judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	Nil			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
NA	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The group is committed to ethical and lawful business conduct. All employees shall follow governance guidelines and abide by the code of conduct in addition to the applicable legal, regulatory and internal compliance standards. A code of conduct is available for the senior management and Board of directors which includes clauses related to anti-bribery and anti-corruption. The policy is available at: http://www.cholafhl.com/docs/Code-of-Conduct-Annex.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

Particulars	FY 24	FY 23
Directors	Nil	Nil
KMPs		
Employees		
Workers	NA	NA

6. Details of complaints with regard to conflict of interest:

Particulars	FY 24		FY 23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest:

There were no fines/penalties/action taken by regulators during FY 24, therefore no corrective action is required to be taken.

8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format:

Particulars	FY 24	FY 23
Number of days of accounts payables	NA*	NA*

**Considering the nature of business, cost of goods sold/services procured cannot be ascertained and hence the said ratio cannot be computed.*

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 24	FY 23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	NA	NA
	b. Number of dealers/distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/ distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	NA	NA
	b. Sales (Sales to related parties/Total Sales)	NA	NA
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances) (₹ in Crore)	0.24	0.17
	d. Investments (Investments in related parties/Total Investments made) (₹ in Crore)	12.61	14.90

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil		

2. **Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

   Yes, the group has a code of conduct for directors and senior management which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the company. Annual declaration by board of directors and senior management confirming compliance with the code of conduct is obtained. The policy is available on the company's website at: http://www.cholafhl.com/docs/Code-of-Conduct-Annex.pdf

PRINCIPLE 2:- BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Particulars	FY 24	FY 23	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	1.36%	23.4%	The group being engaged in financial service businesses, focuses on automation of its processes. Expenses are largely on investments in technology and software licenses to improve customer experiences and manage customer data and for business digital initiatives, energy saving initiatives to reduce environmental and carbon footprint.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   The group being engaged in financial services does not require intensive material sourcing. However, efforts to reduce its own carbon footprints through various digitization initiatives and environmentally friendly initiatives such as plastic use reduction are being taken for conservation of resources.

   b. **If yes, what percentage of inputs were sourced sustainably?**

   During the year, papers (A4 sheets) were sourced from local sources in a sustainable manner.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:**

   Given the nature of business, e-waste is generated in the form of IT related hardware and networking equipments. E-waste generated are disposed off as per the company's policy.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   No.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NA					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:

Name of Product/Service	Description of the risk/concern	Action Taken
NA		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry):

Indicate input material	Recycled or re-used input material to total material	
	FY 24	FY 23
NA		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars	FY 24			FY 23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA			NA		
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

PRINCIPLE 3:- BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	38,533	29,989	78%	26,770	69%	NA	NA	38,533	100%	307	1%
Female	1,201	936	78%	859	72%	936	78%	NA	0%	67	6%
Total	**39,734**	**30,925**	**78%**	**27,629**	**70%**	**936**	**2%**	**38,533**	**97%**	**374**	**1%**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Other than Permanent Employees											
Male	11	11	100%	6	55%	0	0%	0	0%	0	0%
Female	2	2	100%	1	50%	0	0%	0	0%	0	0%
Total	**13**	**13**	**100%**	**7**	**54%**	**0**	**0%**	**0**	**0%**	**0**	**0%**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	NA										
Female											
Total											
Other than Permanent Workers											
Male	NA										
Female											
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

Particulars	FY 24	FY 23
Cost incurred on well-being measures as a % of total revenue of the company	0.37%	0.31%

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Benefits	FY 24			FY 23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	NA
ESI	100%	NA	Yes	100%	NA	Yes
Others – please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces:

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. The corporate offices have facilities for physical accessibility such as wheelchair ramps to physically challenged individuals. However, some of the branch offices located in Tier III, Tier IV, Tier V and Tier VI cities do not have such facilities as these are rented premises. The group is committed towards ensuring accessible features (physical/ digital) are provided to employees.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. The policy is available to employees through intranet portal.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	95%	91%	NA	
Female	79%	40%		
Total	**91%**	**79%**		

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	Grievances of employees can be raised with the Head of department. Further, grievances could also be addressed to the Ombudsman under whistle-blower policy or to the chairperson of the Prevention of Sexual Harassment (POSH) committee, as the case may be. Grievances are investigated based on the procedures under each policy and appropriate corrective actions are taken.
Other than Permanent Employees	

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 24			FY 23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	Nil			Nil		
- Male						
- Female						
Total Permanent Workers	NA					
- Male						
- Female						

8. **Details of training given to employees and workers:**

Category	FY 24					FY 23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	38,533	9,323	24%	11,601	30%	13,888	4,525	33%	8,136	59%
Female	1,201	520	43%	344	29%	529	172	33%	248	47%
Total	**39,734**	**9,843**	**25%**	**11,945**	**30%**	**14,417**	**4,697**	**33%**	**8,384**	**58%**

Category	FY 24					FY 23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No. (F)	% (F/D)
Workers										
Male	NA									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 24			FY 23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	38,533	12,406	32%	8,494	8,494	100%
Female	1,201	466	39%	292	292	100%
Total	**39,734**	**12,872**	**32%**	**8,786**	**8,786**	**100%**
Workers						
Male	NA					
Female						
Total						

Note: The date of joining of an employee is the basic criterion to determine the eligibility for performance and career development review i.e., employees joining before 31st October will only be eligible. Also, employees already serving notice periods are not eligible for performance and career development review.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes. Systems are in place to ensure health and safety of employees at workplace. Emergency Response Teams and Health and Safety officers have been appointed and initiatives such as fire safety drills, training sessions and awareness programs are conducted. The group strives to inculcate a culture of behaviour safety across its business operations.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The work-related hazards and risks are identified through accident investigation first information report, climate control system and work-related ergonomics besides employee feedback and walkthrough approach.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N) Yes

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes. Access to non-occupational medical and healthcare services to employees, is provided in the form of group medical insurance policies. Further, awareness programs are conducted to ensure mental and physical well-being of employees.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 24	FY 23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	5.2	Nil
	Workers	NA	NA
Total recordable work-related injuries	Employees	18	Nil
	Workers	NA	NA

Safety Incident/Number	Category	FY 24	FY 23
No. of fatalities	Employees	1	0
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	14	Nil
	Workers	NA	NA

12. Describe the measures taken by the entity to ensure a safe and healthy work place:

The group upholds highest standards of health, safety and well-being for employees. Employees are covered under health and accident insurance. Doctors are available at the head offices to cater to medical needs. Awareness programs on mental and physical well-being of all employees are conducted periodically. Safety measures in the office premises are taken to ensure safe workplace, through placing appropriate sign boards on electrical devices, emergency exit marking and fire extinguishers. Employees are also provided training through regular safety awareness programs.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 24			FY 23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

There have been no concerns or significant risks arising from health & safety practices and working conditions, hence no corrective action was required to be taken.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N):

Yes. Compensation is provided under the Group Term Life Insurance policy in the event of death of employees.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:

Statutory compliance by value chain partners is ensured through contractual agreements based on responsible business conduct policy and periodic reviews.

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 24	FY 23	FY 24	FY 23
Employees	15	Nil	Nil	Nil
Workers	NA			

4 Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No) No.

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners:

There has been no risk arising from assessment of value chain partners carried out on health and safety practices and working conditions. Hence, no corrective action was required to be taken.

PRINCIPLE 4:- BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity:

The group engages with its stakeholders through various formal and informal communication channels. Key stakeholders who have a significant impact on the business operations of the Company are determined based on these engagements.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Digital platforms and applications, in - person engagement	Periodic	To improve service levels, customer satisfaction and address queries/ grievances, if any.
Local Communities	Yes	Corporate social responsibility initiatives	Periodic	To support the community and promote well being of the society at large.
Investors/ Shareholders	No	Press releases and publications, Investor meets, Annual General Meeting, Stock exchange communication, Website disclosures, Through RTA (Registrar and Transfer Agent)	Quarterly	To keep them informed about the company's performance, business developments, address investor queries and general updates.
Regulators	No	Statutory filings, meetings	Periodic	To meet statutory compliance requirements and industry updates.
Employees	No	Internal communication platforms, E-learning platforms and capability development programs and personalized help desk	Periodic	To provide a safe and secured work environment and merit-based opportunities towards fulfilment of company's vision, mission and achieving sustainability objectives and for professional capacity building.
Value chain Partners	No	Email, Phone, Messages and Physical	Ongoing/Need basis	To achieve an understanding of the portfolio of services offered and ensure transparency.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:**

   The concerns of stakeholders are reported to the board periodically. All critical issues are communicated to the board and decisions taken at the board level is implemented by the senior management to ensure resolution. The group leverages various formal as well as informal channels of communication to engage its stakeholders with the board. These encompass digital means as well as Corporate Social Responsibility (CSR) initiatives, statutory report, learning and development platforms and events for internal communication.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:**

   Yes. Stakeholders' inputs are considered at regular intervals to improve business activities as well as maintain cordial business relationships. Activities and implementation plan against the same have been set in place as measures to mitigate the risk arising from these material issues.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups:**

   The group through its CSR initiatives has undertaken various activities for the benefit of different segments of the society with focus on the marginalised, under-privileged and differently abled persons. The major focus areas of CSR include: Health, Water and Sanitation, Education, Arts and Culture, Sports, Rural Development, Environment Sustainability, R&D and Road Safety.

PRINCIPLE 5:- BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 24			FY 23		
	Total (A)	No. employees/ workers covered (B)	% (B/A)	Total (c)	No. employees/ workers covered (D)	% (D/C)
Employees						
Permanent	39,734	12,121	31%	14,417	5,871	41%
Other than permanent	13	13	100%	11	0%	0%
Total Employees	**39,747**	**12,134**	**31%**	**14,428**	**5,871**	**41%**
Workers						
Permanent	NA					
Other than permanent						
Total Workers						

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 24					FY 23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
Permanent	39,734	-	-	39,734	100%	14,417	-	-	14,417	100%
Male	38,533	-	-	38,533	100%	13,888	-	-	13,888	100%
Female	1,201	-	-	1201	100%	529	-	-	529	100%

Category	FY 24					FY 23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
Other than permanent	13	-	-	13	100%	11	-	-	11	100%
Male	11	-	-	11	100%	8	-	-	8	100%
Female	2	-	-	2	100%	3	-	-	3	100%
Workers										
Permanent	NA									
Male										
Female										
Other than Permanent										
Male										
Female										

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

Category	Male		Female	
	Number	Median remuneration/salary/ wages of respective category (Rs. In Crore)	Number	Median remuneration/ salary/wages of respective category (Rs. In Crore)
Board of Directors (BoD)	5	0.15	1	0.15
Key Managerial Personnel	1	1.25	1	0.38
Employees other than BoD and KMP*	13,161	0.16	519	0.15
Workers	NA			

*Note: * Actual earnings have been considered for the year to calculate the median*

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 24	FY 23
Gross wages paid to females as % of total wages	3.30%	3.75%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Grievances related to human rights can be raised with the Head of the department. Further, grievances could also be addressed to the ombudsman under the whistle-blower policy or to the chairperson of the Prevention of Sexual Harassment (POSH) committee, as the case may be. Grievances are investigated based on the procedures under each policy and appropriate corrective actions are taken.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 24			FY 23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-

Particulars	FY 24			FY 23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Forced Labour/Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	2	Nil	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 24	FY 23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

The Whistle Blower policy and the Code of conduct for the group include relevant clauses that no harm will be caused to the complainant in case of discrimination and harassment cases. The mechanism also provides for adequate safeguards against victimization of complainants. An ombudsperson is appointed to deal with the complaints appropriately.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Human rights requirements form part of the business agreements and contracts.

10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%. As per the recruitment policy, the group does not engage child labour and prohibits any forced/involuntary labour. A policy for prevention of sexual harassment at workplace has been adopted. There were no referrals received during the year under the policy. Further the group is driven by governance standards and does not discriminate employees and other stakeholders either on gender, caste or race.
Sexual harassment	
Discrimination at workplace	
Forced/involuntary labour	
Wages	NA
Others - please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above:

There were no significant risks identified from the assessments conducted and hence, no corrective action was required to be taken.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/ complaints:

The group believes that it upholds the basic principles of human rights in all its dealings. A Code of Conduct has been implemented for its employees, senior management and Board of Directors. There were no significant human rights grievances necessitating modification of business process.

2. Details of the scope and coverage of any Human rights due-diligence conducted:

The assessment was conducted across business operations to cover a wide range of human rights issues including child labour, forced labour, harassment, discrimination and wage.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, the head office is accessible to differently abled visitors. Facilities such as elevators, ramps and wheelchairs are available. Appropriate steps are being taken to improve access to differently abled visitors across the main branches.

4. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100%
Discrimination at workplace	100%
Child labour	100%
Forced/involuntary labour	100%
Wages	100%
Others – please specify	100%

5. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above:**

No significant risks have been identified. Therefore, no corrective action was required to be taken.

PRINCIPLE 6:- BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

(In Giga Joules)

Parameter	FY 24	FY 23
From renewable sources		
Total electricity consumption (A)	104	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	104	0
From non-renewable sources		
Total electricity consumption (D)	86,509	66,646
Total fuel consumption (E)	5,076	2,606
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	91,585	69,252
Total energy consumed (A+B+C+D+E+F)	91,689	69,252
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	3.51	3.77
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	296	309
Energy intensity in terms of physical output	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Indicate if any independent assessment/evaluation Assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. As per the SEBI mandate, BRSR assurance was done by Sundaram & Srinivasan, Chartered Accountants for CIFCL.

2. **Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.** NA

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 24	FY 23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	6,061	-
(iii) Third party water	2,048	40,919
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**8,109**	**40,919**
Total volume of water consumption (in kilolitres)	**8,109**	**40,919**
Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	0.31	2.23
Water intensity per Rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	26.15	183
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Water usage is limited to human consumption only and tap aerators are installed to reduce consumption.

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. As per the SEBI mandate, BRSR assurance was done by Sundaram & Srinivasan, Chartered Accountants for CIFCL.

4. **Provide the following details related to water discharged:**

Parameter	FY 24	FY 23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	8,109	
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**8,109**	**-**

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. As per the SEBI mandate, BRSR assurance was done by Sundaram & Srinivasan, Chartered Accountants for CIFCL.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.** Mechanism for zero liquid discharge has not been implemented.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 24	FY 23
NOx	MT/m3	NA*	NA
SOx	MT/m3	NA	NA
Particulate Matter (PM)	MT/m3	NA	NA
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others – please specify	-	NA	NA

**Not applicable considering the nature of business.*

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. As per the SEBI mandate, BRSR assurance was done by Sundaram & Srinivasan, Chartered Accountants for lending business - CIFCL.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 24	FY 23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	404	194
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	12,402	14,635
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	Metric tonnes of CO2 equivalent/ ₹ in crores	0.49	0.81
Total Scope 1 and Scope 2 emission Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent/ ₹ in crores	41.29	65.62
Total Scope 1 and Scope 2 emission intensity in terms of physical output	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note: The group has adopted the GHG Protocol Standard Approach for quantification of its Scope 1 and Scope 2 emissions. The emissions sources like the use of diesel fuel, refrigeration, and electricity purchased across all offices were considered to arrive at the emissions number. The emission factors from CEA, Defra, IPCC were used for GHG quantification.

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. As per the SEBI mandate, BRSR assurance was done by Sundaram & Srinivasan, Chartered Accountants for CIFCL.

8. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details:**

Yes. Measures to minimise emissions of greenhouse gases into the atmosphere are undertaken. Further, as a step towards creating a green and clean future, the NBFC subsidiary has started financing loans for electric vehicle. Most of the offices have installed LEDs and are in the process of implementing sensor based light systems. Also, a campaign on 'Save Electricity' is being implemented across its offices in India.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 24	FY 23
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	NA	NA
E-waste **(B)**	12.13	5.44
Bio-medical waste **(C)**	NA	NA
Construction and demolition waste **(D)**	NA	NA
Battery waste **(E)**	1.8	0
Radioactive waste **(F)**	NA	NA
Other Hazardous waste. Please specify, if any. **(G)**	NA	NA
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	394.45 (Carton, White paper, colour paper, new paper, tissues, paper cups, mixed paper, metal waste)	37.96
Total (A+B + C + D + E + F + G + H)	**408.38**	**43.40**
Waste intensity per rupee of turnover (Total waste Generated/Revenue from operations)	0.016	0.002
Waste intensity per rupee of Turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	1.32	0.19
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – The relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	9.81	7.5
(ii) Re-used	1.8	0
(iii) Other recovery operations	203.77	0
Total	**215.38**	**7.5**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	71	0
(iii) Other disposal operations	122	35.9
Total	**193**	**35.9**

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. As per the SEBI mandate, BRSR assurance was done by Sundaram & Srinivasan, Chartered Accountants for CIFCL.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

As the group is engaged in financial services business, its major category of waste is paper waste and E-waste. The group is cognizant of the environmental impact of improper management of waste and has adopted appropriate e-waste management systems to minimize adverse outcomes. It strives to ensure that e-waste is disposed off in an appropriate manner. The group has started promoting the use of recycled paper and several steps are taken to ensure efficient paper usage. The measures adopted include a transition to 'double side printing mode', using single side printed wastepaper to create stationery products like note pads etc. Further, the employees are encouraged to use stainless steel/ceramic cups instead of paper cups, use of glass water bottles instead of pet bottles or paper cups etc., in order to reinforce our efforts and manage waste.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

SN.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
There are no operations/offices near above-mentioned zones, hence not applicable.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
NA					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

SN.	Specify the law/ regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Offices are generally not situated in any water stress regions, and hence the question is not applicable.

Parameter	FY 24	FY 23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed/Turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	FY 24	FY 23
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

2. **Please provide details of total scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 24	FY 23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	22,073	8,032
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent per rupee of turnover	0.84	0.62
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:** NA

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

SN.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Sustainable Financing	To achieve sustainable financing, the NBFC subsidiary has started financing loans for electric vehicle and targets to increase loan disbursements in this segment.	EV disbursement target of 5% improvement Y-o-Y was over achieved - ₹298.41 Crore disbursed in FY 24 (Previous year: ₹91.12 Crore)
2.	Use of energy efficient LEDs	Installation of LEDs and sensor-based lights across offices and implementation of save electricity campaign.	Reduction in carbon emissions
3.	Digitization	Digitization initiatives including automation of business processes, usage of E-agreements with digital signature	Reduction of paper waste
4.	Use of Sustainable Alternatives	• Elimination of plastic water bottles in head office • Use of glass bottles and biodegradable paper cups in head offices	• Reduction of plastic waste • Increased awareness towards sustainable lifestyle practices

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.**

Yes, robust Disaster Recovery as well as Business Continuity Plans are in place to ensure minimal disruptions and run critical functions efficiently. The business continuity team is responsible to carry out activities to ensure continuity of business. The team organises a drill periodically and required training programs are conducted for the employees to be prepared in times of emergency/crises.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:**

   Given the nature of business operations, no significant adverse impacts on environment have been observed.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:**

   No specific assessments were conducted for value chain partners to assess environmental impacts.

PRINCIPLE 7:- BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/associations.**

   The group entities are a member of 6 Trade and Industry chambers/associations.

   b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.**

SN.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1.	Confederation of Indian Industry	National
2.	Finance Industry Development Council	National
3.	Finance Companies' Association (India)	National
4.	South India Hire Purchase Association	National
5.	General Insurance Council	National
6.	Federation of Indian Chambers of Commerce and Industry	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of Authority	Brief of the case	Corrective action taken
NA		

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

SN.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/ Others – please specify)	Web Link, if available
-	-	-	-	-	-

PRINCIPLE 8:- BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
NA					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. **Describe the mechanisms to receive and redress grievances of the community:**

The group has a robust grievance mechanism to receive and redress complaints or any concerns raised by the community. We engage with local communities through various means such as personal visits, surveys, meetings, etc. to understand their concerns and take appropriate actions to resolve them.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Particulars	FY 24	FY 23
Directly sourced from MSMEs/small producers	6.95%	10.91%
Directly from within India	100%	100%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost:**

Location	FY 24	FY 23
Rural	20%	11%
Semi-urban	53%	57%
Urban	3%	3%
Metropolitan	24%	29%

(Place to be categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
NA	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

SN.	State	Aspirational District	Amount spent (₹ in Cores)
1.	Andhra Pradesh	Visakhapatnam	0.10
2.	Bihar	Aurangabad	0.16
3.	Tamil Nadu	Ramanathapuram	0.21
4.	Uttarakhand	Haridwar	0.37
5.	Odisha	Dhenkanal	0.05

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)** No

(b) From which marginalized /vulnerable groups do you procure? NA

(c) What percentage of total procurement (by value) does it constitute? NA

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

SN.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
NA				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:**

Name of the authority	Brief of the case	Corrective action taken
NA		

6. **Details of beneficiaries of CSR Projects:**

SN.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
	Agriculture		
1.	Isha Farmer Producer Organisation	100	10%
	Social Cause		
2.	Sadhanapada (A preventive health care program for Inner Transformation)	1,030	37%
3.	Isha Action for Rural Rejuvenation project	150	59%
4.	Holistic initiative to improve quality of life of commercial vehicle crew members in Assam	613	15%
5.	Lathe machine for Worth Technical Training Centre	21	Nil
6.	Livelihood skills for youth and women empowerment in Pulliyanthope	108	91%
7.	Individual and group counselling for students and teachers for holistic educational environment	1,400	NA
8.	Installation of STP tanks in rural villages to improve the overall quality of life for residents of Ghoramara village, Assam	2,340	65%
9.	Swachha Odisha Gram Vikas	50	20%
10.	Construction of toilets in schools to improve hygiene facility in Ramanathapuram	1,229	100%
	Sports		
11.	Training of athletes to promote Paralympic sports and Olympics sports	15	NA
12.	Support of an international wheelchair tennis player Mr. Mariappan Durai	1	100%
13.	Provide facilities and quality football training to children from economically weaker sections in Murugappa youth football academy (MYFA)	370	NA
14.	Training of young golf players Ms. Avani Prashanth, Ms. Sneha Singh and Ms. Seher Kaur Atwal	3	100%
15.	Training of players of blind women football competing in Paralympics.	20	100%
16.	Support towards training of young chess players Master Pranesh and Master Daakshin	2	NA
17.	Support towards training of golf players (Sumit Kotwal, Vishnu Vijay)	2	100%
	Education		
18.	Chola Noble Educational infra support.	185	47%
19.	Eureka School Enrichment project providing holistic learning atmosphere to rural children	287	99%
20.	Scholarship for perusing higher education in Tamil Nadu	16	63%
21.	Scholarship support for rural children of Nagpur	22	55%
22.	Early intervention & remedial education for disadvantaged children with special needs, Chennai	592	100%

SN.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
23.	Contribution towards educational support to underprivileged children from tribal families	5	100%
24.	Contribution towards supporting the construction of a free special school with residential care facility for students with disabilities, Ayapakkam	180	100%
25.	Contribution towards Inception Research fund to new faculties of Alagappa College of Technology, Chennai	1	NA
26.	Comprehensive scholarships and support program for students at Murugappa Polytechnic College, Vellayan Chettiar School	1,354	11%
27.	Scholarships for students in Murugappa across Tamil Nadu	138	56%
28.	Murugappa Science project (Science Centre & Mobile Science Labs), Sivagangai	21,522	50%
29.	My Dream Scholarship program in Tamil Nadu	303	65%
30.	Promoting education including Special education	40	100%
31.	Scholarship support for rural children of Nagpur	22	55%
32.	Individual and group counselling for students and teachers for holistic educational environment	1,400	NA
33.	Construction of toilets and renovation work in Vellayan Chettiar Higher Secondary School	2,330	50%
34.	Supporting Arts Scholars in Dakshina Chitra	7	86%
35.	Financial Literacy plus allied services for commercial vehicle crew members and their family	35,000	59%
36.	Providing holistic development for individuals with hearing disabilities	80	44%
37.	Contribution to AMM Foundation towards Sir Ramaswamy Mudaliar Hr Sec School, Chennai	2,500	NA
38.	Scholarship project in Telangana, Odisha, Rajasthan	105	64%
	Health & Wellbeing		
39.	Ambulance services for transporting patients from remote locations in Koratty, Kerala to the nearest government or private hospitals	17,000	NA
40.	Construction of new OP block Hospital Pallathur, Sivagangai to provide quality health care services to the rural population	74,955	77%
41.	Renovation of AMM hospital for affordable medical care services to large needy population in Pallathur, Sivagangai	74,955	77%
42.	Contribution towards Congenital disease / rare genetic diseases at Mediscan (VHS), Chennai	14	100%
43.	Support towards cancer treatment of children	57	37%
44.	Chola Pragati- Integrated Rural Health and Development Project	164	NA
45.	Yogic practise and Kriya meditation towards preventive healthcare and tackling lifestyle disorders.	1,00,000	44%
46.	Cholamandalam- Strengthening the Maternal Health of new mothers through pre and post maternal period.	84	100%
47.	Strengthening the Maternal Health of new mothers through pre and post maternal period.	117	100%

SN.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
48.	Contribution towards the purchase of medical equipment – (Ultrasound scanner) towards Idhayangal Charitable Trust, Coimbatore	250	77%
49.	Support for Neonatal Cardiac Surgeries for children from low socio-economic backgrounds	20	100%
50.	Health camps and mobility aids for elderly people in remote villages of Odisha	341	44%
51.	Health Camps and Health Care Wellness programs for rural areas of Balasore, Odisha.	334	48%
52.	Primary Health care through Mobile Health Van in Jhabrera, Haridwar - Uttarakhand	15,418	47%
53.	Primary Health care through Mobile Health Van in Kanyakumari, Nagercoil	15,155	26%
54.	Purchase of a mobile health van, Pudur , Sivagangai	18,236	31%
55.	Primary Health care through Mobile Health Van in Dhekiajuli., Sonitpur - Assam	18,772	58%
56.	Primary Health care through Mobile Health Van in Sarigam, Valsad – Gujarat	18,052	54%
57.	Provision of Ambulance to Hindu Mission Hospital, Chennai	282	NA
58.	Early intervention of children and adults with hearing loss	1,513	83%
59.	Contribution towards supporting the purchase of Opescope Acteno – Shimadzu Surgical C – Arm system for Adiparasakthi Hospital and Research Institute, Melmaruvathur	NA	100%
60.	RAAHI-Eye checkup and Health Awareness for the trucking community	1,44,986	NA
61.	The Gift of Life program- Heart Surgeries for Congenital Heart Disorder	100	36%
62.	The Gift of Life- Heart Centre for Congenital Heart Disorder	10	40%
63.	Active aging centre to enhance physical and mental health of the aged persons in Koratty. Kerala	57	77%
64.	Provision of Bus (1) to Sankara Eye Foundation Hospital, Ludhiana, Punjab	2,200	100%
65.	Support towards cancer treatment for children	57	37%
66.	Quality Eye Health services to rural communities and improve their vision related quality of life in Aurangabad, Bihar	35,262	69%
	Other Projects		
67.	NANEER- Water body Rejuvenation project – Karur, Tirupur and Erode district	7,000	NA

PRINCIPLE 9:- BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback:**

   Robust multi-level grievance redressal mechanism is in place to address customer complaints. The customer relationship management (CRM) team regularly engages with customers through calls/visits/surveys to understand their feedback. Periodic consumer satisfaction surveys are conducted to seek consumer feedback on our services.

2. **Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

Particulars	FY 24			FY 23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	1,803	6*	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Others	1,308	50*	-	2,855	-	-

**All complaints have since been resolved*

4. **Details of instances of product recalls on account of safety issues:**

Particulars	Number	Reasons for recall
Voluntary recalls	NA	
Forced recalls		

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes, cyber security and data privacy policies have been put in place to minimize the risk.

   https://www.cholamandalam.com/privacy-policy.

   https://www.cholainsurance.com/privacy-policy

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services:** NA

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches -** Nil

   b. **Percentage of data breaches involving personally identifiable information of customers -** NA

   c. **Impact, if any, of the data breaches -** NA

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available):**

   The group provides a wide range of financial and insurance services. The information can be accessed from the websites, https://www.cholamandalam.com and https://www.cholainsurance.com/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:**

   Several formal and informal communication channels are available to educate and create awareness about its services to the customers. Further customer awareness initiatives are undertaken through meetings, camps, workshops and digital platforms. The insurance business conducts policy awareness campaigns and educates customers through their call centre facility about the features of the insurance products. With regard to lending business, the customers are made aware about the product usage through a list of Do's and Don'ts available on its website. The list specifies the steps that a customer should take in situations when there is a malpractice or a fraud.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**

   Information relating to disruption/discontinuation of essential services is communicated to customers through formal means such as e-mail, website, phone calls, SMS, WhatsApp, etc. Any closure of a business location or a relocation thereof is published in newspapers. Further, product related information is available in detail on the companies' websites.

4. a. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

      The information about the products and services are provided on the respective entity's websites, social media platforms and advertisements.

   b. **Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No)** Yes, through Customer Relationship Management. Various surveys are conducted on a regular basis to understand and address the needs of the customers.

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Cholamandalam Financial Holdings Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Cholamandalam Financial Holdings Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("Standards" or "SAs") 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 Standalone Financial Statements' section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Information other than the standalone financial statements and Auditor's Report thereon

The Board of Directors of the Company is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, Annexures to Board's Report, Management Discussion and Analysis, Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the standalone financial statements and our report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Responsibilities of Management and Those Charged with Governance for the standalone financial statements

The Board of Directors of the Company is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of

the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud and error.

In preparing the standalone financial statements, the management of the Company 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 Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- 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 over financial reporting 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 section 143(11) of the Act, we give in Annexure 'A' to this report, a statement on the matters specified in para 3 and 4 of the Order, to the extent applicable.

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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

   (c) the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows 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 standalone financial statements comply with the Indian Accounting Standards prescribed 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 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

   (f) with respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Rules;

   (g) with respect to the adequacy of internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (h) with respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (i) 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, as detailed in Note 24 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. there has been no delay in transferring amounts, 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, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

c) based on the audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The amount of dividend is in accordance with Section 123 of the Act.

a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

b) As stated in Note No. 14.8 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility that has been enabled during the year and operated thereon till the year end for all relevant transactions recorded in the software. During the course of performing our procedures where the audit trail (edit log) facility was available, we did not notice any instance of the audit trail feature being tampered with.

for Sharp & Tannan Associates
Chartered Accountants
(Firm's Registration No. 109983W)

Tirtharaj Khot
Partner
Membership No. (F) 037457
UDIN: 24037457BKGEGI3290

Place : Chennai
Date : 10 May 2024

Annexure A to the Independent Auditor's Report

With reference to paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of **Cholamandalam Financial Holdings Limited** ("the Company") of even date, we report the following:

(i) a) (A) The Company does not have any property, plant and equipment and accordingly, the reporting under clause 3(i)(a)(A) of the Order are not applicable to the Company.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company does not have any property, plant and equipment and accordingly, the reporting under clause 3(i) - (b), (c) and (d) of the Order is not applicable to the Company.

c) According to the information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at the end of the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) Based on our audit procedures and according to the information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting on paragraph 3(iii) of the Order is not applicable.

(iv) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, reporting on paragraph 3(iv) of the Order are not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year and does not have any unclaimed deposits as at 31 March 2024 and hence reporting on paragraph 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting on paragraph 3 (vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other material statutory dues applicable to the Company during the year with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, cess or other material statutory dues outstanding as at 31 March 2024 for a period of more than six months from the date they became payable.

b) according to the information and explanations given to us and the records of the Company examined by us, the particulars of income tax as at 31 March 2024 which have not been deposited with statutory authorities on account of a dispute pending are as under:

Name of the statute	Nature of dues	Amount involved in dispute (₹ in crores)	Unpaid disputed amount (₹ in crores)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax & Interest	0.06	0.06	2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Tax & Interest	1.30	1.30	2017-18	Commissioner of Income Tax (Appeals)

(viii) Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, reporting on paragraph 3(viii) of the order is not applicable.

(ix) a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to any financial institution or bank or government or dues to debenture holders during the year.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting on paragraph 3(ix)(c) of the Order is not applicable.

d) The Company has not taken any short-term loans during the year and there are no outstanding loans at the beginning of the year and hence, reporting on paragraph 3(ix)(d) of the Order is not applicable.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries hence reporting on paragraph 3(ix)(e) of the Order is not applicable.

f) The Company has not raised any loans during the year and hence reporting on paragraph 3(ix)(f) of the Order is not applicable.

(x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting on paragraph 3(x)(a) of the Order is not applicable.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting on paragraph 3(x)(b) of the Order is not applicable.

(xi) a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees 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 was required to be filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanation given to us, no whistle blower complaints were received by the Company during the year.

(xii) The Company is not a Nidhi Company. Accordingly, reporting on paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act, where applicable, for all transactions with related parties undertaken during the year and the details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors during the year. Accordingly, reporting on paragraph 3(xv) of the Order is not applicable.

(xvi) a) According to the information and explanation given to us, we report that the Company has been registered as required, under Section 45-IA of the Reserve Bank of India Act, 1934.

b) According to the information and explanation given to us, we report that the Company has not conducted any non-banking financial or housing finance activities.

c) According to the information and explanation given to us, we report that the Company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and continues to fulfil the criteria of a CIC.

d) According to the information and explanations given to us by the management of the Company, the Group has one more CIC as part of the Group.

(xvii) The Company has not incurred cash losses during the current financial year and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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) The Company does not have to incur expenditure on Corporate Social Responsibility ("CSR") during the year in accordance with provisions section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

(xxi) Reporting on paragraph 3 (xxi) is not applicable to the standalone financial statements.

for Sharp & Tannan Associates
Chartered Accountants
(Firm's Registration No. 109983W)

Tirtharaj Khot
Partner
Membership No. (F) 037457
UDIN: 24037457BKGEGI3290

Place : Chennai
Date : 10 May 2024

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Cholamandalam Financial Holdings Limited of even date)

Independent Auditors' Report on the Internal Financial Controls over financial reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Cholamandalam Financial Holdings Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 ("the Guidance Note") 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. Our audit is conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sharp & Tannan Associates
Chartered Accountants
(Firm's Registration No. 109983W)

Tirtharaj Khot
Partner
Membership No. (F) 037457
UDIN: 24037457BKGEGI3290

Place : Chennai
Date : 10 May 2024

Standalone Balance Sheet

As at March 31, 2024

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

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Assets			
Financial Assets			
Cash and cash equivalents	4	8.49	2.46
Bank balances other than cash and cash equivalents	4	0.49	5.09
Investments	5	1,279.31	1,280.12
Other financial assets	6	0.02	0.02
		1,288.31	**1,287.69**
Non Financial Assets			
Current tax assets (Net)		0.52	0.56
Intangible assets	7	0.06	0.01
Other non-financial assets	8	0.26	0.09
		0.84	**0.66**
Total Assets		**1,289.15**	**1,288.35**
Equity and Liabilities			
Financial Liabilities			
Debt securities	9	-	49.98
Other Payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		0.85	0.66
Other Financial Liabilities	10	0.54	1.13
		1.39	**51.77**
Non-Financial Liabilities			
Deferred tax liabilities (net)		0.18	0.13
Provisions	11	0.04	0.03
Other non-financial liabilities	12	0.04	0.03
		0.26	**0.19**
Equity			
Equity share capital	13	18.78	18.78
Other equity	14	1,268.72	1,217.61
Total Equity		**1,287.50**	**1,236.39**
TOTAL EQUITY AND LIABILITIES		**1,289.15**	**1,288.35**
Summary of Material Accounting Policies			

The accompanying notes are forming part of the Standalone Financial Statements

As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Regn No.109983W

per **Tirtharaj Khot**
Partner
Membership No: (F) - 037457

Date : May 10, 2024
Place : Chennai

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

E Krithika
Company Secretary

M M Murugappan
Chairman
DIN:00170478

N Ganesh
Manager & Chief Financial Officer

Standalone Statement of Profit and Loss

For the year ended March 31, 2024

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

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from Operations	15		
- Interest income		1.22	0.83
- Dividend income		74.83	74.83
- Service income		9.95	8.10
Total Revenue from operations (I)		**86.00**	**83.76**
Other Income (II)		-	-
Total Income (III) = (I)+(II)		**86.00**	**83.76**
Expenses			
Finance cost	16	3.63	7.03
Employee benefits expense	17	1.63	1.40
Depreciation and amortisation expense	7	0.01	0.01
Other expenses	18	1.72	1.46
Total expense (IV)		**6.99**	**9.90**
Profit Before Tax (V) = (III) - (IV)		**79.01**	**73.86**
Income Tax			
- Current tax	25	17.29	15.99
Net tax expense (VI)		**17.29**	**15.99**
Profit for the year (VII) = (V) - (VI)		**61.72**	**57.87**
Other Comprehensive income - Gain /(Loss)			
Items that will not be reclassified to statement of profit and loss			
Net gain/(loss) in Fair value on Equity Instruments at Fair Value Through Other Comprehensive Income (FVTOCI)		(0.23)	0.28
Income tax effect of above items		(0.05)	(0.06)
Other comprehensive income for the year, net of tax (VIII)		**(0.28)**	**0.22**
Total comprehensive income for the year (VII + VIII)		**61.44**	**58.09**
Earnings per Equity Share of Face Value of ₹ 1 each			
Basic		3.29	3.08
Diluted		3.29	3.08

The accompanying notes are forming part of the Standalone Financial Statements

As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Regn No.109983W

per **Tirtharaj Khot**
Partner
Membership No: (F) - 037457

Date : May 10, 2024
Place : Chennai

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

M M Murugappan
Chairman
DIN:00170478

E Krithika
Company Secretary

N Ganesh
Manager & Chief Financial Officer

Standalone Statement of Changes in Equity

For the year ended March 31, 2024

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

a) Equity Share Capital	Amount
Opening Balance as at April 01, 2022	**18.77**
Changes in Equity share capital during the year	0 *
Closing balance as at March 31, 2023	**18.78**
Changes in Equity share capital during the year	-
Closing balance as at March 31, 2024	**18.78**

* Shares amounting to ₹34,570 issued during the year

b) Other Equity (Refer Note 14)

Particulars	Reserve and Surplus						Other Comprehensive income	Total attributable to equity holders
	Statutory Reserve	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained earnings		
Opening Balance as at April 01, 2022	**64.64**	**19.97**	**6.15**	**206.26**	**346.30**	**523.13**	**1.96**	**1,168.41**
Transfer to retained earnings	-	-	-	-	-	57.87	-	**57.87**
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	0.22	**0.22**
Changes during the year	-	-	-	1.44	-	-	-	**1.44**
Dividend	-	-	-	-	-	(10.33)	-	**(10.33)**
Transfer to reserves from retained earnings during the year	11.58	-	-	-	-	(11.58)	-	**-**
Closing balance as at March 31, 2023	**76.22**	**19.97**	**6.15**	**207.70**	**346.30**	**559.09**	**2.18**	**1,217.61**
Transfer to retained earnings	-	-	-	-	-	61.72	-	**61.72**
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	(0.28)	**(0.28)**
Dividend	-	-	-	-	-	(10.33)	-	**(10.33)**
Transfer to reserves from retained earnings during the year	12.35	-	-	-	-	(12.35)	-	**-**
Closing balance as at March 31, 2024	**88.57**	**19.97**	**6.15**	**207.70**	**346.30**	**598.13**	**1.90**	**1,268.72**

The accompanying notes are forming part of the Standalone Financial Statements
As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Regn No.109983W

per **Tirtharaj Khot**
Partner
Membership No: (F) - 037457

Date : May 10, 2024
Place: Chennai

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

E Krithika
Company Secretary

M M Murugappan
Chairman
DIN:00170478

N Ganesh
Manager & Chief Financial Officer

Standalone Cash Flow Statement

For the year ended March 31, 2024

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash Flow from Operating Activities		
Profit before tax	**79.01**	**73.86**
Adjustments for:		
Finance Costs	3.63	7.03
Depreciation and amortisation expense	0.01	0.01
Interest income on deposits with banks	(1.22)	(0.83)
	2.42	6.21
Operating profit before working capital changes	**81.43**	**80.07**
Adjustments for:		
(Increase) / decrease in operating assets		
- Non-financial assets	(0.17)	(0.06)
- Investment in deposits with banks / unpaid dividend accounts (net of withdrawals)	4.60	(3.74)
- Proceeds from Sale of Financial Instruments held at FVTOCI	0.59	-
	5.02	(3.80)
Increase / (decrease) in operating liabilities		
- Financial liabilities	0.01	0.01
- Trade and other payables	0.19	0.06
- Non-financial liabilities	0.01	(0.62)
- Provisions	0.01	0.01
	0.22	(0.54)
Cash flow generated from / (used) in operating activities	**86.67**	**75.73**
Finance costs paid	(3.61)	(7.00)
Interest received on deposits with banks	1.22	0.83
Income taxes paid (net of refunds)	(17.26)	(16.89)
	(19.65)	(23.06)
Net cash generated from / (used in) operating activities (A)	**67.02**	**52.67**
Cash Flow from Investing Activities		
Purchase of intangible assets	(0.06)	-
Net cash generated from / (used in) investing activities (B)	**(0.06)**	**-**
Cash flow from financing activities		
Repayment of debt securities at amortised cost	(50.00)	(50.00)
Proceeds from issue of share capital (including securities premium)	-	1.45
Dividends paid (including Unpaid dividends pertaining to earlier periods)	(10.93)	(10.59)
Net cash generated from / (used in) financing activities (C)	**(60.93)**	**(59.14)**

Standalone Cash Flow Statement

As at March 31, 2024

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**6.03**	**(6.47)**
Cash and cash equivalents at the beginning of the year (Refer Note 4)	2.46	8.93
Cash and cash equivalents at the end of the year	8.49	2.46

The accompanying notes are forming part of the Standalone Financial Statements

As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Regn No.109983W

per **Tirtharaj Khot**
Partner
Membership No: (F) - 037457

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

M M Murugappan
Chairman
DIN:00170478

Date : May 10, 2024
Place : Chennai

E Krithika
Company Secretary

N Ganesh
Manager & Chief Financial Officer

Notes to Standalone Financial Statements

Note - 1. Background and Corporate Information

Cholamandalam Financial Holdings Limited ("the Company") (CIN: L65100TN1949PLC002905) is a Public Limited Company domiciled in India. The Company is listed on BSE Limited and National Stock Exchange of India Limited. The Registered Office of the Company is located at Dare House, No.234, NSC Bose Road, Chennai-600 001, Tamil Nadu.

Pursuant to a scheme of arrangement ("the Scheme") the manufacturing business undertaking of the Company was vested in/ transferred to Tube Investments of India Limited ("the Resulting Company") vide the order of the National Company Law Tribunal, Chennai ("NCLT") dated July 17, 2017. The Scheme had an appointed date of April 1, 2016 and came into effect from August 1, 2017. The Company received certificate of registration dated January 06, 2020 as a non-deposit taking Systemically Important Core Investment Company (CIC-ND-SI), from the Reserve Bank of India ("RBI") to carry on the business as a Non-Banking Financial Institution.

The Company undertakes financial services business through its Subsidiaries - Cholamandalam MS General Insurance Company Limited for general insurance business and Cholamandalam Investment and Finance Company Limited and its subsidiaries for lending and wealth management operations. Risk advisory services is carried out through a joint venture entity Cholamandalam MS Risk Services Limited.

The standalone financial statements are presented in Indian Rupees which is also functional currency of the Company and all values are rounded to the nearest crore, except when otherwise indicated.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 10, 2024.

Note - 1.1 Basis of preparation

The standalone 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 from time to time.

The standalone financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income ("FVTOCI") instruments and certain financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments)

The regulatory disclosures as required by Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued by the RBI ('RBI Master Directions') and other relevant circulars/ directions to be included as a part of the Notes to Accounts are prepared as per the Ind AS financial statements, pursuant to the RBI notification on Implementation of Indian Accounting Standards, dated March 31,2024. Refer Note 30 for the disclosures.

Note - 1.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity. An 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 20 to the financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all the following circumstances:

(i) The normal course of business

(ii) The event of default

(iii) The event of insolvency or bankruptcy of the Company and/or its counterparties

Note - 1.3 Standards issued but not yet effective

There are no new standards / amendments to the standards that have been issued but not yet effective as at March 31, 2024.

Note - 2. Material accounting policies

Note - 2.1 Financial instruments – initial recognition

Note - 2.1.1 Date of recognition

Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of

Notes to Standalone Financial Statements

the instrument. The Company recognises debt securities and borrowings when funds reach the Company.

Note - 2.1.2 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 Fair Value Through Profit & Loss (FVTPL), transaction costs are added to, or subtracted from, this amount.

Note - 2.1.3 Measurement categories of financial assets and liabilities

The Company classifies all its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either (a) Amortised cost (b) FVTPL or (c) FVTOCI

Note - 2.2 Financial assets and liabilities

Note - 2.2.1 Bank balances and financial investments at amortised cost

The Company measures Bank balances and other financial investments at amortised 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 to collect contractual cash flows; and

(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.

Note - 2.2.2 Business model assessment

The Company determines its business model at the level that best reflects how it manages Company's 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.

Note - 2.2.3 The SPPI Test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the solely payments of principal and interest (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 amortisation 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.

Notes to Standalone Financial Statements

In contrast, contractual terms that introduce a more than de minimis 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.

Note - 2.3 Equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

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

Gains and losses on these equity instruments are never recycled to statement of profit and loss. Dividends are recognised in statement of profit and 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 Other Comprehensive Income. Equity instruments at FVTOCI are not subject to an impairment assessment.

Investment in Subsidiaries and Joint Ventures are carried at Cost in the Financial Statements as permitted under Ind AS 27. These investments are assessed for impairment at the end of each reporting period.

Note - 2.4 Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking the costs that are an integral part of the Effective Interest Rate.

Note - 2.5 Derecognition of financial assets and liabilities

Note - 2.5.1 Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Note - 2.5.2 Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. 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 the statement of profit and loss.

Note - 3. Other Accounting Policies

Note - 3.1 Recognition of Income

A. Revenue (other than interest income and dividend income covered by Ind AS 109 - Financial Instruments) is measured at fair value of the consideration received or receivable.

B. The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 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

Notes to Standalone Financial Statements

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.

Note - 3.1.1 Brand fee

Brand fee income is recognised as and when the services are rendered in accordance with the terms and conditions of the relevant agreement.

Note - 3.1.2 Interest income covered by Ind AS 109

Under Ind AS 109, interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account of fees and costs that are an integral part of the EIR.

Note - 3.1.3 Dividend income covered by Ind AS 109

Dividend income (including from FVTOCI 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.

Note - 3.2 Taxes

Note - 3.2.1 Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Company's management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Note - 3.2.2 Deferred Tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, where 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

Notes to Standalone Financial Statements

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.

Note - 3.3 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

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.

Note - 3.4 Dividends on ordinary shares

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Note - 3.5 Determination of Fair value

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a

Notes to Standalone Financial Statements

hierarchy of valuation techniques, as summarised below:

(i) Level 1 financial instruments – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

(ii) Level 2 financial instruments – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

(iii) Level 3 financial instruments – Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments, when necessary, based on the facts at the end of the reporting period.

Note - 3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

Note - 3.7 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

For the purpose of the Statement of cash flows, cash and cash equivalents as defined above, are net of outstanding bank overdrafts, if any, as they are considered an integral part of the cash management of the Company.

Note - 3.8 Goods and Service Tax (GST) Input Credit

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted, and when there is no uncertainty in availing / utilising the same. Company avails eligible input credit as per the relevant Law and the ineligible credit is set off to respective expense.

Note - 3.9 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption

Notes to Standalone Financial Statements

of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Amortisation is calculated using the straight–line method to write down the cost of intangible assets to their residual values over their estimated useful life of 3 years.

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 and loss when the asset is derecognised.

Note - 3.10 Impairment of Financial & Non-Financial Assets

Note - 3.10.1 Impairment of Financial Assets

For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is provided for / written-off.

Note - 3.10.2 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Note - 4. Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
– Current Accounts	0.24	0.46
– Deposit Accounts - with original maturity of less than 3 months	8.25	2.00
	8.49	**2.46**
Bank balances other than cash and cash equivalents		
– Deposit Accounts - with original maturity of more than 3 months	-	4.00
– Unpaid dividend accounts	0.49	1.09
	0.49	**5.09**

Note - 5. Investments

(₹ in Crores)

Particulars	Numbers		Amount	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Investment in Subsidiary Companies at Cost				
Equity Shares (Fully Paid) - Quoted				
Cholamandalam Investment and Finance Company Limited (Face value of ₹ 2 per share)	37,28,85,889	37,28,85,889	1,009.91	1,009.91
Equity Shares (Fully Paid) - Unquoted				
Cholamandalam MS General Insurance Company Limited (Face value of ₹ 10 per share)	17,92,82,861	17,92,82,861	265.24	265.24

Notes to Standalone Financial Statements

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

Particulars	Numbers		Amount	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Investment in Joint Venture at cost				
Equity Shares (Fully Paid) - Unquoted				
Cholamandalam MS Risk Services Limited (Face value of ₹ 10 per share)	9,89,979	9,89,979	0.99	0.99
Total (A)			1,276.14	1,276.14
Investments at Fair Value Through Other Comprehensive Income (FVTOCI):				
Equity Shares (Fully Paid) - Quoted				
Coromandel Engineering Co. Ltd. (Face value of ₹ 10 per share) - Sold during the year	-	4,33,481	-	1.26
Carborundum Universal Limited (Face value of ₹ 1 per share)	6,000	6,000	0.76	0.59
Kartik Investments Trust Limited (Face value of ₹ 10 per share)	33,790	33,790	0.04	0.04
Equity Shares (Fully Paid) - Unquoted				
Murugappa Management Services Private Limited (Face value of ₹ 100 per share)	42,677	42,677	2.37	2.09
Total (B)			3.17	3.98
Grand Total (A)+(B)			**1,279.31**	**1,280.12**

Note-1: The Company has designated its equity investments as FVTOCI on the basis that these are not held for trading and held for strategic purposes.

Note-2: All investments represented above are made in India.

Note - 6 Other Financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured - considered good (unless otherwise stated) At amortised cost		
Deposit receivable	0.02	0.02
	0.02	**0.02**

Note - 7. Intangible Assets

Particulars	Computer software
Gross carrying amount as at March 31, 2022	**0.06**
Additions	-
Disposals	**-**
Gross carrying amount as at March 31, 2023	**0.06**
Additions	0.06
Disposals	-
Gross carrying amount as at March 31, 2024	**0.12**
Accumulated Amortisation and impairment	
Balance as at March 31, 2022	0.04
Amortisation for the year	0.01
Amortisation on disposals	-

Notes to Standalone Financial Statements

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

Particulars	Computer software
Balance as at March 31, 2023	**0.05**
Amortisation for the year	0.01
Amortisation on disposals	-
Accumulated amortisation and impairment as at March 31, 2024	**0.06**
Net Written down Value as at March 31, 2023	**0.01**
Net Written down Value as at March 31, 2024	**0.06**

Note - 8. Other Non Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured - considered good (unless otherwise stated)		
Prepaid expenses	0.03	0.02
Capital advances	0.01	-
GST Input Credit	0.20	0.06
Others	0.02	0.01
	0.26	**0.09**

Note - 9. Debt Securities (at amortised cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Convertible Debentures - Unsecured	-	49.98
	-	**49.98**

Note - 9.1 Details of Unsecured, Not guaranteed, Taxable, Non Cumulative, Rated, Redeemable, Non Convertible Debentures - Contractual Principal repayment values

Rate of Interest / Effective Interest rate / Maturity	Amount outstanding	
	As at March 31, 2024	As at March 31, 2023
7.26% / 7.28% / March 30, 2024	-	50.00

Note - 9.2 The Debentures are issued in India.

Note - 10. Other Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid Dividends *	0.49	1.09
Others	0.05	0.04
	0.54	**1.13**

* There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company as at end of the year.

Note - 11. Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Compensated Absences	0.04	0.03
	0.04	**0.03**

Notes to Standalone Financial Statements

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

Note - 12. Other Non Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Liabilities	0.04	0.03
	0.04	**0.03**

Note - 13. Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	Amount	Numbers	Amount
AUTHORISED				
Equity Shares of ₹ 1 each	43,00,00,000	43.00	430,000,000	43.00
		43.00		**43.00**
ISSUED, SUBSCRIBED AND PAID UP				
Equity Shares of ₹ 1 each	18,77,77,462	18.78	18,77,77,462	18.78
		18.78		**18.78**

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
Equity Shares	**Numbers**	**Amount**	**Numbers**	**Amount**
At the beginning of the year	18,77,77,462	18.78	18,77,42,892	18.77
Issued during the year	-	-	34,570	0.00
Outstanding at the end of the year	**18,77,77,462**	**18.78**	**18,77,77,462**	**18.78**

Note : Amount received on allotment of Shares under Employee Stock Options for the year ended March 31, 2023 - ₹ 34,570

b) Terms/rights attached to Equity shares

The Company has only one class of equity shares having par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors 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.

c) Equity Shares held by Holding Company

Particulars	As at March 31, 2024	As at March 31, 2023
Ambadi Investments Limited	7,07,66,595	7,07,66,595

d) Details of shareholding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
Equity Shares	**Numbers**	**% holding in the class**	**Numbers**	**% holding in the class**
Ambadi Investments Limited	7,07,66,595	37.69	7,07,66,595	37.69

Notes to Standalone Financial Statements

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

f) Shareholding of Promoters

SN.	Name of the Promoter (P) / Promoter Group (PG)	As on 31-Mar-2024		As on 31-Mar-2023		Category	% Change during the year
		No. of shares	% to shares	No. of shares	% to shares		
1	Ambadi Investments Limited	7,07,66,595	37.69	7,07,66,595	37.69	Promoter	-
2	Ambadi Enterprises Ltd	-	0.00	10,58,200	0.56	Promoter	(100.00)
3	Murugappa & Sons (M.V.Subbiah, MA Alagappan and M M Murugappan hold shares on behalf of the Firm)	-	0.00	8,63,980	0.46	Promoter	(100.00)
4	Arun Alagappan	8,33,090	0.44	8,33,090	0.44	Promoter	-
5	M.A.Alagappan	7,10,000	0.38	7,10,000	0.38	Promoter	-
6	M V Murugappan - HUF (Valli Arunachalam holds shares in the capacity as karta)	5,43,330	0.29	5,43,330	0.29	Promoter	-
7	A Venkatachalam	5,13,610	0.27	5,13,610	0.27	Promoter	-
8	M A M Arunachalam	8,42,760	0.45	4,70,160	0.25	Promoter	79.25
9	A Vellayan	3,82,400	0.20	3,82,400	0.20	Promoter	-
10	M M Murugappan HUF(M M Murugappan holds shares in the capacity as kartha)	3,55,330	0.19	3,55,330	0.19	Promoter	-
11	V Arunachalam	3,38,990	0.18	3,38,990	0.18	Promoter	-
12	V Narayanan	2,81,140	0.15	2,81,140	0.15	Promoter	-
13	M M Muthiah HUF (M M Murugappan hold shares in the capacity as kartha)	2,77,360	0.15	2,77,360	0.15	Promoter	-
14	A Venkatachalam (Hold shares in the capacity as Kartha of HUF)	2,52,000	0.13	2,52,000	0.13	Promoter	-
15	A Vellayan (Hold shares in the capacity as Kartha of HUF)	2,49,500	0.13	2,49,500	0.13	Promoter	-
16	M M Murugappan	2,09,715	0.11	2,09,715	0.11	Promoter	-
17	Arun Venkatachalam	2,00,000	0.11	2,00,000	0.11	Promoter	-
18	M V Subbiah (Hold shares in the capacity as Kartha of HUF)	1,71,200	0.09	1,71,200	0.09	Promoter	-
19	M A M Arunachalam (in the capacity of Karta of HUF)	1,48,660	0.08	1,48,660	0.08	Promoter	-
20	M A Alagappan HUF(M A Alagappan hold shares in the capacity as kartha)	1,30,660	0.07	1,30,660	0.07	Promoter	-
21	M M Venkatachalam	4,000	0.00	4,000	0.00	Promoter	-
22	Carborundum Universal Limited	1,000	0.00	1,000	0.00	Promoter	-
23	A M Meyyammai	93,150	0.05	9,31,500	0.50	Promoter Group	(90.00)

Notes to Standalone Financial Statements

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

SN.	Name of the Promoter (P) / Promoter Group (PG)	As on 31-Mar-2024		As on 31-Mar-2023		Category	% Change during the year
		No. of shares	% to shares	No. of shares	% to shares		
24	Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy holds shares on behalf of Trust)	7,43,000	0.40	7,43,000	0.40	Promoter Group	-
25	Murugappa Educational and Medical Foundation	7,26,200	0.39	7,26,200	0.39	Promoter Group	-
26	Shambho Trust (M V Subbiah & S Vellayan are trustees of the trust)	5,97,340	0.32	5,97,340	0.32	Promoter Group	-
27	M A Murugappan Holdings LLP	5,46,860	0.29	5,46,860	0.29	Promoter Group	-
28	Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah are trustees of the trust)	5,15,180	0.27	5,15,180	0.27	Promoter Group	-
29	M A Alagappan Holdings Private Limited	5,29,860	0.28	5,29,860	0.28	Promoter Group	-
30	Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan are trustees of the trust)	5,00,000	0.27	5,00,000	0.27	Promoter Group	-
31	M M Muthiah Family Trust (M M Murugappan & M M Muthiah holds shares on behalf of the Trust)	4,78,055	0.25	4,78,055	0.25	Promoter Group	-
32	MM Veerappan Family Trust (MM Murugappan & Meenakshi Murugappan holds shares on behalf of the Trust)	4,68,055	0.25	4,68,055	0.25	Promoter Group	-
33	MV Muthiah Family Trust (M M Venkatachalam & M V Muthiah holds shares on behalf of the Trust)	4,59,830	0.24	4,59,830	0.24	Promoter Group	-
34	MV Subramanian Family Trust (Mr. MM Venkatachalam & MV Subramanian hold shares on behalf of Trust)	4,59,830	0.24	4,59,830	0.24	Promoter Group	-
35	M V AR Meenakshi	4,49,630	0.24	4,49,630	0.24	Promoter Group	-
36	MM Venkatachalam Family Trust(MM Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	4,03,900	0.22	4,03,900	0.22	Promoter Group	-
37	AR Lakshmi Achi Trust	3,91,510	0.21	3,91,510	0.21	Promoter Group	-
38	Lakshmi Venkatachalam Family Trust(M M Venkatachalam&Lakshmi Venkatachalam are trustees of trust)	3,79,905	0.20	3,79,905	0.20	Promoter Group	-

Notes to Standalone Financial Statements

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

SN.	Name of the Promoter (P) / Promoter Group (PG)	As on 31-Mar-2024		As on 31-Mar-2023		Category	% Change during the year
		No. of shares	% to shares	No. of shares	% to shares		
39	Meyyammai Venkatachalam	3,58,580	0.19	3,58,580	0.19	Promoter Group	-
40	M.M.Muthiah Research Foundation	2,80,920	0.15	2,80,920	0.15	Promoter Group	-
41	M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan are trustees of the trust)	2,31,800	0.12	2,31,800	0.12	Promoter Group	-
42	Sigapi Arunachalam	2,27,990	0.12	2,27,990	0.12	Promoter Group	-
43	Umayal R	2,26,580	0.12	2,26,580	0.12	Promoter Group	-
44	Arun Murugappan Children's Trust (MAM Arunachalam & Sigappi Arunachalam hold on behalf of trust)	2,20,278	0.12	2,20,278	0.12	Promoter Group	-
45	M A Alagappan Grand Children Trust (Arun Alagappan & A A Alagammai hold shares on behalf of Trust)	2,16,777	0.12	2,16,777	0.12	Promoter Group	-
46	Murugappan Arunachalam Children Trust (Sigapi Arunachalam alongwith others hold shares of Trust)	2,15,410	0.11	2,15,410	0.11	Promoter Group	-
47	Lakshmi Chockalingam	6,24,410	0.33	1,58,660	0.08	Promoter Group	293.55
48	Valli Annamalai	1,57,127	0.08	1,57,127	0.08	Promoter Group	-
49	M Vellachi	5,97,425	0.32	5,97,425	0.32	Promoter Group	-
50	A M M Vellayan Sons P Ltd	38,430	0.02	38,430	0.02	Promoter Group	-
51	Pranav Alagappan	28,050	0.01	28,050	0.01	Promoter Group	-
52	Valliammai Murugappan	17,032	0.01	17,032	0.01	Promoter Group	-
53	M V Seetha Subbiah Benefit trust (M.V.Subbiah & S Vellayan hold shares on behalf of the Trust)	14,500	0.01	14,500	0.01	Promoter Group	-
54	Valli Subbiah Benefit Trust (S Vellayan & M V Subbiah hold shares on behalf of the Trust)	14,500	0.01	14,500	0.01	Promoter Group	-
55	Dhruv M Arunachalam	11,000	0.01	11,000	0.01	Promoter Group	-
56	Solachi Ramanathan	8,500	0.00	8,500	0.00	Promoter Group	-

Notes to Standalone Financial Statements

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

SN.	Name of the Promoter (P) / Promoter Group (PG)	As on 31-Mar-2024		As on 31-Mar-2023		Category	% Change during the year
		No. of shares	% to shares	No. of shares	% to shares		
57	M.M.Muthiah Sons Private Ltd	4,200	0.00	4,200	0.00	Promoter Group	-
58	A V Nagalakshmi	3,600	0.00	3,600	0.00	Promoter Group	-
59	V Vasantha	2,300	0.00	2,300	0.00	Promoter Group	-
60	Uma Ramanathan	2,000	0.00	2,000	0.00	Promoter Group	-
61	Lakshmi Venkatachalam	1,200	0.00	1,200	0.00	Promoter Group	-
62	Valli Alagappan	1,020	0.00	1,000	0.00	Promoter Group	2.00
63	A.Keertika Unnamalai	500	0.00	500	0.00	Promoter Group	-
64	Meenakshi Murugappan	70	0.00	70	0.00	Promoter Group	-
65	Valli Arunachalam	4,96,095	0.26	4,96,095	0.26	Promoter Group	-
	Total P/PG Holdings	**8,89,53,939**	**47.37**	**9,08,76,099**	**48.40**		
	Paid up share capital	**18,77,77,462**		**18,77,77,462**			

Note - 14. Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings (Refer Note 14.2)	598.13	559.09
Other reserves		
General Reserve (Refer Note 14.1)	346.30	346.30
Fair Value Through Other Comprehensive Income (FVTOCI) Reserve (Refer Note 14.3)	1.90	2.18
Statutory Reserve (Refer Note 14.4)	88.57	76.22
Securities Premium (Refer Note 14.5)	207.70	207.70
Capital Reserve (Refer Note 14.6)	19.97	19.97
Capital Redemption Reserve (Refer Note 14.7)	6.15	6.15
	1,268.72	**1,217.61**

Nature and Purpose of reserves

Note - 14.1 General Reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss to the General reserves.

Notes to Standalone Financial Statements

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

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	346.30	346.30
Additions during the year	-	-
Balance at the end of the year	**346.30**	**346.30**

Note - 14.2 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 below are not distributable in entirety.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	559.09	523.13
Profit for the year	61.72	57.87
Dividend payout for the year - Equity	(10.33)	(10.33)
Transfer to Statutory Reserve	(12.35)	(11.58)
Balance at the end of the year	**598.13**	**559.09**

Note - 14.3 FVTOCI Reserve

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

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2.18	1.96
Fair Valuation of FVTOCI Investments	(0.19)	0.22
Fair Valuation of FVTOCI Investments - sold during the year	(0.09)	-
Balance at the end of the year	**1.90**	**2.18**

Note - 14.4 Statutory Reserve

As per the requirements of Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC is required to transfer 20% of the total profits after tax for the year to a specific reserve by name of Statutory Reserve. The Company based on the above regulation transferred an amount equivalent to 20% of the total profits after tax for the current year to such reserve.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	76.22	64.64
Transfer into reserve	12.35	11.58
Balance at the end of the year	**88.57**	**76.22**

Note - 14.5 Securities Premium

Securities premium is used to record the premium on issue of shares. This can be utilised only for specific purposes in accordance with the provisions of the Companies Act, 2013.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	207.70	206.26
Additions pursuant to shares issued on account of exercise of ESOP	-	1.44
Balance at the end of the year	**207.70**	**207.70**

Notes to Standalone Financial Statements

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

Note - 14.6 Capital Reserve

Capital Reserve represents the amount that has been received as a capital grant from the Government of Maharashtra for the set up of a unit in 2008-09 based on the fulfilment of certain conditions in connection with the set up of such unit. Pursuant to the Scheme of Arrangement for demerger in FY 2016-17, this amount has been retained in the Company.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	19.97	19.97
Additions during the year	-	-
Balance at the end of the year	**19.97**	**19.97**

Note - 14.7 Capital Redemption Reserve

Capital redemption reserve represents the amount equal to the nominal value of shares that were redeemed during the prior years. The reserve can be utilized only for specific purposes in accordance with the provisions of the Companies Act, 2013.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	6.15	6.15
Additions during the year	-	-
Balance at the end of the year	**6.15**	**6.15**

Note - 14.8 Proposed dividend

The Board of Directors of the Company at their meeting held on May 10, 2024, have recommended a dividend of 55% being ₹0.55 per equity share of face value of ₹1/- of the Company, for the year ended March 31, 2024 for shareholders' approval at the ensuing Annual General Meeting.

Note - 15. Revenue from Operations

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest Income on		
- Bank Deposits	1.22	0.83
Dividend Income from		
- Subsidiaries	74.58	74.58
- Joint Venture	0.25	0.25
- Others (₹21,000 only, previous year ₹21,000 only)	-	-
Service Income		
-Income that are recognised over a period of time	9.95	8.10
	86.00	**83.76**
Note - 15.1 - Type of Service		
Total revenue from contracts with customers - Brand fee	9.95	8.10
Geographical markets		
India	9.95	8.10
Outside India	-	-
Total revenue from contracts with customers	9.95	8.10
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	9.95	8.10

Notes to Standalone Financial Statements

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

For the income that has been received during the year, there are no contract assets / contract liabilities that are outstanding as at March 31, 2024 (Previous year - NIL)

Note - 15.2 Information about Company's performance obligation

The performance obligation with respect to brand fee is rendered over annual periods through the contract term.

Note - 16. Finance Costs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest on financial liabilities measured at amortised cost		
- Debt Securities	3.63	7.03
	3.63	**7.03**

Note - 17. Employee Benefits Expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries, allowances and Bonus	1.60	1.37
Contribution to Employees' provident fund	0.02	0.02
Gratuity expense	0.01	0.01
	1.63	**1.40**

Note - 18. Other Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Rent	0.01	0.01
Insurance	0.02	0.02
Travelling and Conveyance	0.02	0.01
Advertisement Expenses	0.04	0.05
Printing, Stationery	0.02	0.02
Auditors' Remuneration	0.22	0.25
Professional & Legal Expenses	0.31	0.23
Listing and filing fee	0.07	0.07
Information Technology Expenses	0.06	0.01
Directors Fees, allowances and expenses	0.91	0.76
Other expenses	0.04	0.03
	1.72	**1.46**

Note - 18.1 Auditors' Remuneration

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
As Auditor:		
Statutory Audit & Audit of Consolidated Financial Statements	0.15	0.15
Tax Audit	0.01	0.01
Limited Reviews	0.03	0.03
Other Services / Certification / OPE	0.03	0.06
Total	**0.22**	**0.25**

Notes to Standalone Financial Statements

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

Note - 19. Fair value of financial instruments not measured at fair value

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 March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial assets				
Cash and Cash Equivalents	8.49	2.46	8.49	2.46
Bank balances other than cash and cash equivalents	0.49	5.09	0.49	5.09
Investments	1,276.14	1,276.14	44,626.49	29,544.58
Other Financial Assets	0.02	0.02	0.02	0.02
Total	**1,285.14**	**1,283.71**	**44,635.49**	**29,552.15**
Financial liabilities				
Debt Securities	-	49.98	-	49.98
Other Payables				
a) Total outstanding dues of micro and small enterprises	-	-	-	-
b) Total outstanding dues of creditors other than micro and small enterprises	0.85	0.66	0.85	0.66
Other Financial Liabilities	0.54	1.13	0.54	1.13
Total	**1.39**	**51.77**	**1.39**	**51.77**

The management of the Company assessed that fair value of cash and cash equivalents including bank balances, other financial assets, trade payables and other 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:

i. The fair values of quoted equity investments are derived from quoted market prices in active markets.

ii. 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 - 19.1 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
	March 31, 2024	March 31, 2023		
Asset measured at fair value	0.80	1.89	Level 1	Quoted bid price in an active market. Refer Note (a)
Investments in quoted equity instruments at FVTOCI	2.37	2.09	Level 3	Fair Valuation through methods prescribed under Ind AS 109. Refer Note (b)

There are no movement / transfers between the level 1 and level 2 during the period.

Notes to Standalone Financial Statements

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

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 FVTOCI as the management of the company believes 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 investment in equity are not significant in value and hence additional disclosures are not presented.

b) Financial Liabilities for which fair values are disclosed

Particulars	Fair Value as at		Fair Value Hierarchy	Valuation Techniques & key inputs used
	March 31, 2024	March 31, 2023		
Liabilities for which fair values are disclosed	-	49.98	Level 2	Refer Note (a) below

Note (a) 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.

There are no movement / transfers between the level 1 and level 2 during the period

Note - 19.2 Summary of Financial assets and liabilities which are recognised at amortised cost

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Cash and Cash Equivalents	8.49	2.46
Bank balances other than cash and cash equivalents	0.49	5.09
Other Financial Assets	0.02	0.02
Financial Liabilities		
Debt Securities	-	49.98
Trade & Other Payables	0.85	0.66
Other Financial Liabilities	0.54	1.13

Note - 20. Maturity Analysis

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

Particulars	As on March 31, 2024	Maturity		As on March 31, 2023	Maturity	
		Current	Non - Current		Current	Non - Current
Financial Assets						
Cash and Cash Equivalents	8.49	8.49	-	2.46	2.46	-
Bank balances other than cash & cash equivalents	0.49	0.49	-	5.09	5.09	-
Investments	1,279.31	-	1,279.31	1,280.12	-	1,280.12
Other Financial Assets	0.02	0.02	-	0.02	-	0.02
Total Financial Assets	**1,288.31**	**9.00**	**1,279.31**	**1,287.69**	**7.55**	**1,280.14**

Notes to Standalone Financial Statements

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

Particulars	As on March 31, 2024	Maturity		As on March 31, 2023	Maturity	
		Current	Non - Current		Current	Non - Current
Non Financial Assets						
Current tax assets (Net)	0.52	-	0.52	0.56	-	0.56
Intangible Assets	0.06	-	0.06	0.01	-	0.01
Other non-financial assets	0.26	-	0.26	0.09	0.06	0.03
Total Non Financial Assets	**0.84**	**-**	**0.84**	**0.66**	**0.06**	**0.60**
Financial Liabilities						
Debt Securities	-	-	-	49.98	49.98	-
Other Payables						
a) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro and small enterprises	0.85	0.85	-	0.66	0.66	-
Other Financial Liabilities	0.54	0.49	0.05	1.13	1.10	0.03
Total Financial Liabilities	**1.39**	**1.34**	**0.05**	**51.77**	**51.74**	**0.03**
Non Financial Liabilities						
Current tax liabilities (net)	-	-	-	-	-	-
Deferred tax liabilities (net)	0.18	-	0.18	0.13	-	0.13
Provisions	0.04	-	0.04	0.03	-	0.03
Other non-financial liabilities	0.04	0.04	-	0.03	0.03	-
Total Non Financial Liabilities	**0.26**	**0.04**	**0.22**	**0.19**	**0.03**	**0.16**

Note - 20.1 Analysis of Financial Assets and Financial Liabilities by remaining contractual maturities

Particulars	Upto 1 Month	1 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
As on March 31, 2024						
Financial Assets						
Cash and Cash Equivalents	8.49	-	-	-	-	8.49
Bank balances other than cash and cash equivalents	0.49	-	-	-	-	0.49
Investments	-	-	-	-	1,279.31	1,279.31
Other Financial Assets	-	0.02	-	-	-	0.02
Total Undiscounted Financial Assets	**8.98**	**0.02**	**-**	**-**	**1,279.31**	**1,288.31**
Financial Liabilities						
Borrowings (Debt Securities)	-	-	-	-	-	-
Other Payables						
a) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro and small enterprises	0.04	0.81	-	-	-	0.85
Other Financial Liabilities	0.49	-	-	0.05	-	0.54
Total Undiscounted Financial Liabilities	**0.53**	**0.81**	**-**	**0.05**	**-**	**1.39**

Notes to Standalone Financial Statements

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

Particulars	Upto 1 Month	1 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
As on March 31, 2023						
Financial Assets						
Cash and Cash Equivalents	2.46	-	-	-	-	2.46
Bank balances other than cash and cash equivalents	5.09	-	-	-	-	5.09
Investments	-	-	-	-	1,280.12	1,280.12
Other Financial Assets	-	-	-	0.02	-	0.02
Total Undiscounted Financial Assets	**7.55**	**-**	**-**	**0.02**	**1,280.12**	**1,287.69**
Financial Liabilities						
Borrowings (Other than Debt Securities)	-	-	53.63	-	-	53.63
Other Payables						
a) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
b)) Total outstanding dues of creditors other than micro and small enterprises	0.66	-	-	-	-	0.66
Other Financial Liabilities	1.10	-	-	0.03	-	1.13
Total Undiscounted Financial Liabilities	**1.76**	**-**	**53.63**	**0.03**	**-**	**55.42**

Note - 21. Significant accounting judgements, estimates and assumptions:

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

In the process of applying the Company's accounting policies, the management has made the following judgement / estimate, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Note - 22. Disclosure in respect of Related Parties

Note - 22.1 List of Related Parties

SN.	Nature of relationship	Name of the related parties	
1	Subsidiary & Associate Companies	(i)	Cholamandalam Investment and Finance Company Limited (CIFCL) (Subsidiary) *
		(ii)	Cholamandalam Home Finance Limited (Subsidiary of CIFCL)
		(iii)	Cholamandalam Securities Limited (Subsidiary of CIFCL)

Notes to Standalone Financial Statements

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

SN.	Nature of relationship	Name of the related parties
		(iv) Payswiff Technologies Private Limited (Joint Venture of CIFCL) (from February 2022)
		(v) White Data Systems India Private Limited (Associate of CIFCL) (upto March 28, 2023)
		(vi) Vishvakarma Payments Private Limited (Associate of CIFCL)
		(vii) Paytail Commerce Private Limited (Associate of CIFCL) (upto March 21, 2024)
		(viii) Cholamandalam MS General Insurance Company Limited (Subsidiary)
2	Entity having Significant influence	(i) Ambadi Investments Limited
3	Subsidiaries of Entity having significant influence	(i) Parry Enterprises India Limited
		(ii) Parry Agro Industries Limited
4	Joint Venture	(i) Cholamandalam MS Risk Services Limited
5	Key Management Personnel (KMP) (Pursuant to Companies Act, 2013)	(i) Mr. N. Ganesh - Manager & Chief Financial Officer
		(ii) Ms. E. Krithika - Company Secretary
6	Non-Executive Directors	(i) Mr. M. M. Murugappan
		(ii) Mr. Sridharan Rangarajan
		(iii) Mr. B Ramaratnam
		(iv) Ms. Vasudha Sundararaman
		(v) Mr. Vellayan Subbiah
		(vi) Mr. K. Balasubramanian
7	Promoter and Promoter Group (Refer Note 13f for list of parties)	

* The Company holds 44.39% of the total shareholding in CIFCL as at March 31, 2024 (45.36% as at March 31, 2023) and has de-facto control as per the principles of Ind AS 110 'Consolidated Financial Statements' and accordingly CIFCL has been considered as a subsidiary in these Financial Statements.

Note - 22.2 During the year, the following transactions were carried out with the related parties in the ordinary course of business:

Transaction	Name of the related parties	Year ended March 31, 2024	Year ended March 31, 2023
Dividend Received	Cholamandalam Investment and Finance Company Limited	74.58	74.58
	Cholamandalam MS Risk Services Limited	0.25	0.25
Dividend Payment	Ambadi Investments Limited [1]	3.89	3.89
	Non-Executive Directors [2]	0.01	0.01
	Promoter and Promoter Group (Other than 1 & 2 above)	1.10	1.12
Deputation charges for KMP	Cholamandalam Investment and Finance Company Limited	1.25	1.06
Remuneration to KMP	Ms. E Krithika, Company Secretary	0.38	0.33

Notes to Standalone Financial Statements

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

Transaction	Name of the related parties	Year ended March 31, 2024	Year ended March 31, 2023
Payment for services availed	Cholamandalam Investment and Finance Company Limited	0.09	0.05
	Parry Enterprises India Limited	-	0.001
	Cholamandalam Securities Limited	0.0008	-
	Cholamandalam MS Risk Services Limited	0.04	0.02
Brand fee Income	Cholamandalam MS General Insurance Company Limited	9.95	8.09
Commission and sitting fees	Non-executive directors	0.91	0.76

Note - 22.3 Balances outstanding at the year end:

Nature of balance	Name of the related parties	As at March 31, 2024	As at March 31, 2023
Receivable / (Payable)	Cholamandalam MS Risk Services Limited	-	(0.02)

Note - 23. Earnings Per Share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit after tax	61.72	57.87
Weighted average number of shares		
- Basic	18,77,77,462	18,77,53,270
- Dilutive impact on account of options	-	-
- Diluted	18,77,77,462	18,77,53,270
Earnings per share (face value of Re. 1 each)		
- Basic	3.29	3.08
- Diluted	3.29	3.08

Note - 24. Contingent Liabilities

Contested claims not provided for:

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax matters where the Company has gone on appeal	1.36	1.36

Note - 25. Reconciliation of Tax Expense and the Accounting Profit:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit before income tax (A)	79.01	73.86
Corporate tax on accounting profit before tax @ 25.17% (Previous year 25.17%) (B)	19.89	18.59
Adjustments to accounting profit:		
Deduction under section 57 of the Income tax Act (C)	(3.63)	(7.03)
Deductions under section 80M of the Income tax Act (D)	(10.33)	(10.33)
Other disallowances of the Income tax Act (E)	3.67	7.06
Deduction towards depreciation under the Income Tax Act (F)	(0.02)	(0.01)

Notes to Standalone Financial Statements

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total adjustments to accounting profit (G=C+D+E+F)	(10.31)	(10.31)
Tax on above total adjustments @ 25.17% (Previous year 25.17%) (H = G * Tax rate)	(2.60)	(2.60)
Net Effective Income Tax (I = B-H)	17.29	15.99

Note - 26. Stock Options

The Stock Options were granted to the employees of the Manufacturing Business Undertaking which is transferred to the Resulting Company as referred to in Note 1 and the related details of movement in Stock Options are given below:

Particulars	Employee Stock Option Plan 2007		Employee Stock Option Plan 2016	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
Grant	Grant 12	Grant 12	Grant 1	Grant 1
Date of Grant	02-Nov-11	02-Nov-11	15-Mar-17	15-Mar-17
Options Outstanding as at beginning of the year	-	-	-	41,680
During the year				
Options granted	-	-	-	-
Options cancelled / lapsed	-	-	-	7,110
Options exercised & allotted	-	-	-	34,570
Options Outstanding as at end of the year	-	-	-	-
Options vested but not exercised as at beginning of the year	-	-	-	41,680
Options vested but not exercised as at end of the year	-	-	-	-

Grant No.	Date of Grant	Weighted Average Exercise Price (Rs.)	Vesting Commences on	Options Granted	Options Exercised	Options Forfeited / lapsed	Options Outstanding at the end of the year		Weighted Average Remaining Contractual Life (in Years)
							Vested	Yet to vest	
Employee Stock Option Plan 2007									
1	31-Oct-07	43.37	31-Oct-08	6,00,120	3,63,624	2,36,496	-	-	
2	31-Jan-08	45.61	30-Jan-09	1,05,460	81,324	24,136	-	-	
3 - Tr I	24-Mar-08	39.19	31-Oct-09	26,55,260	15,39,971	11,15,289	-	-	
3 - Tr II	24-Mar-08	39.19	31-Oct-09	34,241	34,241	-	-	-	
4 - Tr I	31-Jul-08	30.67	31-Jul-09	3,86,900	2,84,961	1,01,939	-	-	
4 - Tr II	31-Jul-08	30.67	31-Jul-09	9,344	9,344	-	-	-	
5	31-Oct-08	16.73	31-Oct-09	54,000	30,240	23,760	-	-	
6	30-Jan-09	21.42	30-Jan-10	28,100	23,323	4,777	-	-	
7 - Tr I	29-Jan-11	96.63	29-Jan-12	4,25,400	2,38,404	1,86,996	-	-	
7 - Tr II	29-Jan-11	96.63	29-Jan-12	21,280	21,280	-	-	-	
7 - Tr III	29-Jan-11	96.63	29-Jan-12	15,112	15,112	-	-	-	
8	29-Jan-11	96.63	29-Jan-12	1,92,400	80,916	1,11,484	-	-	
9	29-Jan-11	96.63	29-Jan-12	13,900	-	13,900	-	-	

Notes to Standalone Financial Statements

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

Grant No.	Date of Grant	Weighted Average Exercise Price (Rs.)	Vesting Commences on	Options Granted	Options Exercised	Options Forfeited / lapsed	Options Outstanding at the end of the year		Weighted Average Remaining Contractual Life (in Years)
							Vested	Yet to vest	
10	2-May-11	96.91	02-May-12	55,000	19,680	35,320	-	-	
11	01-Aug-11	110.23	01-Aug-12	33,600	-	33,600	-	-	
12 - Tr I	02-Nov-11	98.74	02-Nov-12	1,26,800	48,148	78,652	-	-	
12 - Tr II	02-Nov-11	98.74	02-Nov-12	51,516	29,224	22,292	-	-	
Employee Stock Option Plan 2016									
Tr I	15-Mar-17	416.86	15-Mar-18	2,37,960	-	2,37,960	-	-	
Tr II	15-Mar-17	416.86	15-Mar-18	2,32,270	1,77,670	54,600	-	-	

The Fair Value of Options used to compute proforma net profit and earnings per Equity Share have been estimated on the date of the grants using Black-Scholes model by an independent consultant.

The key assumptions used in Black-Scholes model for calculating the fair value as on the date of the grants are:

Grant No.	Vesting Commences on	Risk Free Interest Rate (%)	Expected Life (Years)	Expected Volatility of Share Price (%)	Dividend Yield (%)	Price of the underlying Share in the Market at the time of Option Grant (Rs.)	Fair Value of the Option (Rs.)
Employee Stock Option plan 2007							
1	31-Oct-08	7.71	2.5	39.11	3.43	43.37	11.34
2	30-Jan-09	7.44	2.5	42.02	3.43	45.61	12.5
3 - Tr I	31-Oct-09	8.22 - 8.25	1.62 - 2.62	31.56 - 37.07	1.86	39.19	73.92 - 74.89
3 - Tr II	31-Oct-09	8.22 - 8.25	1.62 - 2.62	31.56 - 37.07	1.86	39.19	73.92 - 74.89
4 - Tr I	31-Jul-09	0.00 - 8.24	0.00 - 2.99	0.00 - 39.82	1.86	30.67	80.83 - 81.68
4 - Tr II	31-Jul-09	0.00 - 8.24	0.00 - 2.99	0.00 - 39.82	1.86	30.67	80.83 - 81.68
5	31-Oct-09	8.21 - 8.31	0.12 - 3.24	32.28 - 42.55	1.86	16.73	92.20 - 94.76
6	30-Jan-10	8.21 - 8.31	0.24 - 3.49	28.04 - 43.77	1.86	21.42	88.54 - 90.00
7 - Tr I	29-Jan-12	8.21 - 8.26	1.24 - 5.48	31.69 - 46.73	1.86	96.63	39.45 - 80.72
7 - Tr II	29-Jan-12	8.21 - 8.26	1.24 - 5.48	31.69 - 46.73	1.86	96.63	39.45 - 80.72
7 - Tr III	29-Jan-12	8.21 - 8.26	1.24 - 5.48	31.69 - 46.73	1.86	96.63	39.45 - 80.72
8	29-Jan-12	8.21 - 8.26	1.24 - 4.48	31.69 - 43.79	1.86	96.63	27.22 - 52.67
9	29-Jan-12	8.21 - 8.26	1.24 - 3.48	31.69 - 43.79	1.86	96.63	27.22 - 46.62
10	02-May-12	8.21 - 8.25	1.37 - 5.74	31.38 - 47.27	1.86	96.63	27.90 - 56.06
11	01-Aug-12	8.21 - 8.25	1.49 - 5.99	31.76 - 47.01	1.86	110.23	21.93 - 53.00
12 - Tr I	02-Nov-12	8.21 - 8.24	1.74 - 6.24	32.74 - 46.93	1.86	98.74	30.05 - 57.75
12 - Tr II	02-Nov-12	8.21 - 8.24	1.74 - 6.24	32.74 - 46.93	1.86	98.74	30.05 - 57.75
Employee Stock Option Plan 2016							
1 - Tr I	15-Mar-18	6.75	3.5	31.49	0.25	416.86	134.16
1 - Tr II	15-Mar-18	6.75	3.5	31.49	0.25	416.86	134.16

Note - 27. Financial Risk Management

Notes to Standalone Financial Statements

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

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through a risk management framework, including ongoing identification, measurement and monitoring subject to risk limits and other controls. The Company's activities expose it to credit risk, liquidity risk and market risk.

This note explains the sources of risk which the Company is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost and fair value through profit or loss and other comprehensive income, such as investments etc.,	Credit ratings	Setting limits on the amount of acceptable risk, diversification of investment limits, monitoring of counterparties basis credit rating.

The Board of Directors provide guiding principles for overall risk management, as well as policies covering specific areas, such as credit risk, liquidity risk and investment of available funds.

Note - 27.1 Credit risk

The Company being a Core Investment Company, credit risk refers to the risk that a counter party may default on its contractual obligations leading to a financial loss to the Company. Credit risk primarily arises from cash and cash equivalents, financial assets measured at amortised cost and financial assets measured at fair value through profit or loss.

Note - 27.2 Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. The Company has developed internal control processes and contingency plans for managing liquidity risk.

The Company's principal sources of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The Company believes that its working capital is sufficient to meet the financial liabilities within maturity period. Additionally, the Company has invested its surplus funds in fixed income securities or instruments of similar nature thereby ensuring safety of capital and availability of liquidity as and when required.

Refer Note 20.1 for the summary of maturity profile of undiscounted cashflows of the Company's financial assets and financial liabilities as at reporting period.

The Leverage Ratio is 0.0001 as at March 31, 2024 (0.004 as at March 31, 2023) as against the regulatory cap of 2.5

Note - 27.3 Interest rate risk

Interest rate risk is the fair value of future cash flows of a financial instrument which fluctuates because of changes in the market interest rates.

Note - 27.4 Price risk

The Company's exposure to equity securities risk arises from investments held by the Company.

Majority of the Company's investment are publicly traded in the NSE and BSE.

As regards investments in unlisted privately held companies, the fair valuations are largely dependent on the investee Company's ability to achieve desired outcomes which measure the performance of the Company and bear out the valuation of its ownership interests. Hence, these are also exposed to market / operational risks of the investee companies.

Notes to Standalone Financial Statements

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

Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios to support its core investment activity 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 reviewed on a periodic basis.

The Capital Ratio is 1763.36% as at March 31, 2024 (1123.23% as at March 31, 2023) as against the regulatory minimum of 30%.

Note - 28. Changes in Liabilities arising from Financing Activities

Particulars	March 31, 2023	Cash Flow (adjusted for processing charges)	March 31, 2024
Debt Securities	49.94	(49.94)	-

Particulars	March 31, 2022	Cash Flow (adjusted for processing charges)	March 31, 2023
Debt securities	99.94	(50.00)	49.94

Note - 29. Segment reporting

The Company's main business is to invest in securities of group companies for strategic purposes. All other activities of the Company revolve around the main business. As such there are no separate reportable segments.

Note - 30. Additional Information as required by Reserve Bank of India, Master Direction - Core Investment Companies (Reserve Bank) Directions, RBI/DNBR/2016-17/39, Master Direction DNBR. PD. 003/03.10.119/2016-17, August 25, 2016, DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 & DoR (NBFC) (PD) CC. No. 117/03.10.001/2020-21 dated August 13, 2020, DOR.ACC.REC.No.20/21.04.018/2022-23, April 19, 2022, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023.

These disclosures have been prepared based on standalone financial statements in line with Reserve Bank of India notification dated March 13, 2020.

SN.	Particulars	As at March 31, 2024		As at March 31, 2023	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	Liabilities:				
30.1	**Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:**				
(a)	Debentures				
	- Secured	-	-	-	-
	- Unsecured	-	-	49.98	-
	(other than falling within the meaning of public deposits)				
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	-	-	-	-
(d)	Inter-Corporate Loans and Borrowings	-	-	-	-

Notes to Standalone Financial Statements

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

SN.	Particulars	As at March 31, 2024		As at March 31, 2023	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(e)	Commercial Paper	-	-	-	-
(f)	Other Loans	-	-	-	-
	* Please see Note 1 below				
	Assets:				
30.2	**Break-up of Loans and Advances including Bills Receivables [other than those included in (4) below]:**				
	a) Secured	-	-	-	-
	b) Unsecured	-	-	-	-
30.3	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**				
	(i) Lease assets including lease rentals under Sundry Debtors:				
	(a) Financing lease	-	-	-	-
	(b) Operating lease	-	-	-	-
	(ii) Stock on hire including hire charges under Sundry Debtors:				
	(a) Assets on hire	-	-	-	-
	(b) Repossessed assets	-	-	-	-
	(iii) Other loans counting towards asset financing activities				
	(a) Loans where assets have been repossessed	-	-	-	-
	(b) Loans other than (a) above	-	-	-	-

Note - 30.4 Break-up of Investments:

Particulars	As at March 31, 2024	As at March 31, 2023
	Amount outstanding	Amount outstanding
Current Investments:		
1. Quoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
Long-term Investments:		
1. Quoted:		
(i) Shares: (a) Equity	1,010.71	1,011.80
(b) Preference	-	-

Notes to Standalone Financial Statements

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

Particulars	As at March 31, 2024	As at March 31, 2023
	Amount outstanding	Amount outstanding
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares: (a) Equity	268.60	268.32
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-

Note - 30.5 Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	As at March 31, 2024			As at March 31, 2023		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

Note - 30.6 Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted):

Category	As at March 31, 2024		As at March 31, 2023	
	Market value / Break up or fair value or NAV (Refer Note below)	Book value (net of provisions)	Market value / Break up or fair value or NAV (Refer Note below)	Book value (net of provisions)
1. Related parties				
(a) Subsidiaries	44,605.28	1,275.15	29,526.12	1,275.15
(b) Companies in the same group	24.38	4.16	22.44	4.97
(c) Other related parties	-	-	-	-
2. Other than related parties	-	-	-	-
Total	**44,629.66**	**1,279.31**	**29,548.56**	**1,280.12**

Note:

Quoted investments are at market value and unquoted investments are at break up/fair value/NAV irrespective of whether they are classified as long term or current.

Notes to Standalone Financial Statements

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

Note - 30.7 Other information

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	-	-
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	-	-
(iii)	Assets acquired in satisfaction of debt	-	-

Note - 30.8 Components of Adjusted Net Worth (ANW) and other related information

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	ANW as a % of Risk Weighted Assets	1763.36%	1123.23%
(ii)	Unrealized appreciation in the book value of quoted investments	21,298.27	13,161.30
(iii)	Diminution in the aggregate book value of quoted investments	0.04	0.03
(iv)	Leverage Ratio	0.0001	0.004

Note - 30.9 Investment in Other CICs

Particulars		As at March 31, 2024	As at March 31, 2023
a.	Total amount representing any direct or indirect capital contribution made by one CIC in another CIC (including name of CICs)	-	-
b.	Number of CICs with their names wherein the direct or indirect capital contribution exceeds 10% of Owned Funds	-	-
c.	Number of CICs with their names wherein the direct or indirect capital contribution is less than 10% of Owned Funds	-	-

Note - 30.10 Off Balance Sheet Exposure

Particulars		As at March 31, 2024	As at March 31, 2023
i.	Off balance sheet exposure	-	-
ii.	Financial Guarantee as a % of total off balance sheet exposure	-	-
iii.	Non-Financial Guarantee as a % of total off balance sheet exposure	-	-
iv.	Off balance sheet exposure to overseas subsidiaries	-	-
v.	Letter of Comfort issued to any subsidiary	-	-

Note - 30.11 Investments

Particulars		As at March 31, 2024	As at March 31, 2023
(1)	Value of Investments		
	(i) Gross Value of Investments		
	(a) In India	1,279.31	1,280.12
	(b) Outside India	-	-
	(ii) Provision for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-

Notes to Standalone Financial Statements

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

Particulars		As at March 31, 2024	As at March 31, 2023
	(iii) Net Value of Investments		
	(a) In India	1,279.31	1,280.12
	(b) Outside India	-	-
(2)	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	-	-
	(ii) Add : Provisions made during the year	-	-
	(iii) Less : Write-off / write-back of excess provisions during the year	-	-
	(iv) Closing balance	-	-

Note - 30.12 Asset Liability Management - Maturity pattern of certain Assets and Liabilities as of March 31, 2024 (Figure in brackets represents amounts as at March 31, 2023)

Particulars	1 to 7 days	8-14 days	15 to 30/31 days	1-2 months	2-3 months	3-6 months	6months-1 year	1-3 years	3 -5 years	Over 5 years	Total
Advances	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	1,279.31 (1,280.12)	1,279.31 (1,280.12)
Borrowings	-	-	-	-	-	-	(49.98)	-	-	-	(49.98)
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-

Note - 30.13 Business Ratios

Particulars	As at March 31, 2024	As at March 31, 2023
Return on Equity (RoE) (PAT/Total Equity)	4.79	4.68
Return on Assets (RoA) (PAT/Total Assets)	4.79	4.49
Net profit per employee (Rs.in crs) (PAT / No. of employees)	30.86	28.93

Note - 30.14 Provisions and Contingencies (Impairment of financial instruments)

Particulars	2023-24	2022-23
Investment written off	-	-
Provision towards Non Performing Assets	-	-
Provision made towards Income tax	-	-
Other Provision and Contingencies	-	-
Provision for Standard Assets	-	-

Note - 30.15 Concentration of Non Performing Assets (NPAs) - Nil for current and previous year.

Note - 30.16 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) - Nil for current and previous year

Note - 30.17 Public disclosure on liquidity risk

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

As of March 31, 2024

SN.	No. of significant counterparties	Amount	% of Total Deposits	% of Total Liabilities
1	Nil	Nil	NA	Nil

Notes to Standalone Financial Statements

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

As of March 31, 2023

SN.	No. of significant counterparties	Amount	% of Total Deposits	% of Total Liabilities
1	1	50.00	NA	96.23%

(ii) Top 20 large deposits (amount and % of total deposits) - Not applicable for current and previous year

(iii) Top 10 borrowings (amount and % of total borrowings) - Nil as of March 31, 2024 (₹ 50 crore and 100% as of March 31, 2023)

(iv) Funding concentration based on significant instrument / product

As of March 31, 2024

SN.	Name of the instrument / product	Amount	% of Total liabilities
1	Unsecured, Redeemable, Non-cumulative, Taxable, Non-convertible Debentures	-	-
	Total	**-**	**-**

As of March 31, 2023

SN.	Name of the instrument / product	Amount	% of Total liabilities
1	Unsecured, Redeemable, Non-cumulative, Taxable, Non-convertible Debentures	50.00	96.23%
	Total	**50.00**	**96.23%**

(v) Stock ratios:

SN.	Particulars	As of March 31, 2024	As of March 31, 2023
(a)	Commercial papers as a % of total public funds, total liabilities and total assets		
	Commercial Papers as a % of total public funds	0.00%	0.00%
	Commercial Papers as a % of total liabilities	0.00%	0.00%
	Commercial Papers as a % of total assets	0.00%	0.00%
(b)	Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets		
	Non-convertible debentures (original maturity of less than one year) as a % of total public funds	0.00%	0.00%
	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
(c)	Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets		
	Other Short-term liabilities as a % of total public funds	0.00%	3.74%
	Other Short-term liabilities as a % of total liabilities	86.67%	3.60%
	Other Short-term liabilities as a % of total assets	0.11%	0.15%

(vi) Institutional set-up for liquidity risk management:

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. The Company has developed internal control processes and contingency plans for managing liquidity risk.

Notes to Standalone Financial Statements

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

The Company's principal sources of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The Company believes that its working capital is sufficient to meet the financial liabilities within maturity period. Additionally, the Company has invested its surplus funds in fixed income securities or instruments of similar nature thereby ensuring safety of capital and availability of liquidity as and when required.

30.18 - The following disclosures are based on RBI circular DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022

Section – I

A) Exposure

1) Exposure to real estate sector

The company does not have any exposure to real estate in the current year as well as previous year.

2) Exposure to capital market

Particulars	As at March 31, 2024	As at March 31, 2023
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	1,279.31	1,280.12

The Company does not have any exposure for the items required in sl no. (ii) to (x) of the circular in both the years.

3) Sectoral exposure

The Company is not into lending activity and hence the exposure is NIL in both the years.

4) Intra-group exposures

The Company does not have any intra group loan exposure in both the years.

5) Unhedged foreign currency exposure

The Company does not have any foreign currency exposure in both the years.

B) Related Party Disclosure

Items/Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	FY 23-24	FY 22-23	FY 23-24/as at March 31, 2024	FY 22-23/as at March 31, 2023	FY 23-24	FY 22-23	FY 23-24	FY 22-23	FY 23-24	FY 22-23	FY 23-24	FY 22-23	FY 23-24	FY 22-23
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	1,275.15	1,275.15	0.99	0.99	-	-	-	-	3.17	3.98	**1,279.31**	**1,280.12**
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/ other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to Standalone Financial Statements

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

Items/Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	FY 23-24	FY 22-23	FY 23-24/as at March 31, 2024	FY 22-23/as at March 31, 2023	FY 23-24	FY 22-23	FY 23-24	FY 22-23	FY 23-24	FY 22-23	FY 23-24	FY 22-23	FY 23-24	FY 22-23
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	3.89	3.89	84.62	82.72	0.29	0.27	1.63	1.39	-	-	2.04	1.90	**92.47**	**90.17**

C) Disclosure of complaints

1) Summary information on complaints received by the company from customers and from the Officers of Ombudsman

The company does not have any customer interface and hence this disclosure is not applicable for it.

2) Top five grounds of complaints received by the company from the customers

The company does not have any customer interface and hence this disclosure is not applicable for it.

Section II

A) Breach of covenant

There was no breach of covenant of debt securities issued by the company during the financial year 2023-24 and 2022-23.

B) Divergence in Asset Classification and Provisioning

The company does not have any loan exposure and hence the divergence in Asset Classification and Provisioning does not apply to it.

Note - 31. Details of group entities that are not consolidated in the Ind AS Consolidated Financial Statements

Name of the Entity/Type of business	Based on latest available audited financials						Type of exposure in the entity
	Size of Assets as at		Debt Equity Ratio as at		PAT		
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	2023-24	2022-23	
Coromandel Engineering Company Limited / Construction Service	NA*	73.96	NA*	(2.58)	NA*	(4.51)	Equity
Carborundum Universal Limited / Manufacturing	2,592.05	2,438.37	Nil	0.05	350.35	330.95	Equity
Kartik Investments Trust Limited / Financial Services	5.30	4.73	Nil	Nil	(0.56)	(2.42)	Equity
	March 31, 2023	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**	**2022-23**	**2021-22**	
Murugappa Management Services Private Limited / Service	23.62	55.74	Nil	Nil	1.49	2.00	Equity

NA* - Disinvested in FY 24

Notes to Standalone Financial Statements

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

Note - 32. Additional Disclosures Under Schedule III Division III of Companies Act, 2013

Note - 32.1 Part I - Ageing Analysis

Note - 32.1.1 Trade Payables & other payables ageing as at March 31, 2024 (figures in brackets represents ageing as at March 31, 2023)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises	-	-	-	-	-
(ii) Others	0.85				0.85
	(0.66)	-	-	-	(0.66)
(iii) Disputed dues – Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**0.85**	**-**	**-**	**-**	**0.85**
	(0.66)	**-**	**-**	**-**	**(0.66)**

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 Development Act, 2006. This Information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note - 32.2 Part II – Other disclosures

32.2.1 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

32.2.2 The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

32.2.3 As per the information available with the Company, the Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

32.2.4 There has been no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

32.2.5 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

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

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

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

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

b. provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

32.2.7. Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2024.

Notes to Standalone Financial Statements

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

Note - 33. Events after reporting date

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

Note - 34. Prior Period Comparatives

Previous year figures have been regrouped / re-classified wherever necessary to conform to current year's classification.

As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Regn No.109983W

Tirtharaj Khot
Partner
Membership No: (F) - 037457

Date : May 10, 2024
Place : Chennai

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

E Krithika
Company Secretary

M M Murugappan
Chairman
DIN:00170478

N Ganesh
Manager & Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Cholamandalam Financial Holdings Limited** (hereinafter referred to as the "Company" / "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate / consolidated financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2024, the consolidated profit and consolidated total comprehensive income, its consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements' section of our report.

We are independent of the Group, its associates and joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate with respect to the Holding Company.

We have reproduced the key audit matters determined and communicated by the auditors of two subsidiary companies in their audit reports.

A. A. In connection with the subsidiary company – Cholamandalam Investments and Finance Company Limited ('CIFCL')

S. No	Key audit matter description	How audit addressed the key audit matter
1	**Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans** The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to ₹ 146,983.82 crores and the associated impairment allowances aggregating to ₹ 2,521.17 crores are significant to the consolidated financial statements and involves judgement around the determination of the impairment allowance in line with the requirements of the Ind AS 109 "Financial Instruments". Impairment allowances represent management's estimate of the losses incurred within the loan portfolios at the balance sheet date and are inherently judgmental. Impairment, based on ECL model, is calculated using main variables, viz. 'Staging', 'Exposure at Default', 'Probability of Default' and 'Loss Given Default' as specified under Ind AS 109. Quantitative factors like days past due, behaviour of the portfolio, historical losses incurred on defaults and macro-economic data points identified by the Management's expert and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro-economic variables to determine expected losses, uncertainty over realisability of security, judgement in relation to management overlays and related Reserve Bank of India (RBI) guidelines, to the extent applicable, etc. have been taken into account in the ECL computation. Given the inherent judgmental nature and the complexity of model involved, we determined this to be a Key Audit Matter.	The audit procedures performed by us to assess appropriateness of the impairment allowance based on ECL on loans included the following: • We understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over: i. the assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure at Default, Staging of Loans, etc. ii. the completeness and accuracy of source data used by the Management in the ECL computation; and iii. ECL computations for their reasonableness. • We, along with the assistance of the auditor's expert, verified the appropriateness of methodology and models used by the Company and reasonableness of the assumptions used within the computation process to estimate the impairment provision. • We test-checked the completeness and accuracy of source data used. • We recomputed the impairment provision for a sample of loans across the loan portfolio to verify the arithmetical accuracy and compliance with the requirements of Ind AS 109. • We evaluated the reasonableness of the judgement involved in management overlays that form part of the impairment provision, and the related approvals. • We evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the Consolidated financial statements.
2	**Audit in an Information Technology (IT) enabled environment – including considerations on exceptions identified in IT Environment** The IT environment of the entity involves a few independent and inter-dependent IT systems used in the operations of the entity for processing and recording of the business transactions. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the entity.	Our audit procedures with respect to this matter included the following: In assessing the controls over the IT systems, we have involved our Technology Assurance specialists to obtain an understanding of the IT environment, IT infrastructure and IT systems. With respect to the "In-scope IT systems" identified as relevant to the audit of the standalone financial statements and financial reporting process of the entity, we have evaluated and tested relevant IT general controls or relied upon service auditor's report, where applicable.

S. No	Key audit matter description	How audit addressed the key audit matter
	Appropriate IT general controls and IT application controls are required to ensure that such IT systems can process the data as required, completely, accurately, and consistently for reliable financial reporting. We have identified certain key IT applications and the related IT infrastructure (herein after referred to as "In-scope IT systems"), which have an impact on the financial reporting process and the related controls as a key audit matter because of the increased level of automation; a few systems being used by the entity for processing financial transactions; the complexity of the IT architecture; and its impact on the financial records and financial reporting process of the entity.	On such "In-scope IT systems", we have covered the key IT general controls with respect to the following domains: • Program change management, which includes that program changes are moved to the production environment as per defined procedures and relevant segregation of environment is ensured. • User access management, which includes user access provisioning, de-provisioning, access review, password management, sensitive access rights and segregation of duties to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel. • Other areas that were assessed under the IT control environment included backup management, business continuity and disaster recovery, incident management, batch processing and monitoring. We have also evaluated the design and tested the operating effectiveness of key IT application controls within key business processes, which included testing automated calculations, automated accounting procedures, system interfaces, system reconciliation controls and key system generated reports, as applicable. Where control deficiencies have been identified, we have tested a combination of compensating controls, remediated controls and/or performed alternative audit procedures, where necessary.

B. In connection with the subsidiary company – Cholamandalam MS General Insurance Company Limited ('CMSGICL')

S. No	Key audit matter description	How audit addressed the key audit matter
1	**Valuation of investments** We have considered this area as a Key Audit matter since the carrying value of investments as at March 31, 2024 of INR 16,811 crores accounts for 92% of total assets of the Company. The assessment of the carrying value of investments as on the reporting date involves significant judgement on the part of the management, which can materially impact the impairment loss and the profit for the year.	• Reviewed the accounting policies used by the Company for accounting and disclosing Investments for compliance with the accounting framework and applicable IRDAI regulations. • Assessed the adequacy of internal controls, evaluated the design and tested the operating effectiveness of such controls for initial recognition, measurement, subsequent valuation and disclosure of investments as on the reporting date as per applicable regulations. • Verified the investment transactions during the year on a test check basis using statement of accounts, bank statements and other relevant documents.

S. No	Key audit matter description	How audit addressed the key audit matter
		• Verified the existence of investments as at the reporting date through direct confirmation from the custodian. • Other substantive and analytical procedures were carried out to corroborate the management assertions pertaining to investments. • Reviewed the process followed by the management of the Company in classification and valuation of investments and independently reperformed the valuation check on a sample basis to confirm their appropriateness. • Investments identified for impairment provisioning / write off by the management of the Company as per criteria set out in the Investment policy of the Company are verified by independently assessing the risk of impairment loss and probability of realisation of investment value by considering publicly available information about the investee entities, directions issued by their regulators, and IRDAI. Reviewed the basis of assessment used by the Company's Investment committee and discussed the same with Chief Investment Officer and Chief Financial Officer. Checked the compliance with IRDAI prudential norms in validating the adequacy of impairment provision / write off.
2	**Valuation of outstanding claims ("OC") including claims incurred but not reported ("IBNR") and claims incurred but not enough reported ("IBNER")** We considered this as a key audit matter because the valuation of OC including IBNR and IBNER requires use of judgements and estimates. OC including IBNR/ IBNER are estimates for settlement of claims in future which are impacted by a number of factors which includes trends in severity of historical claims, frequency and IRDAI regulations. In particular, the claims arising from death or disability covered under motor insurance contracts involves complex and subjective judgements about future events, both internal and external to the business, for which even a small change in assumptions can materially impact the valuation of these liabilities. Total OC including IBNR and IBNER provisions amounts to INR 9,071 crores (net of RI recoveries) as on March 31, 2024.	• Assessed and tested the operating effectiveness of key controls relating to the claims handling and reserving process, including controls over completeness and accuracy of the claim estimates recorded; • Substantive tests were performed on the amounts recorded for a sample of OC, which are material to assess whether claims are appropriately estimated and recorded; • Evaluated the competence, objectivity and independence of the Actuary appointed by the management of the Company to review the adequacy of OC including IBNR and IBNER; • Tested the completeness and accuracy of underlying data provided by the management of the Company to the Appointed Actuary on a sample basis; • Assessed the adequacy of Company's related disclosures by reference to relevant accounting standards and IRDAI regulations.

S. No	Key audit matter description	How audit addressed the key audit matter
3	**Contingent Liabilities:** Total contingent liabilities as at March 31, 2024 is INR 413.10 crores in CMSGICL We have considered this as a key audit matter because the Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the outcome of these disputes.	• Obtained the pending tax demands listing as at March 31, 2024 from the management and reviewed the changes in litigation status as compared to previous year and obtained a detailed understanding of the disputes. • Reviewed Company's correspondences with tax authorities, legal counsels, grounds of appeal filed with various appellate authorities and industry position on various tax disputes. • Obtained confirmations from legal counsels / tax experts on the status of the outstanding tax demands. • Verified the adequacy of disclosures in the financial statements in this respect.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Board of Directors of the Holding Company is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, Annexures to Board's Report, Management Discussion and Analysis, Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the consolidated financial statements and our report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer 'Other Matters'), 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.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Board of Directors of the Holding Company is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group, its associates and joint ventures in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards. The respective Board of Directors of the companies included in the Group, its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group, its associates and joint ventures are responsible for assessing the ability of the Group, its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, its associates and joint ventures are responsible for overseeing the financial reporting process of the Group, its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal financial controls over financial reporting relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company have adequate internal financial controls over financial reporting system in place with reference to the consolidated financial statements and the operating effectiveness of such controls.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of the Holding Company.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, its associates and joint ventures to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Holding Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the statements of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company 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 of the Holding Company 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

a. The consolidated audited financial statements include the financial statements of four subsidiaries which have been audited by other auditors, whose financial statements reflect total assets of ₹ 1,77,469.37 crores as at 31 March 2024, total revenue of ₹ 26,389.44 crores, net profit after tax of ₹ 3,860.66 crores and total comprehensive income of ₹ 3,914.30 crores and net cash outflow of ₹ 88.25 crore for the year ended 31 March 2024 respectively. These financial statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the consolidated annual financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information in so far as it relates to the subsidiaries, is based solely on the reports of the other auditors

   Out of the above, the financial statements of CMSGICL (the "Subsidiary") have been prepared in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Companies Act, 2013 read with relevant rules and the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999 (as amended), the Insurance Regularity and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, Circulars / Orders / Directions issued by the Insurance Regulatory and Development Authority of India ('IRDAI' or 'the Authority') ('Statutory GAAP') and have been audited by other auditors. The other auditors of this Subsidiary in their report have reported that they have relied on the estimate of the Subsidiary's management which has taken into consideration the appointed actuary's certificate on estimated claims Incurred but Not Reported ('IBNR') and claims Incurred but Not Enough Reported ('IBNER'), and premium Deficiency Reserve. The appointed actuary has certified that the assumptions used for such valuation are in accordance with the Insurance Act, 1938 (as amended) and the regulations issued by the IRDAI and Institute of Actuaries of India in concurrence with IRDAI.

   The Subsidiary's management has converted the financial statements from Statutory GAAP to comply with the recognition and measurement principles of Ind AS, including liability adequacy test as per Ind AS 104 'Insurance Contracts' based on the appointed actuary's certificate. Our opinion in so far as it relates to the balances and affairs of the Subsidiary is based on the reports of such auditors, reliance on the appointed actuary's certificate and the conversion adjustments prepared by the Subsidiary's management and audit opinion by one of the joint auditors of the Subsidiary.

b. The Statement also include the Group's share of net profit after tax of ₹ 15.05 crores and total comprehensive income of ₹ 14.96 crores for the year ended 31 March 2024, in respect of two joint ventures. These financial statements / information have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the consolidated annual financial statements, in so far as it relates to the amounts and disclosures included in respect of the joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the joint ventures, is based solely on the report of the other auditors.

c. The consolidated financial statements include the Group's share of net loss after tax of ₹ 2.97 crores

and total comprehensive loss of ₹ 2.97 crores for the year ended 31 March 2024, as considered in the audited consolidated financial statements, in respect of two associate companies whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Holding Company's management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these associates and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information in so far as it relates to the aforesaid associates and joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management of the Holding Company, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements and Report on Other Legal and Regulatory Requirements given below are not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

2. As required by Section 143(3) of the Act, based on our audit we report to the extent applicable 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 of the aforesaid consolidated financial statements;

   (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

   (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act and read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and a joint venture, incorporated in India none of the directors of the Holding Company, its subsidiaries and a joint venture is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act;

   (f) with respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph (b) above on reporting under section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g) of the Rules

   (g) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls with reference to consolidated financial statements of the Holding Company, its subsidiaries and a joint venture, incorporated in India, refer to our separate Report in "Annexure A"

   (h) in our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended 31 March 2024 has been paid / provided by the Holding

Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act

(i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. the consolidated financial statements disclose the impact, if any, of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated financial statements – Refer Note 41 to the Consolidated Financial Statements;

ii. provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on longterm contracts including derivative contracts as at 31 March 2024 – Refer Note 7 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Based on the reports of other auditors, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the subsidiaries and a joint venture, incorporated in India during the year ended 31 March 2024;

iv. a) the respective managements of the Holding Company, its subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and to the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiaries, associates and joint ventures to or in any other person(s) or entity(ies), including foreign entity ("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 or any of such subsidiaries, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) the respective managements of the Holding Company, its subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and to the other auditors of such subsidiaries, associates and joint ventures respectively, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of its subsidiaries, associates and joint ventures from any person(s) or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiaries, associates and joint ventures 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;

c) based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries, associates and joint ventures which are

companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. a) the dividend declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act; and

b) the final dividend proposed in the previous year, declared and paid by the subsidiaries and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable;

c) the interim dividend declared and paid three subsidiaries of the Holding Company which are incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in compliance with section 123 of the Act;

d) No dividend has been declared during the year by the associate companies and a joint venture during the year

e) the final dividend proposed in the current year by the Holding Company, a subsidiary and a joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Holding Company, the subsidiaries and the joint venture at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. based on our examination, which included test checks, and that performed by the respective auditors of the subsidiaries and joint ventures, which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below in respect of the Group and joint ventures, the Group and joint ventures have used accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of performing the procedures, we, and the respective auditors of such subsidiaries and joint ventures, did not notice any instance of the audit trail feature being tampered with, wherever the trail was enabled.

Also, refer to management assessment of audit trail in note 2.2 of the consolidated financial statements.

Description of instances	Number of instances
Instances where the audit trail was enabled and operated only for part of the year	Three
Instances where audit trail (edit log) was captured in another software	Seven
Instances where software does not have the feature of recording audit trail (edit log) facility	Four

For Sharp & Tannan Associates
Chartered Accountants
(Firm's Registration No. 109983W)

Tirtharaj Khot
Partner
Membership No. (F) 037457
UDIN: 24037457BKGEGJ5473

Place : Chennai
Date : 10 May 2024

Annexure A to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Cholamandalam Financial Holdings Limited of even date)

Independent Auditors' Report on the Internal Financial Controls over financial reporting under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Cholamandalam Financial Holdings Limited ("the Holding Company") as of 31 March 2024 and its subsidiaries, its associates and joint ventures, which are companies incorporated in India, as of that date in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, associates and joint ventures to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting with reference to the consolidated financial statements based on our audit. Our audit is conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting with reference to the consolidated 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 system over financial reporting with reference to the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries, associates and joint ventures which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Holding 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.

Other matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the consolidated financial statements insofar as it relates to four subsidiaries and two joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Sharp & Tannan Associates
Chartered Accountants
(Firm's Registration No. 109983W)

Tirtharaj Khot
Partner
Membership No. (F) 037457
UDIN: 24037457BKGEGJ5473

Place : Chennai
Date : 10 May 2024

Consolidated Balance Sheet

As at March 31, 2024

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

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial Assets			
Cash and Cash Equivalents	6A	973.22	1,055.44
Bank balances other than Cash and Cash Equivalents	6B	3,575.26	2,108.27
Derivative financial instruments	7	247.82	272.86
Receivables			
i) Trade Receivables	8	214.17	99.13
ii) Other Receivables	8	140.50	95.35
iii) Insurance Contract Assets	9	435.80	308.15
iv) Reinsurance Assets	10A	1,438.01	789.56
Loans	11	1,44,462.65	1,04,809.65
Investment in Associates & Joint Venture	12A	476.94	469.60
Other Investments	12B	19,581.19	17,066.45
Other Financial Assets	13	703.21	577.06
		1,72,248.77	**1,27,651.52**
Non-Financial Assets			
Current tax assets (Net)		598.64	482.42
Deferred tax assets (Net)	14	824.46	896.48
Goodwill on Consolidation	49	42.72	42.72
Investment Property	15	28.96	28.96
Property, Plant and Equipment	16	1,669.63	506.63
Capital Work in Progress		-	35.74
Intangible assets	17	42.43	44.84
Intangible Assets under development		12.67	24.76
Reinsurance Assets	10B	1,154.05	1,036.18
Other Non-Financial Assets	18	258.25	260.14
		4,631.81	**3,358.87**
Asset classified as held for Sale - Investment	12B	37.09	22.57
TOTAL ASSETS		**1,76,917.67**	**1,31,032.96**
EQUITY AND LIABILITIES			
Financial Liabilities			
Derivative financial instruments	7	186.70	134.27
Payables			
(I) Trade Payables			
i) Total outstanding dues of micro and small enterprises		8.10	3.55
ii) Total outstanding dues of creditors other than micro and small enterprises		490.50	372.34

Consolidated Balance Sheet

As at March 31, 2024

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

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
(II) Other Payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		1,323.02	1,091.06
(III) Other Insurers			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		713.28	581.85
Debt Securities	19	24,812.76	19,653.58
Borrowings (Other than Debt Securities)	20	1,04,511.13	73,186.19
Subordinated Liabilities	21	4,690.11	4,351.26
Insurance Contract Liabilities	22	10,805.52	8,805.82
Other Financial Liabilities	22A	643.64	485.09
		1,48,184.76	**1,08,665.01**
Non-Financial Liabilities			
Current tax Liabilities (Net)		-	-
Deferred tax Liabilities (Net)		0.18	0.13
Provisions	23	218.09	164.10
Insurance Contract Liabilities	24	6,219.79	5,806.45
Other Non-Financial Liabilities	24	170.83	139.25
		6,608.89	**6,109.93**
Equity			
Equity share capital	25	18.78	18.78
Other Equity		10,222.95	7,641.80
		10,241.73	**7,660.58**
Non Controlling Interest		11,882.29	8,597.44
		22,124.02	**16,258.02**
TOTAL EQUITY AND LIABILITIES		**1,76,917.67**	**1,31,032.96**
Summary of significant accounting policies			

The accompanying notes are forming part of the Consolidated Financial Statements

As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Regn No.109983W

Tirtharaj Khot
Partner
Membership No: (F) - 037457

Date : May 10, 2024
Place : Chennai

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

E Krithika
Company Secretary

M M Murugappan
Chairman
DIN:00170478

N Ganesh
Manager & Chief Financial Officer

Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

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

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations			
- Interest Income	27A	18,620.11	12,921.23
- Dividend Income	27D	18.23	7.02
- Gross Premium	27C	7,041.35	5,393.50
Premium ceded to reinsurers (net)		(1,967.25)	(1,378.14)
Net Premium		5,074.10	4,015.36
- Fee & Commission income	27B	1,566.99	1,035.09
- Net gain on Fair value change on financial instruments	27E	499.68	86.08
- Service Income	27F	24.41	81.09
Total Revenue from operations (I)		**25,803.52**	**18,145.87**
Other income (II)	28	283.24	230.16
Total Income (III) = (I) + (II)		**26,086.76**	**18,376.03**
Expenses			
- Finance costs	29	9,249.46	5,778.04
- Insurance Claims (net of re-insurance)	30	3,874.02	2,907.09
- Impairment of Financial Instruments	31	1,308.67	840.09
- Employee benefits expense	32	2,994.16	1,859.71
- Depreciation and amortisation expense	16,17	247.54	176.06
- Other expenses	33	3,213.08	2,990.64
Total Expenses (IV)		**20,886.93**	**14,551.63**
Profit before tax (V) = (III) - (IV)		**5,199.83**	**3,824.40**
Tax expense/(benefit)			
Current tax			
- Pertaining to profit for the current year		1,327.26	991.06
- Adjustment of tax relating to earlier years		(13.51)	0.21
Deferred tax		47.60	14.82
Net tax expense (VI)		**1,361.35**	**1,006.09**
Profit before share of profit/(loss) of Associates & Joint Venture - A = (V) - (VI)		**3,838.48**	**2,818.31**
Share of profit/(loss) of Associates & Joint venture (net) - after tax (B)		**12.08**	**(8.69)**
Profit for the year - (C) = (A) + (B)		**3,850.56**	**2,809.62**
Other Comprehensive income - Gain/(Loss)			
i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains and (losses) on defined benefit obligations (net)		(7.18)	1.09
Tax on above adjustments		1.81	(0.28)
Net gain/(loss) on FVTOCI equity securities		(11.13)	(10.89)
Tax on above adjustments		0.24	1.05

Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

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

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
ii) Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net gain/(loss) on FVTOCI debt securities		165.22	(213.08)
Tax on above adjustments		(41.58)	53.63
Cashflow Hedge Reserve		(72.19)	45.64
Tax on above adjustments		18.17	(11.49)
Other comprehensive income/(loss) for the year, net of tax (D)		**53.36**	**(134.33)**
Total comprehensive income for the year, net of tax (C + D)		**3,903.92**	**2,675.29**
Profit for the year attributable to			
Equity holders of the parent		1,772.52	1,290.23
Non-controlling interest		2,078.04	1,519.39
Other comprehensive income / (loss) for the year, net of tax attributable to			
Equity holders of the parent		42.94	(84.01)
Non-controlling interest		10.42	(50.32)
Total comprehensive income for the year, net of tax attributable to			
Equity holders of the parent		1,815.46	1,206.22
Non-controlling interest		2,088.46	1,469.07
Earnings per equity share of ₹1 each			
- Basic (₹)		94.39	68.72
- Diluted (₹)		94.39	68.72
Summary of significant accounting policies			

The accompanying notes are forming part of the Consolidated Financial Statements

As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Regn No.109983W

Tirtharaj Khot
Partner
Membership No: (F) - 037457

Date : May 10, 2024
Place : Chennai

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

E Krithika
Company Secretary

M M Murugappan
Chairman
DIN:00170478

N Ganesh
Manager & Chief Financial Officer

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

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

a) Equity Share Capital

Particulars	2023-24	2022-23
Balance as at beginning of the year	18.78	18.78
Changes in equity share capital during the current year	0	0 *
Balance as at end of the year	18.78	18.78

* Shares amounting to ₹34,570 issued during the year

b) Other Equity

Particulars	Share application money pending allotment	Reserve and Surplus									Items of other comprehensive income		Total	Total non-controlling interest	Total attributable to equity holders of the Parent
		Statutory Reserve	Capital Reserve	Capital Redemption Reserve	Capital Reserve on Consolidation	Debenture Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Share based payments reserve	Fair valuation of Investment	Effective portion of cashflow hedge			
Balance as at April 01, 2022	-	2,085.10	20.01	39.15	(62.78)	20.00	2,322.92	5,943.69	3,027.43	53.32	(63.30)	15.58	13,401.12	7,183.08	6,426.92
Transfer to retained earnings	-	-	-	-	-	-	-	-	2,809.62	-	-	-	2,809.62	1,519.39	1,290.23
Other Comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	0.81	-	(169.29)	34.15	(134.33)	(50.32)	(84.01)
Changes during the year	-	-	-	-	-	-	25.51	-	-	28.46	-	-	53.97	28.70	25.27
Adjustments on account of change in equity interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	6.39	(6.30)
Dividend including tax	-	-	-	-	-	-	-	-	(100.11)	-	-	-	(100.11)	(89.80)	(10.31)
Transfer to reserves from retained earnings during the year	-	551.58	-	-	-	-	-	1,000.00	(1,551.58)	-	-	-	-	-	-
Balance as at March 31, 2023	-	2,636.68	20.01	39.15	(62.78)	20.00	2,348.43	6,943.69	4,186.17	81.78	(232.59)	49.73	16,030.27	8,597.44	7,641.80

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

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

Particulars	Share application money pending allotment	Reserve and Surplus									Items of other comprehensive income		Total	Total non-controlling interest	Total attributable to equity holders of the Parent
		Statutory Reserve	Capital Reserve	Capital Redemption Reserve	Capital Reserve on Consolidation	Debenture Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Share based payments reserve	Fair valuation of Investment	Effective portion of cashflow hedge			
Balance as at March 31, 2023	-	2,636.68	20.01	39.15	(62.78)	20.00	2,348.43	6,943.69	4,186.17	81.78	(232.59)	49.73	**16,030.27**	**8,597.44**	**7,641.80**
Transfer to retained earnings	-	-	-	-	-	-	-	-	3,850.56	-	-	-	**3,850.56**	**2,078.04**	**1,772.52**
Other Comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	(5.37)	-	112.75	(54.02)	**53.36**	**10.42**	**42.94**
Changes during the year	1.59	-	-	-	-	-	2,003.98	-	-	55.40	-	-	**2,060.97**	**1,146.05**	**914.92**
Adjustments on account of change in equity interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**142.48**	**(138.90)**
Dividend including tax	-	-	-	-	-	-	-	-	(102.47)	-	-	-	**(102.47)**	**(92.14)**	**(10.33)**
Transfer to reserves from retained earnings during the year	-	702.35	-	-	-	-	-	-	(702.35)	-	-	-	**-**	**-**	**-**
Balance as at March 31, 2024	**1.59**	**3,339.03**	**20.01**	**39.15**	**(62.78)**	**20.00**	**4,352.41**	**6,943.69**	**7,226.54**	**137.18**	**(119.84)**	**(4.29)**	**21,892.69**	**11,882.29**	**10,222.95**

The accompanying notes are forming part of the Consolidated Financial Statements
As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Regn No.109983W

Tirtharaj Khot
Partner
Membership No: (F) - 037457

Date : May 10, 2024
Place: Chennai

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

E Krithika
Company Secretary

M M Murugappan
Chairman
DIN:00170478

N Ganesh
Manager & Chief Financial Officer

Consolidated Cash Flow Statement

For the year ended March 31, 2024

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

Particulars		Year ended March 31, 2024		Year ended March 31, 2023
Cash Flow from Operating Activities				
Profit Before Tax		**5,199.83**		**3,824.40**
Adjustments for:-				
Depreciation and amortisation expense	247.54		176.06	
Impairment of financial instruments	1,308.67		840.09	
Finance Costs	9,249.46		5,778.04	
(Profit) / Loss on Sale of Property plant and equipment (Net)	0.86		0.70	
Intangible Assets Under Development - Expensed off	19.23		-	
Net gain on fair value change in financial instruments	(496.08)		(86.08)	
Net gain on conversion of equity shares-realised	(17.67)		-	
Net loss on fair value change in equity shares -Un-realised	3.15		-	
Interest Income on deposits and investments	(1,463.42)		(1,114.73)	
Dividend on Investments	(18.23)		(7.02)	
Interest on Income tax refund	(2.69)		(8.51)	
Fair value change in financial instruments - Investments	10.92		-	
Profit on sale of investments	(23.43)			
Share based payment expense	55.40		28.46	
		8,873.71		5,607.01
Operating Profit Before Working Capital Changes		**14,073.54**		**9,431.41**
Adjustments for :-				
(Increase)/Decrease in operating Assets				
- Loans	(40,965.71)		(31,514.65)	
- Receivables	(152.33)		(41.39)	
- Insurance assets	(894.85)		(140.31)	
- Other Financial Assets	(102.01)		(48.58)	
- Purchase / Sale / Maturity of Investments (Net)	(1,838.13)		(4,418.45)	
- Other Non Financial Assets	31.76		(51.92)	
		(43,921.27)		(36,215.30)
Increase/(Decrease) in operating liabilities				
- Trade Payables		329.38		421.09
- Other Financial liabilities		70.47		129.87
- Provisions		54.98		26.00
- Insurance Contracts liabilities		2,413.04		2,100.46
- Other Non-Financial liabilities		31.59		(12.31)
Cash Flow generated from / (used in) Operations		**(26,948.27)**		**(24,118.78)**
Finance Costs paid		(8,796.14)		(5,324.08)
Interest Received on deposits and investments		1,424.70		1,119.47
Dividend received		18.23		7.02

Consolidated Cash Flow Statement

For the year ended March 31, 2024

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

Particulars		Year ended March 31, 2024		Year ended March 31, 2023
Income tax paid (Net of refunds)		(1,424.94)		(1,012.36)
Net Cash generated from / (Used in) Operating Activities (A)		**(35,726.42)**		**(29,328.73)**
Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and Intangible Assets	(1,168.71)		(248.05)	
Capital Work in Progress	-		(12.71)	
Proceeds from sale of property, plant and equipment	7.80		3.73	
Investment in Fixed Deposits (Net of withdrawals)	(1,464.08)		552.21	
Net Cash generated from / (Used in) Investing Activities (B)		**(2,624.99)**		**295.18**
Cash Flow from Financing Activities				
Proceeds from issue of Share Capital (Including Securities Premium)	2,009.15		25.72	
Proceeds from issue of Compulsorily Convertible Debentures	2,000.00		-	
Proceeds from issue of debt securities	24,793.05		23,282.67	
Redemption of Debt securities	(21,958.45)		(17,332.30)	
Borrowing - Other than debt securities	1,16,508.71		83,698.51	
Repayment of borrowing - Other than debt securities	(85,232.40)		(62,741.77)	
Proceeds from issue of subordinated liabilities	805.10		920.00	
Repayment of subordinated liabilities	(482.61)		(378.00)	
Payment of Lease Liabilities	(70.23)		(86.94)	
		38,372.32		27,387.89
Dividends Paid		(103.13)		(100.32)
Net Cash Flow generated from / (used in) Financing Activities (C)		**38,269.19**		**27,287.57**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		**(82.22)**		**(1,745.98)**
Cash and Cash Equivalents at the Beginning of the year		1,055.44		2,801.42
Cash and Cash Equivalents at the End of the year		973.22		1,055.44

The accompanying notes are forming part of the Consolidated Financial Statements

As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Regn No.109983W

Tirtharaj Khot
Partner
Membership No: (F) - 037457

Date : May 10, 2024
Place : Chennai

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

E Krithika
Company Secretary

M M Murugappan
Chairman
DIN:00170478

N Ganesh
Manager & Chief Financial Officer

Notes to Consolidated Financial Statements

Note - 1 Corporate Information

Cholamandalam Financial Holdings Limited ("the Company" or "the Parent") (CIN: L65100TN1949PLC002905) is a public limited company domiciled in India. The Company is listed on Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd. The Registered Office of the Company is located at Dare House, No.234, NSC Bose Road, Chennai-600 001, Tamil Nadu.

Pursuant to a scheme of arrangement ("the Scheme"), the manufacturing business undertaking of the Company was vested in / transferred to Tube Investments of India Limited ("the Resulting Company") vide the order of the National Company Law Tribunal, Chennai dated July 17, 2017. The Scheme had an appointed date of April 1, 2016 and came into effect from August 1, 2017. The Company has obtained certificate of registration as a Core Investment Company from Reserve Bank of India ("RBI") on January 06, 2020.

The Company undertakes financial services business through its Subsidiaries - Cholamandalam MS General Insurance Company Limited for general insurance business and Cholamandalam Investment and Finance Company Limited (and its subsidiaries) for lending operations, stock broking, depository and equity research services to retail, corporate and institutional clients and distribution of financial products like insurance, mutual funds, fixed deposits and bonds. Risk advisory services is carried out through a joint venture entity, Cholamandalam MS Risk Services Limited. The Company and its subsidiaries are together referred to as "the Group"

The Consolidated Ind AS Financial Statements are presented in Indian Rupees which is also functional currency of the Group and all values are rounded to the nearest crore, except when otherwise indicated.

The Consolidated Ind AS Financial Statements were authorised for issue in accordance with a resolution of the directors on May 10, 2024.

Note - 2.1 Consolidation

Note - 2A Basis of Consolidation

The Consolidated Ind AS Financial Statements comprise the financial statements of the Company, its subsidiaries (being the entities that it controls (including de facto control), its Associates and Joint Ventures as at March 31, 2024. Control is evidenced when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee

(ii) Rights arising from other contractual arrangements

(iii) The Group's voting rights and potential voting rights

(iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Ind AS Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Ind AS Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Ind AS Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated Ind AS Financial Statements to ensure conformity with the Group's accounting policies.

Notes to Consolidated Financial Statements

The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent, i.e., year ended on 31 March.

Consolidation procedure:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Ind AS Financial Statements at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(iii) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra-group transactions that are recognised in assets, such as fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the Consolidated Ind AS Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income ("OCI") are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

If the Group loses control over a subsidiary, it:

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary

(ii) Derecognises the carrying amount of any non-controlling interests

(iii) Derecognises the cumulative translation differences recorded in equity

(iv) Recognises the fair value of the consideration received

(v) Recognises the fair value of any investment retained

(vi) Recognises any surplus or deficit in profit or loss

Reclassifies the Parent's share of components previously recognised in OCI to Statement of Profit and Loss or retained earnings, as appropriate, as would be required if the Group had directly disposed off the related assets or liabilities.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

Investments in Associate and Joint Venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Notes to Consolidated Financial Statements

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the impairment loss with respect to the Group's investment in an associate or joint venture.

Upon loss of significant influence over the associates, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Note - 2B. Particulars of consolidation

The financial statements of the following subsidiaries/associate/joint venture (all incorporated in India) have been considered for consolidation:

Name of the Company	Percentage of voting power as on	
	March 31, 2024	March 31, 2023
Subsidiary-Cholamandalam Investment and Finance Company Limited (CIFCL)	44.39%	45.36%
Subsidiaries of CIFCL		
Cholamandalam Home Finance Limited (CHFL)	100.00%	100.00%
Cholamandalam Securities Limited (CSEC)	100.00%	100.00%
Associate of CIFCL		
White Data Systems India Private Limited*	-	30.93% @

Notes to Consolidated Financial Statements

Name of the Company	Percentage of voting power as on	
	March 31, 2024	March 31, 2023
Vishvakarma Payments Private Limited	21.00% @	21.00% @
Paytail Commerce Private Limited#	16.29% @	16.29% @
Joint Venture of CIFCL		
Payswiff Technologies Private Limited **	74.69% #	74.70%
Subsidiary – Cholamandalam MS General Insurance Company Limited (CMSGICL)	60.00%	60.00%
Joint Venture – Cholamandalam MS Risk Services Limited (CMSRSL)	49.50%	49.50%

#% of holding of CIFCL

@CIFCL entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India Private Limited (WDSI) and other shareholders of WDSI for the entire equity shares held by CIFCL in WDSI to TVSSCSL. As consideration for transfer of WDSI shares, TVSSCSL has allotted 22,35,265 Compulsory Convertible Preference Shares (CCPS) of TVSSCSL to CIFCL on April 20, 2023, subsequently on August 23, 2023, the CCPS has converted into 24,01,359 equity shares of TVSSCSL and has been classified as Asset Held for Sale as at March 31, 2024 in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations".

#Paytail Commerce Private Limited ceased to be an associate of CIFCL from March 21, 2024.

** Even though, CIFCL holds 74.69% of the paid up equity capital of Payswiff Technologies Private Limited (Payswiff), however, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholders agreement executed between CIFCL and founders of Payswiff, the Group is considered to have joint control over the entity as per Ind AS 28 'Investments in Associates and Joint Ventures' read with Ind AS 110 'Consolidated Financial Statements'. Hence, it is classified as investment in Joint venture.

Note - 2C. Investment in Associates/Joint Venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee.

A Joint venture is a joint arrangement whereby parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group's investments in its associates & joint ventures are accounted for using the equity method. Under the equity method, the investment in associates& joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates& joint ventures since the acquisition date. Goodwill relating to the associates & joint ventures is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associates & joint ventures. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associates & joint ventures, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the interest in the associates & joint ventures.

If an entity's share of losses of an associates & joint ventures equal or exceeds its interest in the associates & joint ventures (which includes any long-term interest that, in substance, form part of the Group's net investment in the associates), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates. If the associates & joint ventures subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Notes to Consolidated Financial Statements

The aggregate of the Group's share of profit or loss of associates & joint ventures is shown on the face of the statement of profit and loss.

The financial statements of the associates & joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associates & joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the associates is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates & joint ventures and its carrying value, and then recognises the impairment loss with respect to the Group's investment in associates& joint ventures.

Upon loss of significant influence over the associates, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Note - 2.2 Audit Trail

The group is using multiple application systems (accounting software) for various facets of its business operations. Audit trail was operational throughout the year in seven application systems. In three application systems, while audit trails for certain tables were integral part of the application itself, and operational from the beginning of the year, they were expanded to cover more areas during the year and are operational therefrom. For seven application systems, the Group adopted a holistic approach of enabling audit trail through change data capture (CDC) approach in a separate database to overcome the limitations in the respective applications. Three application systems with limited audit trail features have insignificant volume (less than 0.13% of total loans) and in case of one accounting software used by a joint venture does not have audit trail. Of these, one has already been migrated to new system during the year and the other three will be sunset in financial year 2024-25. Audit trails in the application systems and database was not disabled during the year. Adequate internal controls are in place to protect audit trail from any modification. The Group has appropriate internal controls for its various process and the non-availability of audit trail in some application systems for some part of the year has no impact on the overall internal control environment.

Note - 3. Basis of Preparation

The Consolidated Ind AS Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Consolidated Ind AS Financial Statements have been prepared on a historical cost basis, except for fair value through other comprehensive income ("FVTOCI") instruments, fair value through profit and loss ("FVTPL") instruments, derivative financial instruments and certain financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments).

Note - 3.1 Presentation of financial statements

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

(i) The normal course of business

(ii) The event of default

(iii) The event of insolvency or bankruptcy of the Group and/or its Counterparties

Note - 4. Material accounting policies of the Group

Note - 4.1 Loans – initial recognition

Note - 4.1.1 Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are initiated to the customers' account

Notes to Consolidated Financial Statements

or cheques for disbursement have been prepared by the Group (as per the terms of the agreement with the borrowers). The Group recognises debt securities and borrowings when funds reach the Group.

Note - 4.1.2 Initial measurement of financial instruments

All financial instruments are recognised initially at fair value, including transaction costs that are attributable to the acquisition of financial instrument, except in the case of financial instruments which are FVTPL (Fair value through profit and loss), where the transaction costs are charged to the statement of profit and loss.

Note - 4.1.3 Measurement categories of Loans

The Group classifies all its Loans at Amortised cost as the business model is to hold them to collect contractual cash flows and the contractual terms of the loans give rise on specified dates to cash flows that are solely repayments of principal and interest.

Note - 4.1.4 Modification of Loans

Modification of a loan occurs when the contractual terms governing its cash flows are renegotiated or otherwise modified between the initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Modification of loan terms is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment). When a loan is modified the Group assesses whether this modification results in derecognition. In accordance with the Group's policy, a modification results in derecognition when it gives rise to substantially different terms. Where a modification does not lead to derecognition, the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance).

Note - 4.1.5 Derecognition of Loans

Loan (or, where applicable, a part of a loan or part of a group of similar loans) is derecognised when the rights to receive cash flows from the loan has expired. The Group also derecognises the loan if it has both transferred the loan and the transfer qualifies for derecognition.

Loan is transferred only if, either:

- the Group has transferred its contractual rights to receive cash flows from the loan, Or;
- has retained the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer qualifies for derecognition if either:

- the Group has transferred substantially all the risks and rewards of the loan, Or;
- has neither transferred nor retained substantially all the risks and rewards of the loan but has transferred control of the loan.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the loan in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

In case of loan transfers which qualify for derecognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on de-recognition of such loan previously carried under amortised cost category. The resulting interest only strip initially is recognised at Fair Value Through Profit or Loss and re-assessed at the end of every reporting period.

In case of loan transfers which do not qualify for derecognition, the loan continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred loan and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Notes to Consolidated Financial Statements

Continuing involvement that takes the form of a guarantee over the transferred loan is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

Note - 4.1.6 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet. The nominal values of these commitments are disclosed in notes.

Note - 4.1.7 Loan write-offs

Loans are written off either partially or in their entirety only when the Group has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is recorded as an expense in the period of write off.

Note - 4.2 Impairment of Loans

Note - 4.2.1 Expected Credit Loss (ECL)

The Group records allowance ECL for all loans measured at amortised cost, together with loan commitments. ECL is the expected cash shortfall discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. (ECL = PD*EAD*LGD)

PD: The *Probability of Default* is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is still in the portfolio.

EAD: The *Exposure at Default* is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.

LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a loan that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on a collective basis, for each category of loan.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a loan's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

When loans are first recognised, the Group recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3:

Loans considered credit impaired. The Group records an allowance for the LTECLs.

Notes to Consolidated Financial Statements

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

Note - 4.2.2 Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

Note - 4.2.3 Forward looking information

The Group considers a broad range of forward-looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macro-economic factors on the Group's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Note - 4.2.4 Collateral repossessed

The Group generally does not use the assets repossessed for the internal operations. The underlying loans in respect of which collaterals have been repossessed with an intention to realize by way of sale are considered as Stage 3 assets and the ECL allowance is determined based on the estimated net realisable value of the repossessed asset. Any surplus funds are returned to the borrower and accordingly collateral repossessed are not recorded on the balance sheet and not treated as non-current assets held for sale.

Note - 4.2.5 Restructured, rescheduled, and modified loans

The Group sometimes makes concessions or modifications to the original terms of loans such as changing the instalment value or changing the tenor of the loan, as a response to the borrower's request. The Group considers the modification of the loan only before the loans gets credit impaired.

When the loan has been renegotiated or modified but not derecognised, the Group also reassesses whether there has been a significant increase in credit risk. The Group also considers whether the assets should be classified as Stage 3. Once an asset has been classified as restructured, it will remain restructured for a period of year from the date on which it has been restructured.

Loans which have been renegotiated or modified in accordance with RBI Notifications (including extensions granted) - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21- Resolution Framework for COVID-19 related Stress and RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21- Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances, have been classified as Stage 2 due to significant increase in credit risk.

Note - 4.3 Loans – Revenue recognition

Interest income on loans measured at amortised cost is recorded using the effective interest rate ('EIR') method. The EIR is the rate that discounts estimated future cash receipts through the expected life of the loan to the gross carrying amount of the loan. For credit-impaired loans, interest income is calculated by applying the EIR to the amortised cost. (i.e. the gross carrying amount less the allowance for expected credit losses).

The EIR is calculated by taking into account the fees and costs that are an integral part of the EIR of the loan such as origination fees received for acquisition of the loan and sourcing cost incurred for closing the transaction.

Fees, charges and reimbursements due from borrowers as per the contractual terms of the loan are recognised on realisation.

Any recovery from written off loan is recognised in the statement of profit and loss.

Notes to Consolidated Financial Statements

Note - **4.4 Borrowings**

Note - 4.4.1 Debt securities and other borrowings

The Group recognises debt securities and other borrowings when funds reach the Group.

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

Note - 4.4.2 Foreign Currency Borrowings

Borrowings in foreign currencies are initially recorded at the respective functional currency spot rates at the date the transaction first qualifies for recognition. They are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss as an adjustment to borrowing cost.

Note - 4.4.3 Derivative and Hedge accounting

The Group enters into derivative transactions only for economic hedging purposes and not as speculative investments. Derivative instruments are used to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument , in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedges that meet the strict criteria for hedge accounting are accounted for as cash flow hedge.

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in Other Comprehensive Income (OCI) within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as net gain/loss on fair value changes in the loss statement of profit and loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time re-mains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

Note - 4.4.4 Finance cost on Borrowing

Finance cost on borrowings measured at amortised cost is recorded using the effective interest rate ('EIR') method. The EIR is the rate that discounts estimated future payments through the expected life of the borrowing to its gross carrying amount. The EIR is calculated taking in to account any discount or premium on issue funds, and costs that are an integral part of the EIR.

Note - 4.5 Insurance contract liabilities

Insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and a reduction for the expected value of salvage and other recoveries. Delays can be experienced in the notification and settlement of certain types of claims. Therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date using a range of standard actuarial claim projection techniques based on directives/regulations applicable to actuaries issued by Insurance Regulatory Development Authority (IRDA) time to time. The liability is not discounted for the time value

Notes to Consolidated Financial Statements

of money as per IRDA regulations. The liabilities are derecognised when the obligation to pay a claim is discharged or is repudiated.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognised when contracts are entered into and premiums are charged, and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

At each reporting date, the Company reviews its unexpired risk and a liability adequacy test is performed in accordance with the requirements of Ind AS 104 'Insurance Contracts' to determine whether there is any overall excess of expected claims and expenses of management including deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant non-life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related prepaid expenses) is inadequate, the deficiency is recognised in the statement of profit or loss by setting up a provision for premium deficiency.

The main assumption underlying claim projection techniques is that the past claims development experience can be used to project future claims development and hence ultimate claim costs. As such, these methods extrapolate the development of paid and incurred losses to calculate the expected ultimate claim cost.

Note - 5. Other Accounting Policies

Note - 5.1 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Note - 5.2 Bank balances other cash and cash equivalents

These are measured at amortised cost as they are held for collecting contractual cash flows that are solely payments of principal and interest on principal outstanding.

Note - 5.3 Receivables and other financial assets

Receivables and other financial assets are measured at amortised cost. The Group follows a 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Note - 5.4 Investments

Investments are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument.

Note - 5.4.1 Equity instruments

Equity Investment in Subsidiaries and Joint Ventures are carried at Cost.

The Group subsequently measures all equity investments other than investment in subsidiaries and associates, at fair value through profit or loss, unless the Group's management has elected to classify irrevocably some of its equity investments not held for trading as equity instruments at Fair value through OCI (FVOCI). Such classification is determined on an instrument-by-instrument basis.

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

Note - 5.4.2 Other Instruments

Investment in other instruments is measured at amortised cost if they are held for collecting contractual cash flows that are solely payments of principal and interest on principal outstanding. The Group follows 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Notes to Consolidated Financial Statements

Investments which do not meet the SPPI test are measured at fair value through profit or loss.

Note - 5.5 Determination of Insurance contract

Insurance contracts are those contracts where the Group (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Group determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire.

Note - 5.6 Revenue Recognition – Insurance business

Gross premiums

(i) Premium (net of GST/service tax) is recognised as income on assumption of risk covered as per the terms of the policy, after adjusting for unexpired risk at each contract entered into with the customer. Any cancellations or changes in premium are accounted for in the period in which they occur.

(ii) Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a daily pro rata basis.

The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

Reinsurance ceded and Commission received on reinsurance

(i) Reinsurance premium ceded is accounted in the year of commencement of risk in accordance with the treaty arrangements with the reinsurers. In case of re-insurance contracts of long-term policies, cession is accounted for the proportionate period to which reinsurance cover is provided as per the treaty. Any related reinsurance cost is recognised when incurred and included in the premium on reinsurance ceded.

(ii) Unearned reinsurance premiums are those proportions of premiums ceded in a year that relate to periods of risk after the reporting date. Unearned reinsurance premiums are deferred over the term of the underlying direct insurance policies.

(iii) Reinsurance premiums and claims have been presented as negative items within premiums and net benefits and claims, respectively, because this is consistent with how the business is managed.

(iv) Commission on reinsurance ceded (including for long term policies) is recognised as income on ceding of reinsurance premium. In case of treaties having sliding scale commission, initial recognition would be as per treaty terms and the same is reviewed as at each reporting period. Profit commission under reinsurance treaties wherever applicable, is accrued based on the computation as per their treaty terms and the same is included in Commission on reinsurance ceded.

Note - 5.7 Benefits and claims

Gross benefits and claims

General insurance claims include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

Reinsurance claims

Reinsurance claims are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract.

Reinsurance Recovery:

Reinsurance Recovery is recognised for all insurance contract liabilities based on contractual agreements with the re-insurer.

Note - 5.7.1 Insurance Contract Acquisition costs

Direct costs relating to acquisition of new / renewal of insurance contacts are expensed in the year in which they are incurred.

Notes to Consolidated Financial Statements

Note - 5.7.2 Reinsurance ceded to reinsurance counterparties

The Company cedes insurance risk in the normal course of business for all of its businesses. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Reinsurance assets are reviewed for impairment at each reporting date, or more frequently, when an indication of impairment arises during the reporting period. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Company may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Company will receive from the reinsurer. The impairment loss is recorded in the statement of profit or loss.

Ceded reinsurance arrangements do not relieve the Company from its obligations to policyholders.

Note - 5.7.3 Insurance Receivables

Insurance receivables are recognised when due and measured on initial recognition at the fair value of the consideration receivable. Subsequent to initial recognition, insurance receivables are measured at amortised cost. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the statement of profit or loss.

Note - 5.7.4 Insurance Payables

Insurance payables are recognised when due and measured on initial recognition at the fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using EIR method.

Note - 5.7.5 Reinsurance off-setting

Reinsurance assets and income or expense from reinsurance contracts are not offset against related insurance liabilities and the expense or income from the related insurance contracts, respectively.

Note - 5.7.6 Terrorism and Nuclear Pool

Premium received from customers on account of Terrorism cover and towards Nuclear policies has been ceded to General Insurance Corporation of India (GIC) Terrorism Pool and Nuclear Pool Account. The Group's share in the Terrorism Pool Account and Nuclear Pool Account with GIC, based on the statements of account received during the current year for the period up to December 31, 2023 and September 30, 2023 respectively.

The resultant surplus/ deficit is reflected as RI Receivable/ Payable on Terrorism and Nuclear Pool. The Group's share in the Terrorism Pool Account with GIC for the period January 01, 2024 to March 31, 2024 will be accounted on receipt of the relevant statements of account from GIC. The Company's share in the Nuclear Pool Account with GIC for the period October 1, 2023 to March 31, 2024 will be accounted on receipt of the relevant statements of account from GIC.

Note - 5.7.7 Contributions to Solatium funds

The Group provides for contribution to Solatium fund at 0.10% of total Motor Third Party Premium of direct business as per requirements of IRDAI and disclosed.

Note - 5.7.8 Premium Deficiency reserve

Premium deficiency is recognized if the sum of the expected claim costs, related expenses and maintenance cost (related to claims handling) exceeds related reserve for unexpired risk. Premium deficiency is recognized at segmental revenue level. The expected claim costs are calculated and duly certified by the Appointed Actuary.

Note - 5.8 Taxes

Note - 5.8.1 Current tax

Current tax comprises amount of tax payable in respect to the taxable income or loss for the year determined in accordance with Income Tax Act,1961 and any adjustment to tax payable or receivable in respect of prior years.

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or

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substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Note - 5.8.2 Deferred Tax

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Note - 5.9 Investment Property

Investment property represents property held to earn rentals or for capital appreciation or both.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Group's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Sch II to the Companies Act 2013.

Note - 5.10 Property, plant and equipment

Property plant and equipment is stated at cost (net of tax/duty credits availed) excluding the costs of day–to–day servicing, less accumulated depreciation and accumulated impairment in value. Cost includes professional fees/charges related to acquisition of property plant and equipment. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure incurred, is capitalised only if it results in economic useful life beyond the original estimate.

Depreciation is calculated using the straight–line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated.

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Asset description	Estimated Useful Life
Buildings	60/30/5 years
Computer Equipment (including server)	3 years
Other Equipment	5 years
Leasehold improvements	Lease period or 5 years whichever is lower

Useful life of assets based on Management's estimation, and which are different from those specified in schedule II:

Asset description	Estimated Useful Life
Furniture and Fixtures	5 years
Vehicles	5 years
Server	3 years

The Group, based on technical assessment made by technical expert and management estimate, depreciates Furniture & Fixtures, vehicles and Server over estimated useful lives which are different from the useful life prescribed 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 individually costing less than or equal to ₹ 5,000 are fully depreciated in the year of acquisition.

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.

Note - 5.11 Leases

The Group's lease asset consists of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Group recognises a right-to-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-to-use asset is initially recognised at cost which comprises of the initial amount of lease liability adjusted for lease payments made or prior to commencement date plus any direct cost i.e. lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment loss if any.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-to-Use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term. Right to use assets are evaluated for recoverability whenever events or changes in the circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates in the country of domicile of the leases. The Group has used single discount rate to a portfolio of leases with similar characteristics. Lease liabilities are remeasured with a corresponding adjustment to the related right to use asset if the Group changes its assessment as to whether it will exercise an extension or a termination option.

The Group has opted to present the Right to use as a part of the block of asset to which the lease pertains to and consequently, the Right to use asset has been presented as a part of Property, plant and equipment under the Buildings block, whereas the lease liability is presented under Other Financial Liabilities in the Balance Sheet. Lease payments made by the Group are classified as financing cash flows

Note - 5.12 Intangible assets

The Group's intangible assets mainly include the value of computer software.

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An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, they are carried at cost less accumulated amortisation and impairment losses if any, and are amortised over their estimated useful life on the straight-line basis over a 3-year period or the license period whichever is lower.

The carrying amount of the assets is reviewed at each Balance sheet date to ascertain impairment based on internal or external factors. Impairment is recognised, if the carrying value exceeds the higher of the net selling price of the assets and its value in use.

Note - 5.13 Input Tax Credit (Goods and Service Tax)

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted to the extent permitted as per the applicable regulatory laws and when there is no uncertainty in availing / utilising the same. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.

Note - 5.14 Provisions and Contingent liabilities

Provisions are recognised only when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liability is disclosed in case of present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligations and the present obligation arising from past events, when no reliable estimate is possible.

Note - 5.15 Share Based Payments

Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) of the Group are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Group and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

This cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or Credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. On cancellation or lapse of options granted to employees, the compensation charged to statement of profit and loss is credited with corresponding decrease in equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

Notes to Consolidated Financial Statements

Note - 5.16 Dividend on ordinary shares

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013 in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is then recognised directly in equity.

Note - 5.17 Revenue recognition - other than financial assets

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is recognised at fair value of the consideration received or receivable when the Group satisfies the performance obligation under the contract with the customer.

Note - 5.18 Dividend Income

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

Note - 5.19 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined contribution plans such as provident fund, superannuation and Employee's state insurance scheme

(b) defined benefit plans such as gratuity

a) Defined Contribution Scheme

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Employees' State Insurance: The Group contributes to Employees State Insurance Scheme and recognizes such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

Superannuation: The Group contributes a sum equivalent to 15% of eligible employees' salary to a Superannuation Fund administered by trustees and managed by Life Insurance Corporation of India ("LIC"). The Group has no liability for future Superannuation Fund benefits other than its contribution and recognizes such contributions as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

b) Defined Benefit Scheme

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

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (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.

Notes to Consolidated Financial Statements

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

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

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

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

c) Compensated Absences: The Group treats its liability for compensated absences based on actuarial valuation as at the Balance Sheet date, determined by an independent actuary using the Projected Unit Credit method.

Actuarial gains and losses are recognised in the Statement of Profit and Loss in the year in which they occur and not deferred.

Note - 5.20 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.

Earnings considered for Earnings per share is the net profit for the period after deducting preference dividend, if any, and attributable tax thereto for 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.

Note - 5.21 Cash Flow Statement

Cash flows are reported using the indirect method, where by profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents as defined above, net of outstanding bank overdrafts as they are considered an integral part of cash management of the Group.

Note - 5.22 Segment Information

An operating segment is a component of the Group that engages in the business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by Group's Chief operating decision maker.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

Assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the Segment. Assets and liabilities, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

Note - 5.23 Service Income

(i) Fee income from loans are recognised upon satisfaction of following:

a. Completion of service and

b. Certainty over realisation of the fee income.

(ii) Servicing and collections fees on assignment are recognised upon completion of service.

(iii) Advertising income is recognised over the contract period as and when related services are rendered.

Notes to Consolidated Financial Statements

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

(v) Insurance contract policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. These fees are recognised as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognised over those future periods based on completion of such service.

Note - 5.24 Contract Balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group 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.

Contract Liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group 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 Group performs under the contract.

5A. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future period.

In the process of applying the Group's accounting policies, management has made the following judgements/estimates, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i. Business Model Assessment

The Group from time to time enters into direct bilateral assignment deals, which qualify for de-recognition under Ind AS 109. Accordingly, the assessment of the Group's business model for managing its financial assets becomes a critical judgment.

Further, the Group also made an investment in the Government securities in order to comply the liquidity ratio compliance as required by RBI pursuant to its master directions. The Group intends to hold these assets till maturity expects that any sale if any necessitated by requirements are likely to be infrequent and immaterial. Accordingly, the related assessment becomes a critical judgement to determine the business model for such financial assets under Ind AS.

ii. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair

Notes to Consolidated Financial Statements

value please see Fair value note in Accounting policy.

iii. Impairment of financial asset

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

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting estimates include:

(i) The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment

(ii) The segmentation of financial assets when their ECL is assessed on a collective basis

(iii) Development of ECL models, including the various formulas and the choice of inputs

(iv) Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs

CIFCL has considered the impact of COVID-19 pandemic and the moratorium given to borrowers pursuant to the COVID-19 regulatory package announced by Reserve Bank of India, in determination of impairment allowance for the year. It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

iv. Leases

a) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

b) Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to for its borrowings.

v. Provisions and other contingent liabilities

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

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

vi. Insurance Contract Liabilities

For Insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date Incurred But Not Recorded (IBNR) and also claims

Notes to Consolidated Financial Statements

Incurred But Not Enough Reported (IBNER). It can take a significant period of time before the ultimate claims cost can be established with certainty and for some type of policies, IBNR claims form the majority of the liability in the statement of financial position. The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder. The said liability is determined by Appointed Actuary based on actuarial principles. The Appointed Actuary has certified that the methodology and assumptions used to estimate the liability are appropriate and in accordance with guidelines and norms issued by the Institute of Actuaries of India in concurrence with the applicable regulations.

The main assumption underlying these techniques is that a Group's past claims development experience can be used to project future claims development and hence ultimate claims costs. As such, these methods extrapolate the development of paid and incurred losses, average costs per claim and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Similar judgements, estimates and assumptions are employed in the assessment of adequacy of provisions for unearned premium. Judgement is also required in determining whether the pattern of insurance service provided by a contract requires amortisation of unearned premium on a basis other than time apportionment.

Notes to Consolidated Financial Statements

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

Note - 6A Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	10.49	11.02
Balances with banks		
- In Current Accounts	296.22	242.26
- In Deposit Accounts - Original maturity of 3 months or less	648.75	775.21
Cheques, drafts on hand	17.76	26.95
Total	**973.22**	**1,055.44**
Note - 6B Bank Balances Other than Cash and Cash Equivalents		
- In Deposit Accounts - Original maturity of more than 3 months	1,210.08	1,023.32
- Non current bank balances	69.92	44.11
- In earmarked accounts		
- Margin account for borrowings	67.16	52.27
- In Unpaid Dividend Accounts	1.19	1.85
- Deposits with banks as collateral towards securitisation loan	2,219.82	980.37
- Deposits with banks under lien	6.57	5.82
- Escrow account - unclaimed debentures	0.44	0.45
- Other deposit accounts	0.08	0.08
Total	**3,575.26**	**2,108.27**

Note - 7 Derivative financial instruments

Particulars	As at March 31, 2024			As at March 31, 2023		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilities	Notional amounts	Fair Value -Assets	Fair Value -Liabilities
Part I						
(i) Other derivatives - Cross Currency Interest Rate Swap	4,349.18	161.33	15.06	2,541.18	147.42	-
(ii) Interest Rate Swap	3,998.39	-	20.74	500.00	4.73	5.59
(iii) Forward Contracts	917.25	86.49	150.90	1,933.08	120.71	128.68
Total Derivative financial Instruments	**9,264.82**	**247.82**	**186.70**	**4,974.26**	**272.86**	**134.27**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
Cash flow hedging:						
(i) Others - Cross currency interest rate swap	4,349.18	161.33	15.06	2,541.18	147.42	-
(ii) Interest Rate Swap	3,998.39	-	20.74	500.00	4.73	5.59
(iii) Forward Contracts	917.25	86.49	150.90	1,933.08	120.71	128.68
Total Derivative financial Instruments	**9,264.82**	**247.82**	**186.70**	**4,974.26**	**272.86**	**134.27**

The Group has a Board approved policy for entering into derivative transactions. Derivative transaction represents Currency, Interest Rate Swaps and forward contracts. The Group undertakes such transactions for hedging interest / foreign exchange risk on borrowings. The Asset Liability Management Committee and Business Committee of the respective companies periodically monitors and reviews the risks involved.

The notional amount for interest rate swap represents borrowings on which the Group has entered to hedge the variable interest rate. The Group has not participated in currency future and options during the current and previous year.

Notes to Consolidated Financial Statements

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

Note - 8 Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Trade Receivables		
Secured - Considered good	12.10	8.25
Unsecured - Considered good	204.96	92.05
Trade Receivables (Gross) (i)	217.06	100.30
Provision for Impairment on receivables (ii)	(2.89)	(1.17)
Trade Receivables (Net) - (A)=(i)+(ii)	**214.17**	**99.13**
Trade Receivables credit impaired	0.73	0.51
Provision for Impairment on receivables	(0.73)	(0.51)
(B) Other Receivables		
Considered Good	140.50	95.35
Other Receivables (B)	**140.50**	**95.35**
Total (A)+(B)	**354.67**	**194.48**

Note - 9 Insurance Contract Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Due from Insurers (A)	52.97	56.65
Terrorism Pool Receivables (B)	271.64	228.14
Nuclear Pool Receivables (C)	9.78	8.30
Premium Receivable		
- Considered Good (D)	90.17	1.20
- Assets with significant increase in credit risk (E)	15.81	17.55
Less: Expected Credit Loss (F)	(4.57)	(3.69)
- Assets with significant increase in credit risk (Net of Provisions) (G) = (E-F)	11.24	13.86
Total (A+B+C+D+G)	**435.80**	**308.15**

Movement in Expected Credit Loss

Particulars	Year ended March 31,2024	Year ended March 31,2023
At the beginning of the year	3.69	2.52
Expected credit loss allowances provided / (reversed)	0.88	1.17
At the end of the year	4.57	3.69

Note : 10A Reinsurance Assets - Financial Assets

Particulars	As at March 31,2024	As at March 31,2023
Recoverable arising from Claims Outstanding	1,438.01	789.56
Total	**1,438.01**	**789.56**

Note : 10B Reinsurance Assets - Non Financial Assets

Recoverable arising from Provision for unearned premiums	1,154.05	1036.18
Total	**1,154.05**	**1,036.18**

Notes to Consolidated Financial Statements

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

Note - 11 Loans

(At amortised cost)

Particulars	As at March 31,2024	As at March 31,2023
(i) Bills Discounted	753.77	926.85
(ii) Term loans	1,46,230.05	1,06,211.72
Total (A) Gross	**1,46,983.82**	**1,07,138.57**
Less: Impairment Allowance for (i) & (ii)	(2,521.17)	(2,328.92)
Total (A) Net	**1,44,462.65**	**1,04,809.65**
(i) Secured	1,33,655.72	99,861.79
(ii) Unsecured	13,328.10	7,276.78
Total (B) - Gross	**1,46,983.82**	**1,07,138.57**
Less: Impairment Allowance	(2,521.17)	(2,328.92)
Total (B) - Net	**1,44,462.65**	**1,04,809.65**

Secured indicates loans secured, wholly or partly, by way of hypothecation of vehicles, tractors and construction equipments and / or pledge of securities and / or equitable mortgage of property and / or equipment. It also includes loans where security creation is in process.

The Group has not extended any loans where collateral is an intangible asset such as charge over the rights, licences, etc. The unsecured loans disclosed above are without any collateral or security.

Note - 11.1 Loans

An analysis of changes in the gross carrying amount and corresponding Expected Credit Loss (ECL) allowances in relation to loans

Particulars	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Bill discounted								
Opening as on April 1, 2023	915.68	3.98	7.19	926.85	7.49	0.39	5.35	13.23
New assets originated / Increase in existing assets (Net)	737.31	4.83	1.26	743.40	5.88	0.51	0.48	6.87
Exposure de-recognised / matured / repaid	(912.22)	(1.02)	(2.48)	(915.72)	(7.46)	(0.10)	(0.71)	(8.27)
Transfer to Stage 1	0.11	(0.11)	-	-	0.01	(0.01)	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(3.24)	(2.68)	5.92	-	(0.03)	(0.27)	0.30	-
Impact on account of exposures transferred during the year between stages	-	-	0.02	0.02	-	-	4.75	4.75
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off	(0.42)	(0.07)	(0.29)	(0.78)	-	(0.01)	(0.04)	(0.05)
Closing as on March 31, 2024 (A)	**737.22**	**4.93**	**11.62**	**753.77**	**5.89**	**0.51**	**10.13**	**16.53**
Term loans								
Opening as on April 1, 2023	99,058.21	3,939.11	3,214.40	1,06,211.72	437.18	401.85	1,476.66	2,315.69
New assets originated / Increase in existing assets (Net)	75,371.42	399.71	435.75	76,206.88	275.49	43.82	75.17	394.48

Notes to Consolidated Financial Statements

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

Particulars	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Exposure de-recognised / matured / repaid	(32,718.11)	(1,864.22)	(1,217.65)	(35,799.98)	(296.16)	(113.87)	(264.46)	(674.49)
Transfer to Stage 1	1,360.86	(1,289.85)	(71.01)	-	137.90	(117.69)	(20.21)	-
Transfer to Stage 2	(2,732.97)	2,765.64	(32.67)	-	(14.99)	23.69	(8.70)	-
Transfer to Stage 3	(1,154.69)	(580.04)	1,734.73	-	(6.69)	(62.60)	69.29	-
Impact on account of exposures transferred during the year between stages	1.29	5.38	35.52	42.19	0.17	157.20	378.90	536.27
Impact of changes on items within the same stage	599.93	0.91	87.39	688.23	9.26	1.49	291.33	302.08
Write off *	**(405.93)**	**(159.78)**	**(553.28)**	**(1,118.99)**	**(6.25)**	**(48.10)**	**(315.04)**	**(369.39)**
Closing as on March 31, 2024 (B)	**1,39,380.01**	**3,216.86**	**3,633.18**	**1,46,230.05**	**535.91**	**285.79**	**1,682.94**	**2,504.64**
Total (A)+(B)	**1,40,117.23**	**3,221.79**	**3,644.80**	**1,46,983.82**	**541.80**	**286.30**	**1,693.07**	**2,521.17**
Bills Discounted								
Opening as on April 1, 2022	332.91	0.39	37.69	370.99	2.71	0.04	34.78	37.53
New assets originated / Increase in existing assets (Net)	915.77	3.98	2.58	922.33	7.48	0.40	0.75	8.63
Exposure de-recognised / matured / repaid	(332.37)	(0.15)	(0.64)	(333.16)	(2.69)	(0.02)	(0.01)	(2.72)
Transfer to Stage 1	-		-	-	-		-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(0.63)	(0.24)	0.87	-	(0.01)	(0.03)	0.03	(0.01)
Impact on account of exposures transferred during the year between stages (Net)	-	-	-	-	-	-	0.21	0.21
Impact of changes on items within the same stage	-	-	-	-	-	-	2.90	2.90
Write off *	-	-	(33.31)	(33.31)	-	-	(33.31)	(33.31)
Closing as on March 31, 2023 (A)	**915.68**	**3.98**	**7.19**	**926.85**	**7.49**	**0.39**	**5.35**	**13.23**
Term Loans								
Opening as on April 1, 2022	66,984.69	5,817.08	3,305.12	76,106.89	340.20	659.58	1,291.37	2,291.15
New assets originated / Increase in existing assets (Net)	57,378.00	252.29	247.38	57,877.67	261.15	29.58	52.06	342.79
Exposure de-recognised / matured / repaid	(23,876.52)	(2,200.24)	(1,328.98)	(27,405.74)	(312.60)	(206.80)	(272.11)	(791.51)
Transfer to Stage 1	1,304.33	(1,195.28)	(109.05)	-	162.67	(128.33)	(34.34)	-
Transfer to Stage 2	(1,983.66)	2,084.21	(100.55)	-	(12.48)	43.31	(30.82)	0.01
Transfer to Stage 3	(780.63)	(665.16)	1,445.79	-	(5.15)	(80.55)	85.70	-
Impact on account of exposures transferred during the year between stages (Net)	1.32	4.09	39.45	44.86	0.01	138.85	330.69	469.55
Impact of changes on items within the same stage	272.18	21.58	98.50	392.26	8.36	5.51	319.76	333.63
Write off *	(241.50)	(179.46)	(383.26)	(804.22)	(4.98)	(59.30)	(265.65)	(329.93)
Closing as on March 31, 2023 (B)	**99,058.21**	**3,939.11**	**3,214.40**	**1,06,211.72**	**437.18**	**401.85**	**1,476.66**	**2,315.69**
Total (A)+(B)	**99,973.89**	3,943.09	**3,221.59**	**1,07,138.57**	**444.67**	**402.24**	**1,482.01**	2,328.92

ECL across stages have been computed on collective basis

The Group uses Days past due of the customer to determine the credit quality of loans

Notes to Consolidated Financial Statements

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

* Total write off includes Loss on disposal of repossessed vehicles - ₹516.90 crores for the year ended March 31, 2024 (₹566.57 crores - March 31, 2023)

Note - 11.2 Overdue greater than 90 days

As on March 31, 2024

No. of cases	Principal outstanding	Overdue Installments #
1,44,017	2,228.11	1,562.24

As on March 31, 2023

No. of cases	Principal outstanding	Overdue Installments #
1,22,022	2,117.71	1,258.70

Overdue instalments includes principal amount overdue and interest overdue

Note - 12A Investments In Associate & Joint Venture*

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Equity Instruments		
a) Associate	-	7.64
b) Joint Venture	476.94	461.96
Total (A)	**476.94**	**469.60**
Note - 12B Other Investments**		
a) Debt Securities - At amortised cost	5,293.79	4,969.02
b) Debt Securities & Alternate Investment Fund (AIF) - FVTPL	364.94	57.46
c) Debt Securities - FVOCI	12,933.29	11,582.83
d) Equity Instruments - FVTPL	895.00	359.52
e) Equity Instruments - FVOCI	4.58	19.75
f) Mutual funds - FVTPL	90.98	87.17
g) Convertible Notes	-	10.92
Total Other Investments (Gross)	**19,582.58**	17,086.67
Less: Impairment allowance	(1.39)	(20.22)
Total Other Investments (Net) (B)	**19,581.19**	**17,066.45**
Asset classified as held for Sale (Investment) (C)	**37.09**	**22.57**
Total Investments (A)+(B)+(C)	**20,095.22**	**17,558.62**

* All Investments represented above are made in India

** The Group has designated certain unquoted equity investments at FVOCI on the basis that these are not held for trading

Note : Analysis of changes in the gross carrying amount and corresponding Expected Credit Loss (ECL) allowances in relation to Investment at Amortised Cost

Particulars	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening as on April 1, 2023	4,949.06	(0.01)	19.97	4,969.02	0.23	-	19.99	20.22
Purchased during the year	599.25	-	-	599.25	-	-	-	-

Notes to Consolidated Financial Statements

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

Particulars	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Net impact of interest accrued during the year and amounts derecognised on maturity/sale	(254.50)	-	-	(254.50)	(0.14)	-	-	(0.14)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-	-	-
Transfer from Stage 1 to Stage 3	-	-	-	-	-	-	-	-
Transfer from Stage 2 to Stage 3	-	-	-	-	-	-	-	-
Investments Written off	-	-	(19.98)	(19.98)	-	-	(19.98)	(19.98)
Additional impairment allowances made during the year	-	-	-	-	-	-	1.29	1.29
Closing as on March 31, 2024	**5,293.81**	**(0.01)**	**(0.01)**	**5,293.79**	**0.09**	**-**	**1.30**	**1.39**
Opening as on April 1, 2022	3,727.42	21.17	47.14	3,795.73	0.41	-	34.95	35.36
Purchased during the year	-	-	-	-	-	-	-	-
Net impact of interest accrued during the year and amounts derecognised on maturity/sale	1,221.64	(21.18)	(5.52)	1,194.94	(0.18)	-	(5.52)	(5.70)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-	-	-
Transfer from Stage 1 to Stage 3	-	-	-	-	-	-	-	-
Transfer from Stage 2 to Stage 3	-	-	-	-	-	-	-	-
Investments Written off	-	-	(21.65)	(21.65)	-	-	(21.65)	(21.65)
Additional impairment allowances made during the year	-	-	-	-	-	-	12.21	12.21
Closing as on March 31, 2023	**4,949.06**	**(0.01)**	**19.97**	**4,969.02**	**0.23**	**-**	**19.99**	**20.22**

Note - 13 Other Financial Asset (At Amortised Cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured - considered good (unless otherwise stated)		
Security Deposits	217.15	80.54
Interest Only Strip receivable	146.85	218.30
Accrued Income on Debt Securities at FVTPL	5.41	5.28
Accrued Income on Debt Securities at FVOCI	281.06	255.07
Other Receivable/Accrued Income - Others	52.74	17.87
Total	**703.21**	**577.06**

Note - 14 Deferred Tax

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets		
Impairment on financial instruments	603.46	566.38
Premium Deficiency Reserve (PDR)	44.44	11.07
Unexpired Premium Reserve (UPR)	157.97	191.97

Notes to Consolidated Financial Statements

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

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Contingencies and undrawn commitments	12.86	12.92
Provision for Compensated Absences and Gratuity	36.53	28.26
Fair Value changes related to Debt Instruments - FVTOCI	40.73	82.31
Impact of Effective interest rate adjustment on Financial Assets	-	4.76
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961	47.72	38.88
Carry forward of tax losses	-	0.65
MAT credit entitlement	-	2.78
Cash flow hedge	1.50	-
Others	21.24	5.31
Total - Deferred Tax Assets (A)	**966.45**	**945.29**
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	0.93	1.16
Impact of Effective interest rate adjustment on Financial Assets	30.89	-
Fair value changes relating to Equity & Debt instruments-FVTPL	78.75	8.67
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961.	-	-
Deferred tax recognised on proposed dividend from subsidiary	6.57	6.57
Others	25.03	32.41
Total Deferred Tax Liabilities (B)	**142.17**	**48.81**
Net Deferred Tax Assets (A) - (B)	**824.28**	**896.48**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Income Statement	OCI	Income Statement	OCI
Deferred Tax Assets				
Impairment on financial instruments	37.08	-	(22.08)	-
Premium Deficiency Reserve (PDR)	33.37	-	11.07	-
Unexpired Premium Reserve (UPR)	(34.00)	-	24.76	-
Provision for Contingencies and undrawn commitments	(0.06)	-	2.67	-
Provision for Compensated Absences and Gratuity	8.27	-	1.85	-
Fair Value changes related to Debt Instruments - FVTOCI	-	(41.58)	-	53.63
Impact of Effective interest rate adjustment on Financial Assets	(4.76)	-	(41.07)	-
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961	8.84	-	21.23	-
Re-measurement gains / (losses) on defined benefit plans (Net)	-	1.81	-	(0.28)
Fair value changes relating to Equity-FVTOCI	-	0.24	-	1.05
Carry forward of tax losses	(0.65)	-	-	-
MAT credit entitlement	(2.78)	-	(0.32)	-
Others	15.93	-	(1.75)	-
Total - Deferred Tax Assets (A)	**61.24**	**(39.53)**	**(3.64)**	**54.40**
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	(0.23)	-	(0.47)	-
Impact of Effective interest rate adjustment on Financial Assets	30.89	-	-	-
Fair value changes relating to Equity & Debt instruments -FVTPL	70.08	-	(2.32)	-

Notes to Consolidated Financial Statements

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	Income Statement	OCI	Income Statement	OCI
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961.	-	-	(1.40)	-
Cashflow Hedge Reserve	-	(18.17)	-	11.49
Others	8.10	-	15.37	-
Total Deferred Tax Liabilities (B)	**108.84**	**(18.17)**	**11.18**	**11.49**
Net Deferred Tax Assets (A) - (B)	**(47.60)**	**(21.36)**	**(14.82)**	**42.91**

Note - 15 Investment Property

Particulars	Total
Gross carrying amount as at April 01, 2022	**28.96**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2023	**28.96**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2024	**28.96**
Accumulated depreciation and impairment	
Balance as at April 01, 2022 **	-
Depreciation for the year	-
Depreciation on disposals	-
Balance as at March 31, 2023 **	-
Depreciation for the year	-
Depreciation on disposals	-
Balance as at March 31, 2024 **	-
Net Carrying amount	
As at March 31, 2023	**28.96**
As at March 31, 2024	**28.96**

** represents amount less than ₹1 Lakh

The Group's investment property consists of 5 properties, of which one is let out as at March 31, 2024.

i) Income earned and expense incurred in connection with Investment Property

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rental Income	0.05	0.05
Direct Operating expense for property that generated rental income	0.01	0.01
Direct Operating expense for property that did not generate rental income	-	-

ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property.

iii) Leasing Arrangements

Certain investment properties are leased out to tenants under cancellable operating lease.

Notes to Consolidated Financial Statements

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

iv) Fair Value

Particulars	As at March 31, 2024	As at March 31, 2023
Investment Property	29.68	29.49

v) Sensitivity analysis

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair Value (₹ in Crs)	Sensitivity (₹ in Crs)
Investment property As at March 31, 2024	Professional valuer	Price per Sq. feet	₹7000 - ₹13,000 per Sq. ft.	5%	29.68	1.48
Investment property As at March 31, 2023	Professional valuer	Price per Sq. feet	₹7000 - ₹13,000 per Sq. ft.	5%	29.49	1.47

vi) The Title Deeds of the Immovable Properties mentioned above are in the name of the respective company(ies).

Note - 16 Property, Plant and Equipment

Particulars	Freehold Land	Plant & Machinery	Buildings		Computer Equipment		Office Equipment		Furniture and Fixtures	Leasehold Improvements	Vehicles	Total Tangible asset
			Own Assets	Right of Use Asset	Own Assets	Right of Use Asset	Own Assets	Right of Use Asset				
Gross carrying amount as at April 01, 2022	**45.43**	**-**	**61.59**	**283.63**	**162.64**	**24.22**	**36.65**	**40.38**	**28.29**	**62.19**	**23.45**	**768.47**
Additions	10.69	-	12.67	118.05	62.72	-	8.22	-	4.34	13.25	75.25	305.19
Disposals	-	-	-	1.88	7.82	-	2.50	-	2.70	4.65	11.31	30.86
Gross carrying amount as at March 31, 2023	**56.12**	**-**	**74.26**	**399.80**	**217.54**	**24.22**	**42.37**	**40.38**	**29.93**	**70.79**	**87.39**	**1,042.80**
Additions	803.51	3.66	32.95	308.98	58.23	-	30.12	-	40.60	62.58	60.85	1,401.48
Disposals	0.07	-	0.55	16.96	18.28	-	3.71	-	3.98	6.78	11.76	62.09
Gross carrying amount as at March 31, 2024	**859.56**	**3.66**	**106.66**	**691.82**	**257.49**	**24.22**	**68.78**	**40.38**	**66.55**	**126.59**	**136.48**	**2,382.19**
Accumulated depreciation / amortisation and impairment												
Balance as at April 01, 2022	**-**	**-**	**4.92**	**155.59**	**106.82**	**15.44**	**27.09**	**24.90**	**23.92**	**47.48**	**5.59**	**411.75**
Depreciation for the year	-	-	1.22	64.25	38.18	6.12	5.97	10.80	4.56	9.76	8.61	149.47
Depreciation on disposals	-	-	-	0.44	7.85	-	2.46	-	2.69	4.61	7.00	25.05
Balance as at March 31, 2023	**-**	**-**	**6.14**	**219.40**	**137.15**	**21.56**	**30.60**	**35.70**	**25.79**	**52.63**	**7.20**	**536.17**
Depreciation for the year	-	0.14	1.72	84.86	52.33	2.66	9.83	4.68	11.99	19.94	25.45	213.60

Notes to Consolidated Financial Statements

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

Particulars	Freehold Land	Plant & Machinery	Buildings		Computer Equipment		Office Equipment		Furniture and Fixtures	Leasehold Improvements	Vehicles	Total Tangible asset
			Own Assets	Right of Use Asset	Own Assets	Right of Use Asset	Own Assets	Right of Use Asset				
Depreciation on disposals	-	-	0.03		17.82	-	3.51	-	3.96	6.76	5.13	37.21
Balance as at March 31, 2024	**-**	**0.14**	**7.83**	**304.26**	**171.66**	**24.22**	**36.92**	**40.38**	**33.82**	**65.81**	**27.52**	**712.56**
Net Carrying amount												
As at March 31, 2023	**56.12**	**-**	**68.12**	**180.40**	**80.39**	**2.66**	**11.77**	**4.68**	**4.14**	**18.16**	**80.19**	**506.63**
As at March 31, 2024	**859.56**	**3.52**	**98.83**	**387.56**	**85.83**	**-**	**31.86**	**-**	**32.73**	**60.78**	**108.96**	**1,669.63**

Note

i) Details of Immovable properties of land and buildings whose title deeds have been pledged in favour of Debenture trustees for the benefit of debenture holders as security has been explained in Note 19.1

ii) The Group has elected to include ROU assets pertaining to lease of buildings as part of the Property, plant and equipment as permitted under paragraph 47 of Ind AS 116.

iii) The Title Deeds of the Immovable Properties mentioned above are in the name of the respective Companies.

iv) Group has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2024 (Previous year - None)

Note - 17 Intangible Assets

Particulars	Computer Software
Gross carrying amount as at April 01, 2022	**173.68**
Additions	35.44
Disposals	0.09
Gross carrying amount as at March 31, 2023	**209.03**
Additions	31.53
Disposals	10.71
Gross carrying amount as at March 31, 2024	**229.85**
Accumulated Amortization and impairment	
Balance as at April 01, 2022	**137.60**
Amortization for the year	26.59
Amortization on disposals	-
Balance as at March 31, 2023	**164.19**
Amortization for the year	33.94
Amortization on disposals	10.71
Balance as at March 31, 2024	**187.42**
Net Carrying amount	
As at March 31, 2023	**44.84**
As at March 31, 2024	**42.43**

Note : Summary of depeciation and amortisation charged to Statement of Profit and Loss

Notes to Consolidated Financial Statements

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

	Note No	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on Property, Plant and Equipment	16	213.60	149.47
Amortisation on Intangile Assets	17	33.94	26.59
Total		**247.54**	**176.06**

Note - 18 Other Non Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured - considered good (unless otherwise stated)		
Prepaid expenses	44.24	35.06
Capital Advances	54.43	27.35
Goods and Services Tax Input Credit	72.52	105.96
Other assets	87.06	91.77
	258.25	**260.14**

Note - 19 Debt Securities (At Amortised Cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Redeemable Non-Convertible Debentures - Medium Term		
Secured	19,435.62	15,261.82
Unsecured	-	74.98
Compulsory-Convertible Debentures	2,071.45	-
Commercial Papers - Unsecured	3,305.69	4,316.78
	24,812.76	**19,653.58**

All debt securities have been contracted in India.

Note - 19.1 Security

(i) Redeemable Non-Convertible Debentures - Medium-term is secured by way of specific charge on assets under hypothecation relating to Vehicle Finance, Loan Against Property , Bills discounted and other loans and pari passu charge on immovable property situated at Chennai.

(ii) Terms of the Compulsorily Convertible Debentures (CCD)

Each CCD has a face value of ₹1,00,000 and shall consitute an unsecured and unsubordinated (as between other unsecured creditors) obligation.

Maturity Date

The maturity date for compulsorily conversion of each CCD shall be September 30, 2026.

Conversion

Each CCD holder shall be entitled to convert their CCD into at at agreed rate.

(iii) The Group has not defaulted in the repayment of dues to its lenders during the year and in the previous year.

(iv) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in Note 19.2 based on the Contractual terms.

Notes to Consolidated Financial Statements

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

Note - 19.2 Details of Debentures - Contractual principal repayment value (before inter-company eliminations)

(i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at		Redemption due in	Rate of interest %
		March 31, 2024	March 31, 2023		
3250	10,00,000	-	325.00	Apr-23	6.26
9000	10,00,000	-	900.00	May-23	5.70 to 7.50
1990	10,00,000	-	199.00	Aug-23	9.06
6,023	10,00,000	-	602.30	Sep-23	5.58 to 8.80
5,500	10,00,000	-	550.00	Dec-23	6.10
10,050	10,00,000	-	1,005.00	Feb-24	6.25 to 7.31
11,500	10,00,000	1,150.00	1,150.00	Apr-24	8.6179
16,000	10,00,000	1,600.00	1,600.00	Jul-24	5.46 to 7.38
4,000	10,00,000	400.00	400.00	Aug-24	5.53 to 5.58
3,500	10,00,000	350.00	350.00	Oct-24	6.80
13,600	10,00,000	1,360.00	1,360.00	Dec-24	5.57 to 6.30
2,000	10,00,000	200.00	200.00	Feb-25	5.85
33,49,951	1,000	335.00	-	Mar-25	8.25
4,974	10,00,000	497.40	497.40	Mar-25	7.08
32,85,035	1,000	328.50	-	Jun-25	8.25
5,000	10,00,000	500.00	500.00	Jul-25	7.92
5,000	10,00,000	500.00	500.00	Nov-25	8.45
17,34,226	1,000	173.42	-	Dec-25	8.40
6,050	10,00,000	605.00	605.00	Dec-25	8.30
11,35,778	1,000	113.58	-	Jan-26	8.45
8,000	10,00,000	800.00	800.00	Jan-26	7.9217
60,200	1,00,000	602.00	602.00	Mar-26	8.50
7,000	10,00,000	700.00	700.00	Apr-26	7.32
70,000	1,00,000	700.00	-	May-26	8.25
18,72,062	1,000	187.21	-	Jun-26	8.30
20,18,847	1,000	201.88	-	Sep-26	8.30
250	10,00,000	25.00	25.00	Nov-26	8.55
22,81,860	1,000	228.19	-	Dec-26	8.50
51,82,140	1,000	518.21	-	Jan-27	8.50
5,000	1,00,000	50.00	-	Jan-27	8.40
2,700	10,00,000	270.00	270.00	Mar-27	7.30
2,750	10,00,000	275.00	275.00	Apr-27	7.50
4,550	10,00,000	455.00	455.00	May-27	7.95
44,02,938	1,000	440.29	-	May-28	8.40
89,63,940	1,000	896.39	-	Aug-28	8.40
44,73,708	1,000	447.37	-	Dec-28	8.60
78,57,218	1,000	785.72	-	Jan-29	8.60
1,00,000	1,00,000	1,000.00	-	Feb-29	8.65
94,100	1,00,000	941.00	-	Mar-29	8.60
		17,636.16	**13,870.70**		

Notes to Consolidated Financial Statements

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

(ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2024	Balance as at March 31, 2023	Redemption due in	Redemption price ₹	Premium ₹
350	10,00,000	35.00	35.00	Oct-24	13,01,025	3,01,025
250	10,00,000	25.00	25.00	Dec-24	12,93,960	2,93,960
167213	1,000	16.72	-	Mar-25	1,157	157
74466	1,000	7.45	-	Jun-25	1,157	157
5000	10,00,000	500.00	500.00	Jun-25	12,56,740	2,56,740
850	10,00,000	85.00	85.00	Jul-25	13,53,045	3,53,045
1250	10,00,000	125.00	125.00	Jul-25	14,61,481	4,61,481
126294	1,000	12.63	-	Dec-25	1,175	175
100942	1,000	10.09	-	Jan-26	1,176	176
83500	1,000	8.35	-	Jun-26	1,279	279
112926	1,000	11.29	-	Sep-26	1,279	279
112696	1,000	11.27	-	Dec-26	1,278	278
48858	1,000	4.89	-	Jan-27	1,277	277
1000	10,00,000	100.00	100.00	Mar-27	14,22,599	4,22,599
124336	1,000	12.43	-	May-28	1,497	497
96548	1,000	9.65	-	Aug-28	1,497	497
89123	1,000	8.91	-	Dec-28	1,511	511
25903	1,000	2.59	-	Jan-29	1,511	511
		986.27	**870.00**			

(iii) Secured Redeemable Non-Convertible Debentures - Redeemable at par - with Put option

No. of Debentures	Face Value ₹	Balance as at March 31, 2024	Balance as at March 31, 2023	Redemption due in	Put option date	Rate of interest %
10	10,00,000	-	1.00	Aug-23	Jul-21	9.06
		-	**1.00**			

(iv) Unsecured Redeemable Non-Convertible Debentures - Redeemable at par - No Put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2024	Balance as at March 31, 2023	Redemption due in	Put option date	Rate of interest %
250	10,00,000	-	25.00	Jul-23	-	5.12
		-	**25.00**			

(v) Compulsory-Convertible Debentures

No. of Debentures	Face Value ₹	Balance as at March 31, 2024	Balance as at March 31, 2023	Redemption due in	Put option date	Rate of interest %
200000	1,00,000	2,000.00	-	NA	NA	7.50
		2,000.00	**-**			

(vi) Unsecured, Not guaranteed, Taxable, Non Cumulative, Rated, Redeemable, Non Convertible Debentures

No. of Debentures	Face Value ₹	Balance as at March 31, 2024	Balance as at March 31, 2023	Redemption due in	Rate of interest %
500	10,00,000	-	50.00	Mar-24	7.26
		-	**50.00**		

Note - 20 Borrowings (Other than Debt Securities) at Amortised cost

Particulars	As at March 31, 2024	As at March 31, 2023
A) Term Loans		
i) a) From Banks - Secured		

Notes to Consolidated Financial Statements

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

Particulars	As at March 31, 2024	As at March 31, 2023
Rupee Loans	62,118.31	52,660.23
Foreign currency Loans	-	827.99
External Commercial Borrowings	4,467.39	1,525.88
b) From Banks - Unsecured		
Short Term Loans	-	200.00
ii) From Other Parties - Secured		
a) Financial Institutions - Rupee Loans	9,324.77	4,307.15
b) External Commercial Borrowings	1,089.47	1,276.71
c) Securitisation - Rupee Loans	23,781.83	9,982.57
B) Loan repayable on demand		
a) From Banks - Rupee Loans - Secured	3,729.36	2,405.66
	1,04,511.13	**73,186.19**
Borrowings within India	98,954.27	70,383.60
Borrowings Outside India	5,556.86	2,802.59
	1,04,511.13	**73,186.19**

Note - 20.1 Security

(i) Secured term loans from banks and financial institutions are secured by way of specific charge on assets under hypothecation relating to Vehicle Finance, Home Loan and Loan against Property and pari-passu charge on immovable property which are owned assets of the group situated at Chennai.

(ii) Loan repayable on demand is in the nature of Cash Credit and Working Capital demand loan from banks and is secured by way of floating charge on assets under hypothecation and other assets.

(iii) The Group has not defaulted in the repayment of dues to its lenders during the year and in the previous year.

(iv) Securitisation borrowing represents the net outstanding value (Net of Investment in Pass-through Certificates) of the proceeds received by the Group from securitisation trust in respect of loan assets transferred by the Group pursuant to Deed of Assignment. The Group has provided Credit enhancement to the securitisation trust by way of cash collateral and bank guarantee. Also refer Note 6B.

(v) The Group has utilised the borrowings for the purpose for which it was obtained.

(vi) The quarterly statements or returns of current assets filed by the respective companies in the Group with banks are in agreement with books of accounts to the extent applicable.

(vii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in Note 20.2 based on the contractual terms.

Note - 20.2 Details of term loans - Contractual principal repayment terms

Rate of Interest	Maturity	Installments	Amount outstanding	
			March 31, 2024	March 31, 2023
Base Rate / MCLR	< 1year	1	50.00	600.00
		2	-	300.00
		3	75.00	841.67
		4	2,615.56	757.78
		12	200.00	-
	1 - 2 years	1	237.50	50.00
		4	1,565.56	2,380.00
		9	150.00	-

Notes to Consolidated Financial Statements

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

Rate of Interest	Maturity	Installments	Amount outstanding	
			March 31, 2024	March 31, 2023
	2 - 3 years	1	-	237.50
		4	954.44	1,430.00
	3 - 4 years	2	50.00	-
		3	241.67	-
		4	532.22	552.22
	4 - 5 years	2	-	50.00
		3	45.00	241.67
		4	200.00	130.00
	> 5 years	1	-	12.50
Base Rate/ MCLR + spread (0.10%)	< 1year	1	1,000.00	1,600.00
		2	-	250.00
		3	375.00	-
		4	2,373.81	600.00
	1 - 2 years	1	1,000.00	1,000.00
		3	-	375.00
		4	2,373.81	100.00
	2 - 3 years	1	-	1,000.00
		3	-	75.00
		4	2,107.14	200.00
	3 - 4 years	2	428.57	-
		3	637.50	-
		4	400.00	-
	4- 5 years	3	300.00	-
Rate based on T Bill	> 1year	4	20.00	-
	1-2 years	4	20.00	-
	2-3 years	4	20.00	-
	3-4 years	4	20.00	-
	4-5 years	3	15.00	-
Rate based on T Bill + Spread	< 1 year	1	3,255.00	2,250.00
		2	1,200.00	-
		3	137.96	125.00
		4	5,801.79	3,964.78
		8	-	500.00
		12	-	200.00
	1 - 2 years	1	2,560.00	1,550.00
		2	1,575.71	-
		3	45.00	137.96
		4	5,470.36	3,080.83
		12	-	200.00
	2 - 3 years	1	2,417.14	1,800.00
		2	1,639.29	285.71
		3	321.43	45.00
		4	3,143.22	2,249.40
		9	-	150.00
	3 - 4 years	1	1,553.57	1,657.14
		2	1,732.14	349.29
		4	400.36	410.83

Notes to Consolidated Financial Statements

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

Rate of Interest	Maturity	Installments	Amount outstanding	
			March 31, 2024	March 31, 2023
	4 - 5 years	1	1,100.00	615.00
		2	221.50	100.00
		4	358.75	-
	> 5 years	1	36.40	-
Fixed Rate	< 1year	1	1,516.33	333.00
		2	1,012.22	222.22
		3	102.20	-
		4	890.80	772.72
		12	166.67	-
	1 - 2 years	1	1,684.00	1,516.33
		2	1,032.22	222.22
		3	-	102.20
		4	890.80	636.32
		12	166.67	-
	2 - 3 years	1	1,350.00	1,684.00
		2	932.22	222.22
		4	890.80	636.32
		7	97.22	-
	3 - 4 years	1	277.78	1,350.00
		2	710.00	222.22
		4	890.80	636.32
	4 - 5 years	1	443.77	277.78
		2	141.00	-
		3	68.32	-
		4	163.60	636.32
	> 5 years	1	41.10	113.77
		2	-	91.00
Repo	< 1year	1	176.19	458.33
		2	121.00	400.00
		3	251.79	33.33
		4	1,872.38	3,232.88
		6	-	416.67
	1 - 2 years	1	-	601.19
		2	150.00	1,121.00
		3	18.75	251.79
		4	1,186.67	2,581.74
	2 - 3 years	2	160.00	1,000.00
		3	-	18.75
		4	1,166.67	1,896.02
	3 - 4 years	1	50.00	43.75
		2	361.11	760.00
		3	-	794.20
		4	524.44	642.22
	4 - 5 years	1	12.50	425.00
		2	372.22	211.11
	> 5 Years	1	75.00	-

Notes to Consolidated Financial Statements

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

Rate of Interest	Maturity	Installments	Amount outstanding	
			March 31, 2024	March 31, 2023
Overnight MIBOR	< 1 year	1	-	70.56
		2	111.12	-
		4	285.83	-
	1 -2 years	2	111.11	111.11
		4	285.83	-
	2 - 3 years	1	43.75	-
		2	111.11	111.11
		4	110.84	-
	3 - 4 years	2	111.11	111.11
	4 - 5 years	2	-	111.11
Total			72,115.34	57,532.22
3M MIBOR + Spread	< 1year	1	-	-
USD 3M LIBOR + Spread	< 1year	4	-	233.85
	1-2 years	4	-	233.85
	2-3 years	4	-	233.85
	3 - 4 years	4	-	233.85
	4 - 5 years	4	-	233.85
	>5 Years	5	-	58.47
USD 3M SOFR + Spread	< 1year	4	237.37	-
	1-2 years	4	237.37	-
	2-3 years	4	237.37	-
	3 - 4 years	4	237.37	-
	4 - 5 years	1	59.34	-
USD 6M LIBOR + Spread	1-2 years	1	-	755.92
	2-3 years	1	-	-
USD 6M SOFR + Spread	< 1year	1	767.28	-
	1-2 years		834.00	
	2-3 years	1	2,919.00	821.65
USD 3M SOFR + Spread	< 1year	1	-	828.89
USD 12M LIBOR + Spread	< 1year	1	-	-
Total			**5,529.10**	**3,634.18**

Rate of Interest	Maturity	Amount outstanding*	
		March 31, 2024	March 31, 2023
	Less than 1 year	9,448.78	3,975.72
Fixed	1-2 year	7,184.46	3,052.67
(4.9% to 8%)	2-3 year	4,526.29	1,771.34
	3-4 year	1,959.39	690.48
	4-5 year	345.33	72.07
	more than 5 years	85.16	51.71
Total		**23,549.41**	**9,613.99**
	Less than 1 year	29.75	46.32
Floating	1-2 year	27.01	41.92

Notes to Consolidated Financial Statements

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

Rate of Interest	Maturity	Amount outstanding*	
		March 31, 2024	March 31, 2023
Base Rate/ Marginal Cost of Funds based Lending Rate (MCLR) - spread	2-3 year	26.55	43.09
(0.75% to 2.65%)	3-4 year	22.47	41.08
	4-5 year	18.66	34.34
	more than 5 years	78.94	144.73
Total		**203.38**	**351.48**

* Represents amounts to be paid to the securitisation trust as per the securitisation cash flows net of amounts to be received against Investment in PTC.

Note - 21 Subordinated Liabilities (At Amortised cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Perpetual Debt - Unsecured	1,614.19	1,529.40
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	510.96	510.70
b) Other Subordinated Debts	2,564.96	2,311.16
Total	**4,690.11**	**4,351.26**

Note - 21.1

(i) All Subordinated liabilities have been contracted in India except for Rupee denominated bonds to the extend of ₹ 408.18 crore.

ii) The Group has not defaulted in the repayment of dues to its lenders during the year and in the previous year.

iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in Note 21.2 based on the Contractual terms.

Note - 21.2 Details of Subordinated Liabilities - Contractual principal repayment value (before inter-company eliminations)

(i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2024	March 31, 2023		
150	10,00,000	-	15.00	Sep-23	11.00
500	10,00,000	-	50.00	Oct-23	9.08
2000	10,00,000	-	200.00	Nov-23	9.08 to 9.20
250	10,00,000	-	25.00	Jan-24	11.00
200	10,00,000	-	20.00	Feb-24	11.00
250	10,00,000	-	25.00	Mar-24	11.00
250	10,00,000	25.00	25.00	Apr-24	11.00
50	10,00,000	5.00	5.00	May-24	11.00
150	10,00,000	15.00	15.00	Jun-24	11.00

Notes to Consolidated Financial Statements

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

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2024	March 31, 2023		
100	10,00,000	10.00	10.00	Nov-26	9.20
2500	10,00,000	250.00	250.00	Jun-27	8.78 to 8.80
1500	10,00,000	150.00	150.00	Aug-27	8.53
5300	10,00,000	530.00	530.00	Mar-28	9.05
3000	10,00,000	300.00	300.00	Aug-28	9.75
20000	1,00,000	200.00	200.00	Oct-29	9.00
400	1,00,00,000	400.00	400.00	Jan-30	9.75
30000	1,00,000	300.00	-	May-30	8.75
200	1,00,00,000	200.00	200.00	Oct-31	7.90
150	1,00,00,000	150.00	150.00	Feb-32	8.10
290	1,00,00,000	290.00	290.00	Dec-32	8.65
20500	1,00,000	205.00	-	Oct-33	8.85
20000	1,00,000	200.00	-	Nov-33	8.85
20010	1,00,000	200.10	-	Mar-34	8.85
		3,430.10	**2,860.00**		

(ii) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt -Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Redemption price ₹	Premium ₹
		March 31, 2024	March 31, 2023			
150	10,00,000	-	15.00	Nov-23	17,57,947	7,57,947
		-	**15.00**			

(iii) Key terms of debentures issued by CMSGICL

Issue size (₹ Crores)	100.00
Security Name	Chola MS 8.47% NCD 2032
Coupon Rate	8.47%
Date of Allotment	June 02, 2022
Call option	At the end of five years from the Deemed date of allotment or every year thereafter. Such call option may be exercised by the Issuer with the prior approval of IRDAI and in accordance with the IRDAI Regulations.
Type of Instrument	Unsecured, rated, subordinated, fully paid-up, listed, redeemable and non-convertible debentures.
Security of debentures issued	The debenture issued is Unsecured, subordinated, fully paid-up, listed, redeemable and non-convertible debentures (the "Debentures"). The claims of the Debenture Holders shall be superior to the claims of the investors in preference shares and equity shares of the Issuer in that order but shall be subordinated to the claims of the policyholders and all other creditors.

Notes to Consolidated Financial Statements

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

(iv) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at		Redemption due in - Perpetual #	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2024	March 31, 2023		
1000	5,00,000	-	50.00	Oct-23	12.90
245	10,00,000	-	24.50	Oct-23	12.60
1031	10,00,000	-	103.10	Dec-23	12.50 to 12.60
50	10,00,000	-	5.00	Jan-24	12.60
500	5,00,000	-	25.00	Feb-24	12.90
500	5,00,000	25.00	25.00	Jun-24	12.90
174	10,00,000	17.40	17.40	Jul-24	12.90
500	5,00,000	25.00	25.00	Aug-24	12.80
5000	5,00,000	250.00	250.00	Feb-29	10.88
1120	5,00,000	56.00	56.00	Mar-29	10.83
1000	5,00,000	50.00	50.00	Dec-29	10.75
900	5,00,000	45.00	45.00	Nov-30	9.30
2000	5,00,000	100.00	100.00	Mar-31	9.25
2000	5,00,000	100.00	100.00	May-31	9.20
800	5,00,000	40.00	40.00	Jul-31	9.05
30	1,00,00,000	30.00	30.00	Sep-31	8.98
25	1,00,00,000	25.00	25.00	Mar-32	9.1
45	1,00,00,000	45.00	45.00	May-32	9.2
1200	5,00,000	60.00	60.00	Aug-32	9.15
480	5,00,000	24.00	24.00	Sep-32	9.15
21	1,00,00,000	21.00	21.00	Oct-32	9.15
400	5,00,000	20.00	20.00	Dec-32	9.15
400	5,00,000	20.00	20.00	Jan-33	9.15
6,000	5,00,000	300.00	300.00	Mar-33	9.45
460	5,00,000	23.00	23.00	Mar-33	9.40
340	5,00,000	17.00	17.00	Mar-33	9.40
600	5,00,000	30.00	-	Jun-33	9.40
200	1,00,00,000	200.00	-	Jun-33	9.25
400	5,00,000	20.00	-	Sep-33	9.25
		1,543.40	**1,501.00**		

Group can redeem using Call option on the maturity date with prior approval of RBI.

Note - 22 Insurance Contract Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Claims Outstanding	10,589.97	8,730.14
Unclaimed amount of policy holders	5.99	5.61
Agents' balances	209.56	70.07
Total	**10,805.52**	**8,805.82**

Notes to Consolidated Financial Statements

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

(i) Movement in Claims Outstanding

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
At the beginning of the year - Gross Liability	8,730.14	7,878.76
- Reinsurance Asset (Note 10A)	(789.56)	(874.16)
- Net Liability	7,940.58	7,004.60
Claims incurred in the year (for loss occurred in the year)	4,116.48	3,241.86
Adjustment to claims incurred in prior years due to changes in assumptions	(294.97)	(378.76)
Claims paid during the year	(2,610.13)	(1,927.12)
At the End of the year - Net Liability	**9,151.96**	**7,940.58**
- Gross Liability	**10,589.97**	**8,730.14**
- Reinsurance Asset (Note 10A)	**(1,438.01)**	**(789.56)**

(ii) Movement in Unclaimed Amount of Policy Holders

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
At the beginning of the year	5.61	4.13
Adjustments during the year	0.38	1.48
At the end of the year	**5.99**	**5.61**

(iii) Movement in Agent's balances

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
At the beginning of the year	70.07	47.78
Adjustments during the year	139.49	22.29
At the end of the year	**209.56**	**70.07**

Note - 22A Other Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividend	1.19	1.85
Advances from customers	47.99	42.80
Security Deposits received	5.83	4.83
Collections towards derecognised assets pending remittance	47.31	111.00
Lease liability	408.17	211.99
Other liabilities	133.15	112.62
	643.64	**485.09**

Note - 23 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
- Compensated absences	168.18	112.78
	168.18	**112.78**
Other Provisions		
Provision for Contingencies and Service Tax claims	39.54	39.53

Notes to Consolidated Financial Statements

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

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Undrawn commitments	10.37	11.79
	49.91	**51.32**
	218.09	**164.10**

Note - 24 Other Non Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Insurance Contract Liabilities		
Provision for unearned premiums (Refer Note (i) below	5,939.24	5,443.32
Unallocated premium (Refer Note (ii) below	155.66	304.37
Provision for premium deficiency (Refer Note (iii) below	96.49	44.00
Premium received in advance (Refer Note (iv) below	28.40	14.76
Total (A)	**6,219.79**	**5,806.45**
Others		
Income received in advance	5.14	2.96
Statutory Liabilities	162.76	131.56
Other Liabilities	2.93	4.73
Total (B)	**170.83**	**139.25**
Total (A) + (B)	**6,390.62**	**5,945.70**

(i) Movement in Provision for unearned premiums

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
At the beginning of the year - Gross Liability	5,443.32	4,433.76
- Reinsurance Asset (Note 10A)	(1,036.18)	(829.38)
- Net Liability	4,407.14	3,604.38
Premiums written in the year	5,457.08	4,821.97
Premiums recognised during the year	(5,079.03)	(4,019.21)
At the end of the year - Net Liability	**4,785.19**	**4,407.14**
- Gross Liability	**5,939.24**	**5,443.32**
- Reinsurance Assets (Note 10B)	**(1,154.05)**	**(1,036.18)**

(ii) Movement in Unallocated premium

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
At the beginning of the year	304.37	120.82
Adjustments during the year	(148.71)	183.55
At the end of the year	**155.66**	**304.37**

(iii) Movement in Provision for premium deficiency

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
At the beginning of the year	44.00	-
Recognised during the year	52.49	44.00
At the end of the year	**96.49**	**44.00**

Notes to Consolidated Financial Statements

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

(iv) Movement in Premium received in advance

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
At the beginning of the year	14.76	26.55
Incurred during the year	(558.93)	(443.60)
Premium recognised during the year	572.57	431.81
At the end of the year	**28.40**	**14.76**

Note - 25 Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
AUTHORISED				
Equity Shares of ₹1/- each	43,00,00,000	43.00	43,00,00,000	43.00
		43.00		**43.00**
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹1/- each	18,77,77,462	18.78	18,77,77,462	18.78
		18.78		**18.78**

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the year	18,77,77,462	18.78	18,77,42,892	18.77
Issued during the year	-	0.00	34,570	0.00
Outstanding at the end of the year	**18,77,77,462**	**18.78**	**18,77,77,462**	**18.78**

Note : Amount recevied on allotment of shares under Employee Stock Options for the year ended March 31, 2023 - ₹ 34,570

b) Terms/rights attached to Equity shares

The Parent has only one class of equity shares having par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. The Parent declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors 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.

c) Details of shareholding more than 5% shares in the Parent

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares				
Ambadi Investments Limited	7,07,66,595	37.69	7,07,66,595	37.69

As per records of the Parent, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Notes to Consolidated Financial Statements

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

d) Shareholding of Promoters

SN.	Name of the Promoter (P) / Promoter Group (PG)	As on March 31, 2024		As on March 31, 2023		Category	% Change during the year
		No. of shares	% to shares	No. of shares	% to shares		
1	Ambadi Investments Limited	7,07,66,595	37.69	7,07,66,595	37.69	Promoter	-
2	Ambadi Enterprises Ltd	-	-	10,58,200	0.56	Promoter	(100.00)
3	Murugappa & Sons (M.V.Subbiah, MA Alagappan and M M Murugappan hold shares on behalf of the Firm)	-	-	8,63,980	0.46	Promoter	(100.00)
4	Arun Alagappan	8,33,090	0.44	8,33,090	0.44	Promoter	-
5	M.A.Alagappan	7,10,000	0.38	7,10,000	0.38	Promoter	-
6	M V Murugappan - HUF (Valli Arunachalam holds shares in the capacity as karta)	5,43,330	0.29	5,43,330	0.29	Promoter	-
7	A Venkatachalam	5,13,610	0.27	5,13,610	0.27	Promoter	-
8	M A M Arunachalam	8,42,760	0.45	4,70,160	0.25	Promoter	79.25
9	A Vellayan	3,82,400	0.20	3,82,400	0.20	Promoter	-
10	M M Murugappan HUF(M M Murugappan holds shares in the capacity as kartha)	3,55,330	0.19	3,55,330	0.19	Promoter	-
11	V Arunachalam	3,38,990	0.18	3,38,990	0.18	Promoter	-
12	V Narayanan	2,81,140	0.15	2,81,140	0.15	Promoter	-
13	M M Muthiah HUF (M M Murugappan hold shares in the capacity as kartha)	2,77,360	0.15	2,77,360	0.15	Promoter	-
14	A Venkatachalam (Hold shares in the capacity as Kartha of HUF)	2,52,000	0.13	2,52,000	0.13	Promoter	-
15	A Vellayan (Hold shares in the capacity as Kartha of HUF)	2,49,500	0.13	2,49,500	0.13	Promoter	-
16	M M Murugappan	2,09,715	0.11	2,09,715	0.11	Promoter	-
17	Arun Venkatachalam	2,00,000	0.11	2,00,000	0.11	Promoter	-
18	M V Subbiah (Hold shares in the capacity as Kartha of HUF)	1,71,200	0.09	1,71,200	0.09	Promoter	-
19	M A M Arunachalam (in the capacity of Karta of HUF)	1,48,660	0.08	1,48,660	0.08	Promoter	-
20	M A Alagappan HUF(M A Alagappan hold shares in the capacity as kartha)	1,30,660	0.07	1,30,660	0.07	Promoter	-
21	M M Venkatachalam	4,000	-	4,000	-	Promoter	-
22	Carborundum Universal Limited	1,000	-	1,000	-	Promoter	-
23	A M Meyyammai	93,150	0.05	9,31,500	0.50	Promoter Group	(90.00)
24	Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy holds shares on behalf of Trust)	7,43,000	0.40	7,43,000	0.40	Promoter Group	-
25	Murugappa Educational and Medical Foundation	7,26,200	0.39	7,26,200	0.39	Promoter Group	-
26	Shambho Trust (M V Subbiah & S Vellayan are trustees of the trust)	5,97,340	0.32	5,97,340	0.32	Promoter Group	-
27	M A Murugappan Holdings LLP	5,46,860	0.29	5,46,860	0.29	Promoter Group	-
28	Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah are trustees of the trust)	5,15,180	0.27	5,15,180	0.27	Promoter Group	-

Notes to Consolidated Financial Statements

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

SN.	Name of the Promoter (P) / Promoter Group (PG)	As on March 31, 2024		As on March 31, 2023		Category	% Change during the year
		No. of shares	% to shares	No. of shares	% to shares		
29	M A Alagappan Holdings Private Limited	5,29,860	0.28	5,29,860	0.28	Promoter Group	-
30	Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan are trustees of the trust)	5,00,000	0.27	5,00,000	0.27	Promoter Group	-
31	M M Muthiah Family Trust (M M Murugappan & M M Muthiah holds shares on behalf of the Trust)	4,78,055	0.25	4,78,055	0.25	Promoter Group	-
32	MM Veerappan Family Trust (MM Murugappan & Meenakshi Murugappan holds shares on behalf of the Trust)	4,68,055	0.25	4,68,055	0.25	Promoter Group	-
33	MV Muthiah Family Trust (M M Venkatachalam & M V Muthiah holds shares on behalf of the Trust)	4,59,830	0.24	4,59,830	0.24	Promoter Group	-
34	MV Subramanian Family Trust (Mr. MM Venkatachalam & MV Subramanian hold shares on behalf of Trust)	4,59,830	0.24	4,59,830	0.24	Promoter Group	-
35	M V AR Meenakshi	4,49,630	0.24	4,49,630	0.24	Promoter Group	-
36	MM Venkatachalam Family Trust (MM Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	4,03,900	0.22	4,03,900	0.22	Promoter Group	-
37	AR Lakshmi Achi Trust	3,91,510	0.21	3,91,510	0.21	Promoter Group	-
38	Lakshmi Venkatachalam Family Trust (M M Venkatachalam&Lakshmi Venkatachalam are trustees of trust)	3,79,905	0.20	3,79,905	0.20	Promoter Group	-
39	Meyyammai Venkatachalam	3,58,580	0.19	3,58,580	0.19	Promoter Group	-
40	M.M.Muthiah Research Foundation	2,80,920	0.15	2,80,920	0.15	Promoter Group	-
41	M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan are trustees of the trust)	2,31,800	0.12	2,31,800	0.12	Promoter Group	-
42	Sigapi Arunachalam	2,27,990	0.12	2,27,990	0.12	Promoter Group	-
43	Umayal R	2,26,580	0.12	2,26,580	0.12	Promoter Group	-
44	Arun Murugappan Children's Trust (MAM Arunachalam & Sigappi Arunachalam hold on behalf of trust)	2,20,278	0.12	2,20,278	0.12	Promoter Group	-
45	M A Alagappan Grand Children Trust (Arun Alagappan& A A Alagammai hold shares on behalf of Trust)	2,16,777	0.12	2,16,777	0.12	Promoter Group	-
46	Murugappan Arunachalam Children Trust (Sigapi Arunachalam alongwith others hold shares of Trust)	2,15,410	0.11	2,15,410	0.11	Promoter Group	-
47	Lakshmi Chockalingam	6,24,410	0.33	1,58,660	0.08	Promoter Group	293.55
48	Valli Annamalai	1,57,127	0.08	1,57,127	0.08	Promoter Group	-
49	M Vellachi	5,97,425	0.32	5,97,425	0.32	Promoter Group	-
50	A M M Vellayan Sons P Ltd	38,430	0.02	38,430	0.02	Promoter Group	-
51	Pranav Alagappan	28,050	0.01	28,050	0.01	Promoter Group	-

Notes to Consolidated Financial Statements

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

SN.	Name of the Promoter (P) / Promoter Group (PG)	As on March 31, 2024		As on March 31, 2023		Category	% Change during the year
		No. of shares	% to shares	No. of shares	% to shares		
52	Valliammai Murugappan	17,032	0.01	17,032	0.01	Promoter Group	-
53	M V Seetha Subbiah Benefit trust (M.V.Subbiah & S Vellayan hold shares on behalf of the Trust)	14,500	0.01	14,500	0.01	Promoter Group	-
54	Valli Subbiah Benefit Trust (S Vellayan & M V Subbiah hold shares on behalf of the Trust)	14,500	0.01	14,500	0.01	Promoter Group	-
55	Dhruv M Arunachalam	11,000	0.01	11,000	0.01	Promoter Group	-
56	Solachi Ramanathan	8,500	-	8,500	-	Promoter Group	-
57	M.M.Muthiah Sons Private Ltd	4,200	-	4,200	-	Promoter Group	-
58	A V Nagalakshmi	3,600	-	3,600	-	Promoter Group	-
59	V Vasantha	2,300	-	2,300	-	Promoter Group	-
60	Uma Ramanathan	2,000	-	2,000	-	Promoter Group	-
61	Lakshmi Venkatachalam	1,200	-	1,200	-	Promoter Group	-
62	Valli Alagappan	1,020	-	1,000	-	Promoter Group	2.00
63	A.Keertika Unnamalai	500	-	500	-	Promoter Group	-
64	Meenakshi Murugappan	70	-	70	-	Promoter Group	-
65	Valli Arunachalam	4,96,095	0.26	4,96,095	0.26	Promoter Group	-
	Total P/PG Holdings	**8,89,53,939**	**47.37**	**9,08,76,099**	**48.40**		
	Paid up share capital	**18,77,77,462**		**18,77,77,462**			

Note - 26 Other Equity

Note - 26a Statutory Reserve

As per the requirements of Section 45-IC of the Reserve Bank of India Act, 1934, every Non Banking Finance Company (NBFC) is required to transfer 20% of the total profits after tax for the year to a specific reserve by name of Statutory Reserve. Two entities (CFHL & CIFCL) in the Group, based on the above regulation, transferred an amount equivalent to 20% of the total profits after tax for the current year to such reserve.

Note - 26b Capital Reserve

Capital Reserve represents the amount that has been received as a capital grant from the Government of Maharashtra for the set up of a unit in 2008-09 based on the fulfillment of certain conditions in connection with the set up of such unit. Pursuant to the Scheme of Arrangement for demerger in the year 2016-17, this amount has been retained in the Company.

Note - 26c Capital Reserve On Consolidation

Capital reserve on consolidation represents the effect on reserves on account of additional investment in CIFCL during the year 2019-20.

Note - 26d Debenture Redemption Reserve

As one of the entity (CMSGICL) in the Group has issued redeemable non-convertible debentures, it has created Debenture Redemption Reserve (DRR) in accordance with the requirements of The Companies (Share capital and Debentures) Rules, 2014. Pursuant to amendment vide Ministry of Corporate Affairs notification no. G. S. R 574 (E) dated August 16, 2019 of Companies (Share Capital and Debenture) Rules, 2014 CMSGICL is not required to create any additional DRR. Other entities in the Group are either exempt or creation of DRR is not applicable. Accordingly the Group continues to hold the existing DRR of ₹ 20 crores as at March 31, 2024.

Notes to Consolidated Financial Statements

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

Note - 26e Capital Redemption Reserve

Capital redemption reserve represents the amount equal to the nominal value of shares that were redeemed during the prior years. The reserve can be utilized only for specific purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Note - 26f Securities Premium Account

Securities Premium Account is used to record the premium on issue of shares. The reserve can be utilised only for specific purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Note - 26g General Reserve

Under the erstwhile Companies Act, 1956. a 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 10.00% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year. Consequent to introduction of Companies Act, 2013. the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the entities in the Group can optionally transfer any amount from the surplus of profit or loss to the General reserves.

Note - 26h Share Based Payments Reserve

Under IND AS 102, "Share based payment", fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service. Stock options granted but not vested as on the transition date were valued for expired period, calculated from the grant date till date of transition, and were credited to Share Based Payment reserve.

Note - 26i Retained Earnings

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

Note - 26j Cashflow hedge reserve

Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Group accounting policies.

Note - 26k FVOCI reserve

The Group has elected to recognise 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 Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Note - 26l Share Application Money pending Allotment at the end of the year

Pertains to money received for the allotment of shares pursuant to the Employee Stock Options Scheme. The money collected based on the exercise of the option as per the ESOP scheme will get included here and subsequently on allotment of shares, the balances will be appropriated to share capital and share premium balances.

Note - 26m Proposed Dividend

The Board of Directors of the Parent at their meeting held on May 10, 2024, have recommended a final dividend of 55% being ₹0.55 per equity share of face value of ₹1/- of the Parent, for the year ended March 31, 2024 which is subject to approval by the shareholders at the ensuing Annual General Meeting.

Notes to Consolidated Financial Statements

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations		
Note - 27A		
Interest Income		
(a) Loans		
- Bills Discounting	98.03	69.37
- Term Loans	17,058.66	11,737.13
(b) Debt Securities	960.29	807.65
(c) Alternate Investment Fund & Long term financial assets	9.54	5.01
(d) Terrorism Pool (under IRDA Regulations)	19.37	11.68
(e) Bank Deposits		
- Bank Deposits under lien	104.62	26.88
- Other Bank Deposits free of lien	148.17	122.61
(f) Government Securities	94.87	95.00
(g) Treasury Bill	103.53	45.90
(h) STRIPS	23.03	-
Total (A)	**18,620.11**	**12,921.23**
Note - 27B		
Fees & Commission income *		
-Term Loans	667.21	524.37
-Insurance and Reinsurance Commission	899.76	462.55
-Other services	0.02	48.17
Total (B)	**1,566.99**	**1,035.09**
*Services are transferred at a point in time		
Note - 27C		
Premium earned (net of re-insurance)	5,074.10	4,015.36
Total (C)	**5,074.10**	**4,015.36**
Gross Earned Premium		
Premium from Direct Business Written	7,472.26	6,358.70
Premium on re-insurance accepted	65.00	44.37
Gross Written Premium	**7,537.26**	**6,403.07**
Adjustments for Change in Provision for Unexpired Risks	(495.91)	(1,009.57)
Total Premium Earned (Gross)	**7,041.35**	**5,393.50**
Less: Premium ceded to reinsurers (a)	(2,085.12)	(1,584.94)
Adjustments for Change in Provision for Unexpired Risks on reinsurance ceded (b)	117.87	206.80
Net premium ceded to reinsurers (a) -(b)	(1,967.25)	(1,378.14)
Total Premium income (net of reinsurance)	**5,074.10**	**4,015.36**
Note: 27D		
Investment income		
- Dividend income	18.23	7.02
Total (D)	**18.23**	**7.02**
Note - 27E		
Net gain on fair value changes		
Profit on Sale of Investments - Equity Instruments		
- Realised Gains/(Loss) on Sale of Equity Instruments (net)	227.80	82.84

Notes to Consolidated Financial Statements

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
- Fair Value changes of Equity Instruments - Gain /(loss)	278.10	2.40
Net gain on fair value changes on FVTPL - Unrealised-Convertible Note		
- Equity Shares	(3.15)	0.92
- Convertible Note	(10.92)	-
Profit on Sale of Investments - Debt Instruments (net)		
- Realised Gains/(Loss) on Sale of Debt Instruments - FVTPL	0.12	-
- Realised Gains/(Loss) on Sale of Debt Instruments - FVTOCI	5.92	9.02
- Realised Gains/(Loss) on Sale of Debt Instruments - At amortised cost	0.02	1.04
- Fair Value changes of Debt Instruments through Profit and Loss Account - Gain / (loss)	1.79	(10.14)
Total (E)	**499.68**	**86.08**
Note - 27F		
Service Income		
(a) Servicing and Collection fee on Assignment	2.24	3.09
(b) Other Service Income	22.17	78.00
Total (F)	**24.41**	**81.09**
Note: Timing of revenue recognition		
Services transferred at a point of time	24.41	75.09
Services transferred over a time	-	6.00
Total	**24.41**	**81.09**

Note - 28 Other Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on Income tax refund	2.78	8.51
Profit on sale of Investments	23.43	-
Recovery of Bad debts	254.26	220.43
Rent	0.68	0.51
Profit on sale of Fixed Assets (Net)	-	0.10
Miscellaneous Income	2.09	0.61
	283.24	**230.16**

Note - 29 Finance Costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on financial liabilities measured at amortised cost		
- Debt Securities	1,845.00	1,265.94
- Borrowings Other than Debt securities	6,863.54	4,081.36
- Subordinated Liabilities	457.39	370.55
Others		
- Bank charges	56.69	43.05
- Interest on lease liability	26.84	17.14
- Interest on Income tax		
	9,249.46	**5,778.04**

Notes to Consolidated Financial Statements

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

Note - 30 Insurance Claims

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross claims paid	3,669.77	2,716.29
Changes in Gross claims outstanding	1,859.84	851.38
Change in premium deficiency provision	52.50	44.00
Gross Incurred claims (A)	**5,582.11**	**3,611.67**
RI Recovery		
RI Recovery on Claims paid	1,059.64	789.18
Change in premium deficiency provision	(80.09)	-
Change in contract liabilities ceded to reinsurers	728.54	(84.60)
Total RI Recovery (B)	**1,708.09**	**704.58**
Net Incurred Claims (A-B)	**3,874.02**	**2,907.09**

Note - 31 Impairment on Financial Instruments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Impairment provision (net of reversals) on		
Loans-measured at amortised cost	1,310.37	848.38
Receivable and other Financial Assets - measured at amortised cost	2.34	1.33
Terrorism Pool Assets/other assets/ receivables	0.88	1.17
Debt Securities-measured at amortised cost	(20.13)	(15.13)
Investments Written Off*	10.32	4.34
Provision for Dimunition in Value of Equity Investment	4.89	-
Total	**1,308.67**	**840.09**

* The net carrying value of Non-Performing Assets as at March 31, 2024 of CMSGICL is Nil. During the year ended March 31, 2024, CMSGICL has recovered ₹9.65 crores from IFIN and IL&FS Financial Services Ltd., which was provided fully in the previous years and recorded as income / write back during the current year.

Note - 32 Employee Benefits Expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, Bonus and Commission	2,737.80	1,711.78
Contribution to Provident and Other Funds		
-Employees' Provident Fund	119.85	65.77
-Superannuation Fund	5.88	5.02
Share based employee payments	55.40	28.46
Gratuity Expense	31.35	18.61
Staff Welfare Expenses	43.88	30.07
	2,994.16	**1,859.71**

Notes to Consolidated Financial Statements

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

Note - 33 Other Expenditure

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent and facility charges	33.09	27.66
Rates and Taxes	49.79	52.09
Energy cost	25.36	18.74
Repairs and Maintenance	13.45	10.64
Communication Costs	50.93	50.62
Brokerage	11.77	6.49
Commission on insurance business	1,376.60	506.71
Printing and Stationery	31.57	26.04
Advertisement and publicity Expenses	54.95	742.41
Directors Fees, allowances and expenses	8.32	6.11
Marketing expenses	29.17	174.50
Auditors' Remuneration (Note 1 below)	2.32	2.00
Legal and Professional Charges	191.23	168.77
Insurance	51.26	28.10
Travelling and Conveyance	165.11	127.21
Information Technology Expenses	161.84	124.19
Loss on Sale of Property, Plant and Equipment (Net)	0.86	0.70
Fair value loss on financial instruments at fair value through profit or loss	1.63	-
Recovery Charges	397.99	551.02
Corporate Social Responsibility Expenditure	62.70	47.82
Outsource cost	392.65	274.88
Miscellaneous Expenses	102.37	43.98
	3,214.96	**2,990.68**
Less : Expenses Recovered	(1.88)	(0.04)
	3,213.08	**2,990.64**

Note 1

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Auditors' remuneration of Parent	0.22	0.25
Auditors' remuneration of Subsidiaries	2.10	1.75
	2.32	**2.00**

Note - 34 Earnings Per Share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit After Tax (₹ crs)	1,772.52	1,290.23
Weighted Average Number of Equity Shares (Basic)	18,77,77,462	18,77,53,270
Add: Dilutive effect relating to ESOP	-	-
Weighted Average Number of Equity Shares (Diluted)	18,77,77,462	18,77,53,270
Earnings per Share – Basic (₹)	94.39	68.72
Earnings per Share – Diluted (₹)	94.39	68.72
Face Value Per Share (₹)	1	1

Note: Earnings per Share calculations are done in accordance with Ind AS 33 “Earnings per Share”.

Notes to Consolidated Financial Statements

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

Note - 35 Income tax reconciliation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit before tax	5,199.83	3,824.40
Income tax rate of 25.17% (March 31,2023 – 25.17%)	1,361.24	981.37
Effects of:		
Difference in tax base for Donation & CSR expense	28.60	12.02
Share based payment expense – No deduction claimed under tax	13.22	7.07
Deduction u/s 57 of the Income Tax Act, 1961	(0.91)	(1.77)
Deduction u/s 80JJA of the Income Tax Act, 1961	(31.25)	-
Impact of Sale transactions taxable at differential rates (net)	(3.55)	-
Tax free interest income accrued	(0.39)	(0.89)
Deductions u/s 80M of the Income Tax Act, 1961	(2.60)	(2.60)
Other disallowance of the Income Tax Act, 1961	0.92	0.84
Other adjustments	9.58	10.05
Adjustments in respect of prior years	(13.51)	-
Income tax expense reported in statement of Profit and Loss	**1,361.35**	**1,006.09**

Note - 36 Transfer of financial assets

Note - 36.1 Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

A) Securitisation

The Group has Securitised certain loans, however the Group has not transferred substantially all risks and rewards, hence these assets have not been de-recognised.

Particulars	As at March 31, 2024	As at March 31, 2023
Securitisations		
Carrying amount of transferred assets measured at amortised cost	24,652.35	10,433.01
Carrying amount of associated liabilities (Borrowings other than Debt securities - measured at amortised cost)	25,335.89	10,711.01
Fair value of assets	24,196.61	10,379.49
Fair value of associated liabilities	23,561.48	9,957.39
Net position at Fair Value	634.99	422.10

B) Direct bilateral assignment

The Group had in the previous year, transferred certain loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Group's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	As at March 31, 2024	As at March 31, 2023
Assignment		
Carrying amount of de-recognised financial asset	1,221.85	1,762.48
Carrying amount of Retained Assets at amortised cost	141.14	203.51

Notes to Consolidated Financial Statements

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Assignment		
Gain on sale of the de-recognised financial asset	-	-

Note - 36.2

The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

Note - 37 Micro and Small Enterprises

Based on and to the extent of the information received by the Group from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the relevant particulars as required under MSMED Act, are furnished below:

Particulars	As at/year ended March 31, 2024	As at/year ended March 31, 2023
Principal amount due to suppliers as at the year end	8.10	3.55
Interest accrued and due to suppliers on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers (other than Section 16)	-	-
Interest paid to suppliers (Section 16)	-	-
Interest due and payable to suppliers for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers	-	-

Note - 38 Retirement Benefit

A) Defined contribution plan

A defined contribution plan is a pension plan under which the Group pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Group recognised ₹109.93 Crores (Previous Year – ₹ 57.24 Crores) to Provident Fund under Defined Contribution Plan, ₹ 15.15 Crores (Previous Year – ₹ 12.95 Crores) for Contributions to Superannuation Fund and ₹ 6.11 Crores (Previous Year – ₹ 0.24 Crores) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

B) Gratuity

The Group's defined benefit gratuity plan is a final salary plan for Indian employees, which requires contributions to be made to a separately administered fund. The gratuity plan is funded with Life Insurance Corporation of India (LIC). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans:

Notes to Consolidated Financial Statements

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

Details of Actuarial Valuation:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Benefit obligation		
Projected Benefit Obligation at the beginning of the year	**120.56**	**104.45**
Current Service Cost	27.69	17.65
Interest Cost	10.21	7.05
Remeasurement Losses/(Gains)		
a) Effect of changes in demographic Assumptions	(0.19)	0.01
b) Effect of experience adjustments	5.47	(4.11)
c) Effect of changes in financial assumptions	(0.26)	2.52
Benefits paid	(10.19)	(8.77)
Transfer in / Out	25.96	1.76
Projected Benefit Obligation at the end of the year	**179.25**	**120.56**
B. Change in Plan Assets		
Fair Value of Plan Assets at the beginning of the year	113.89	88.97
Expected Returns on Plan Assets	8.78	6.10
Employer's Contribution	4.69	26.56
Benefits paid	(8.09)	(9.01)
Return on plan assets (excluding interest income)	(2.06)	(0.49)
Transfer in / Out	24.15	1.76
Fair Value of Plan Assets at the end of the year	**141.36**	**113.89**
C. Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the end of the year	141.36	113.89
Liability at the end of the year	179.25	120.56
Amount Recognised in the Balance Sheet – (Liability) / Asset	**(37.89)**	**(6.67)**
D. Cost of the Defined Benefit Plan for the year		
Current Service Cost	29.92	17.65
Net interest (income) / expense	10.21	7.05
Expected Return on Plan Assets	(8.78)	(6.10)
Net Cost recognized in the statement of Profit and Loss	**31.35**	**18.60**
E. Remeasurement Losses/(Gains)		
a) Effect of changes in demographic assumptions	(0.19)	0.01
b) Effect of experience adjustments	5.47	2.52
c) Return on plan assets (excluding interest income)	2.06	0.49
d) Effect of changes in financial assumptions	(0.27)	(4.11)
e) Share of OCI pertaining to Joint Venture	0.11	-
Net cost recognised in Other Comprehensive Income	**7.18**	**(1.09)**
F. Assumptions		
Discount Rate	7.15% to 8.00% p.a.	7.25% to 7.30% p.a.
Future salary increase	7.25% to 7.50% p.a.	7.50% to 8.00% p.a.
Attrition Rate		
CFF Grade	25% p.a.	
Other Grade	13% to 17% p.a	13% to 17% p.a
Expected rate of return on Plan Assets	6.70% to 7.50% p.a.	6.70% to 7.50% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes to Consolidated Financial Statements

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
G. Expected Payment for future years		
Within the next 12 months (next annual reporting period)	28.30	18.60
Between 2 and 5 years	95.23	61.94
Between 5 and 10 years	81.76	56.56
Beyond 10 Years	70.54	51.07
Total Expected Payments	**275.83**	**188.17**

H. Sensitivity Analysis:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount Rate (+/- 0.50% - 1%)	170.63	189.13	115.03	127.72
Salary Growth Rate (+/- 0.50% - 1%)	188.13	171.39	126.82	115.66
Attrition Rate (+/- 5% - 50% of attrition rates)	151.78	160.75	99.20	100.69
Mortality Rate (+/- 5% - 10% of mortality rates)	155.90	155.88	100.04	100.02

I. Notes:

(i) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

(ii) The Group's best estimate of contribution during the next year is ₹67.18 Cr.

(iii) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

(iv) The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).

(v) The above sensitivity analysis are based on change in an assumption which is holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant actuarial assumptions the same method of present value of defined benefit obligations calculated with Projected unit cost method at the end of the reporting period has been applied while calculating defined benefit liability recognised in the balance sheet.

(vi) The method and type of assumptions used in preparing the sensitivity analysis does not change compared to the prior periods.

J Description of Risk exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

(a) Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates . A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

(b) Liquidity Risk: This is the risk that the Group is not able to meet the short-term gratuity payouts .This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

(c) Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future .Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Notes to Consolidated Financial Statements

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

(d) Demographic Risk: The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(e) Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time).There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

(f) Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Group to market risk for volatilities/fall in interest rate.

(g) Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on an particular investment.

C) Compensated Absences

Assumptions	Year ended March 31, 2024	Year ended March 31, 2023
Discount Rate	6.97% to 7.15% p.a.	7.15% to 7.30% p.a.
Future salary increase		
CFF Grade	7.50% p.a.	-
Other Grades	7.25% - 7.50% p.a.	7.50% p.a.
Attrition Rate		
CFF Grade	-	-
Other Grades	13% - 17% p.a.	13% - 17% p.a
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

(i) The Group has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2024.

(ii) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

(iii) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

Note - 39 Segment Information

The Group's operations are organised into two primary products/service segments viz. Financial Services and Insurance and allied services.

During year ending March 31, 2024, the nature of segments are as under:

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the financial statements. However, income taxes are managed on a legal entity as whole basis and are not allocated to operating segments.

A. Segment revenue and segment results

Particulars	Year ended March 31, 2024					
	Financing	Insurance	Others	Unallocable	Inter-segment revenue	Total
Revenue from Operations						
- Interest Income	17,627.11	1,027.95	1.22	-	(36.17)	18,620.11
- Dividend Income	0.30	17.68	74.83	-	(74.58)	18.23

Notes to Consolidated Financial Statements

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

Particulars	Year ended March 31, 2024					
	Financing	Insurance	Others	Unallocable	Inter-segment revenue	Total
- Netgainonderecognitionoffinancial instruments under amortised cost category	-	-	-	-	-	-
- Premium Income (net)	-	5,079.03	-	-	(4.93)	5,074.10
- Fee & Commission Income	1,342.12	487.92	-	-	(263.05)	1,566.99
- Net gain on Fair value change on financial instrument	145.98	353.70	-	-	-	499.68
- Service & Other Income	24.41	-	9.95	-	(9.95)	24.41
Segment revenue from Operation	**19,139.92**	**6,966.28**	**86.00**	**-**	**(388.68)**	**25,803.52**
Expenses						
- Finance costs	9,230.75	51.25	3.63		(36.17)	9,249.46
- Insurance claims	-	3,874.02			-	3,874.02
- Impairment of Financial Instruments	1,317.60	(8.93)	-		-	1,308.67
- Employee benefits expense	2,478.60	513.93	1.63		-	2,994.16
- Depreciation and amortisation expense	198.06	49.47	0.01		-	247.54
- Other expenses	1,589.55	1,899.74	1.72		(277.93)	3,213.08
Segment Expenses	**14,814.56**	**6,379.48**	**6.99**	**-**	**(314.10)**	**20,886.93**
Segment Profit before taxation	**4,605.31**	**590.09**	**79.01**	**-**	**(74.58)**	**5,199.83**
Tax expense						**1,361.35**
Share of Profit / (Loss) from Associate/Joint Venture						**12.08**
Profit for the year						**3,850.56**

Particulars	Year ended March 31, 2023					
	Financing	Insurance	Others	Unallocable	Inter-segment revenue	Total
Revenue from Operations						
- Interest Income	12,082.58	856.46	0.83	-	(18.64)	12,921.23
- Dividend Income	0.32	6.45	74.83	-	(74.58)	7.02
- Netgainonderecognitionoffinancial instruments under amortised cost category	-	-	-	-	-	-
- Premium Income (net)	-	4,019.21	-	-	(3.85)	4,015.36
- Fee & Commission Income	650.70	462.55	-	-	(78.16)	1,035.09
- Net gain on Fair value change on financial instrument	69.73	16.35	-	-	-	86.08
- Service and Other Income	81.09	-	8.10	-	(8.10)	81.09
Segment revenue from Operations	**12,884.42**	**5,361.02**	**83.76**	**-**	**(183.33)**	**18,145.87**
Expenses						
- Finance costs	5,748.03	41.62	7.03		(18.64)	5,778.04
- Insurance claims	-	2,907.09			-	2,907.09
- Impairment of Financial Instruments	849.71	(9.62)	-		-	840.09
- Employee benefits expense	1,360.37	497.94	1.40		-	1,859.71
- Depreciation and amortisation expense	121.09	54.96	0.01		-	176.06

Notes to Consolidated Financial Statements

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

Particulars	Year ended March 31, 2024					
	Financing	Insurance	Others	Unallocable	Inter-segment revenue	Total
- Other expenses	1,411.80	1,667.49	1.46		(90.11)	2,990.64
Segment Expenses	**9,491.00**	**5,159.48**	**9.90**	**-**	**(108.75)**	**14,551.63**
Segment Profit / (loss) before taxation	3,614.59	210.53	73.86	-	(74.58)	**3,824.40**
Tax expense						**1,006.09**
Share of Profit from Associate/Joint Venture						**(8.69)**
Profit for the year						**2,809.62**

B. Segment assets and liabilities

Particulars	Financing	Insurance	Others	Unallocable	Total
As on March 31, 2024					
Segment Assets	1,55,671.52	20,368.70	33.80	-	1,76,074.02
Unallocable Assets	-	-	-	1,465.82	1,465.82
Inter-segment Assets				(622.17)	(622.17)
Total Assets					**1,76,917.67**
Segment Liabilities	1,37,093.17	18,320.79	1.65	-	1,55,415.61
Unallocable Liabilities	-	-	-	0.22	0.22
Inter-segment Liabilites				(622.18)	(622.18)
Total Liabilities					**1,54,793.65**
As on March 31, 2023					
Segment Assets	1,12,745.31	17,163.24	30.20	-	1,29,938.75
Unallocable Assets	-	-	-	1,421.62	1,421.62
Inter-segment Assets				(327.41)	(327.41)
Total Assets					**1,31,032.96**
Segment Liabilities	99,280.80	15,769.37	51.96	-	1,15,102.13
Unallocable Liabilities	-	-	-	0.22	0.22
Inter-segment Liabilites				(327.41)	(327.41)
Total Liabilities					**1,14,774.94**

There are no revenue from transactions with a single external customer or counter party which amounted to 10% or more of the Group's total revenue in the Current year and Previous year.

Note - 40 Disclosure in respect of Related Parties

a) List of Related Parties

I. Entity having Significant influence

a. Ambadi Investments Limited

II. Subsidiaries of Entity having significant influence

a. Parry Enterprises India Limited

b. Parry Agro Industries Limited

III. Entity having Substantial voting power in Subsidiary, CMSGICL

Mitsui Sumitomo Insurance Company Limited

Notes to Consolidated Financial Statements

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

IV. Joint Venture of Parent

Cholamandalam MS Risk Services Limited

V. Joint Venture of CIFCL

Payswiff Technologies Private Limited and its subsidiaries (from February 8, 2022)

VI. Associates of CIFCL

a. White Data Systems India Private Limited (upto March 28, 2023)
b. Vishvakarma Payments Private Limited (from March 30, 2021)
c. Paytail Commerce Private Limited (upto March 21, 2024)

VII. Promoter

a. Coromandel International Limited (Upto December 28, 2023)
b. EID Parry India Limited
c. Tube Investments of India Limited

VIII. Promoter Group

a. Chola Business Services Limited
b. Coromandel Engineering Company Limited
c. Murugappa Morgan Thermal Ceramics Limited
d. Net Access India Limited
e. Murugappa Management Services Private Limited
f. AR Lakshmi Achi Trust
g. M A Murugappan Holdings LLP
h. AMM Foundation

IX. Key Management Personnel (Pursuant to Companies Act, 2013)

a. Mr. N. Ganesh - Manager & Chief Financial Officer
b. Ms. E. Krithika - Company Secretary

X. Non-Executive Directors

a. Mr. M. M. Murugappan
b. Mr. B Ramaratnam
c. Mr. Sridharan Rangarajan
d. Ms. Vasudha Sundararaman
e. Mr. Vellayan Subbiah
f. Mr. K Balasubramanian

XI. Private companies in which a director or manager or his relative is a member or director

a. Cherry Tin Online Private Limited
b. Zetwork Manufacturing Business Private Limited
c. Finance Industry Development Council
d. Medall Healthcare Private Limited
e. CE Info Systems Private Limited (Upto March 24, 2024).

Notes to Consolidated Financial Statements

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

XII. Firm, in which a director, manager or his relative is a partner

Kadamane Estates Co

b) Transactions with related parties

Nature of Transactions	Year ended March 31, 2024	Year ended March 31, 2023
Dividend Payments (Equity Shares)		
a) Ambadi Investments Limited	10.63	10.63
b) Parry Enterprises India Limited	*	*
c) Directors	0.01	0.01
d) M A Murugappan Holdings LLP	0.02	0.02
e) Mitsui Sumitomo Insurance Company Limited	0.25	0.25
f) A R Lakshmi Achi Trust	0.10	0.10
g) Kadamane Estates Co	0.07	0.07
h) Other Promoters and Promoter Group	4.10	4.12
Dividend Receipts (Equity Shares)		
a) Cholamandalam MS Risk Services Limited	0.25	0.25
Contribution to CSR Activity		
a) AMM Foundation	19.16	15.25
Expenses – Reimbursed		
a) Cholamandalam MS Risk Services Limited	0.13	0.04
Services Received		
a) Parry Enterprises India Limited	14.62	24.24
b) Cholamandalam MS Risk Services Limited	0.04	0.02
c) Chola Business Services Limited	611.88	877.85
d) Coromandel Engineering Company Limited	1.98	2.01
e) Murugappa Management Services Private Limited	0.28	1.34
f) Net Access India Limited	14.71	14.67
g) Tube Investments of India Limited	0.09	0.18
h) Payswiff Technologies Private Limited	0.46	0.17
i) CE Info Systems Private Limited	0.06	-
Interest Income		
a) Medall Healthcare Private Limited	1.52	-
b) Zetwork Manufacturing Business Private Limited	0.04	0.06
Purchase of Goods		
Parry Agro Industries Limited	-	0.54
Sale of Fixed Assets		
Chola Business Services Limited	-	1.00
Debenture Interest paid to Promoters and Promoter Group		
Other Promoter and Promoter Group	22.76	0.32

Notes to Consolidated Financial Statements

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

Nature of Transactions	Year ended March 31, 2024	Year ended March 31, 2023
Services Paid – Technical & Advisory fee		
a) Cholamandalam MS Risk Services Limited	2.58	1.93
b) Chola Business Services Limited	26.15	-
Expenses recovered – Rent receipts		
a) Parry Enterprises Limited	-	0.06
b) Murugappa Morgan Thermal Ceramics Limited	-	0.03
c) Coromandel International Limited	0.20	0.44
d) Tube Investments Of India Limited	0.35	-
Expenses incurred - Premium paid		
a) E.I.D. Parry (India) Limited	2.63	5.94
Premium Income		
a) Parry Enterprises India Limited	0.56	-
b) Parry Agro Industries Limited	0.17	0.01
c) Cholamandalam MS Risk Services Limited	0.59	0.08
d) Mr. K Balasubramanian	0.01	-
Amount recovered towards Reimbursement of expenses		
a) Murugappa Morgan Thermal Ceramics Limited	0.03	-
b) Payswiff Technologies Private Limited	0.09	-
c) Tube Investments of India Limited	0.15	-
Expenses recovered – Management expenses		
Mitsui Sumitomo Insurance Company Limited	3.75	-
Rental deposits received		
Tube Investments of India Limited	0.15	-
Advances/Loans given		
a) Mitsui Sumitomo Insurance Company Limited	-	3.79
b) Payswiff Technologies Private Limited	1.00	-
c) Zetwork Manufacturing Business Private Limited	1.27	2.48
d) Parry Enterprises India Limited	4.58	-
Advances/Loans recovered		
a) Mitsui Sumitomo Insurance Company Limited	-	3.79
b) Payswiff Technologies Private Limited	1.00	-
c) Zetwork Manufacturing Business Private Limited	1.27	2.48
d) Medall Healthcare Private Limited	6.40	6.38
Reinsurance Ceded		
Mitsui Sumitomo Insurance Company Limited	83.91	77.92
Reinsurance Commission Received		
Mitsui Sumitomo Insurance Company Limited	17.79	15.54
Reinsurance Recovery Claims		
Mitsui Sumitomo Insurance Company Limited	46.22	39.07

Notes to Consolidated Financial Statements

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

Nature of Transactions	Year ended March 31, 2024	Year ended March 31, 2023
Gross Insurance Claims		
a) Parry Agro Limited	0.18	-
b) Cholamandalam MS Risk Services Limited	0.55	-
c) Parry Enterprises India Limited	0.32	-
Commission and Sitting fees to Non-executive directors	0.91	0.76

c) Balances Outstanding at the year end

Particulars	As at March 31, 2024	As at March 31, 2023
Loan Receivables		
White Data Systems India Private Limited	-	0.02
Other Receivables /(Payable)		
a) Parry Enterprises India Limited	(1.15)	0.09
b) Mitsui Sumitomo Insurance Company Limited	0.18	0.04
c) Cholamandalam MS Risk Services Limited	-	(0.59)
d) Tube Investments of India Limited	0.15	-
e) Payswiff Technologies Private Limited	(0.08)	(0.09)
f) Chola Business Services Limited	(49.54)	(50.97)
g) Murugappa Management Services Private Limited	(0.08)	(0.11)
h) Net Access (India) Limited	(4.59)	(4.75)
i) Coromandel International Limited	-	0.02
j) E.I.D. Parry (India) Limited	(0.02)	(0.77)
Receivable due from other entities carrying on insurance business		
Mitsui Sumitomo Insurance Company Limited	2.93	(22.51)

d) Key Managerial Personnel

Nature of Transactions	Year ended March 31, 2024	Year ended March 31, 2023
Short- term employee benefits	1.59	1.34
Post–employment pension (Defined Contribution)	0.04	0.02

*Represents amounts less than ₹1 Lakh.

Note - 41 Contingent Liabilities and Commitments

a) Contested Claims not provided for:

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax and Interest on Tax issues where the Group has gone on appeal	103.78	406.34
Decided in the Group's favour by Appellate Authorities for which the Income Tax Department is on further appeal	0.28	0.28
Sales Tax issues pending before Appellate Authorities in respect of which the Group is on appeal.	27.41	102.40
Decided in the Group's favour by Appellate Authorities for which the Department is on further appeal with respect to Sales Tax	1.02	1.02
Service Tax & GST issues pending before Appellate Authorities in respect of which the Group is on appeal.	427.21	199.92
Disputed claims against the Group lodged by various parties under litigation (to the extent quantifiable)	118.90	133.54

Notes to Consolidated Financial Statements

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

(i) The Group is of the opinion that the above demands are not sustainable and expects to succeed in its appeals / defence.

(ii) It is not practicable for the Group to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings.

(iii) The Group does not expect any reimbursement in respect of the above contingent liabilities.

(iv) Future Cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

b) Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Capital commitments	76.69	53.43
Disbursements – Undrawn lines	4,001.56	2,820.44

c) Bank Guarantee

Particulars	As at March 31, 2024	As at March 31, 2023
Outstanding bank guarantees given to Stock exchanges/Stock Holding Corporation of India Limited to meet margin requirements	48.00	40.00

Note - 42 Changes in Provisions (Refer Note 23)

Particulars	As at March 31, 2023	Additional Provision	Utilisation/ Reversal	As at March 31, 2024
Provision for Contingencies and Service Tax claims	39.53	0.01	-	39.54
Provision for Undrawn commitments	11.79	6.15	7.57	10.37

Particulars	As at March 31, 2022	Additional Provision	Utilisation/ Reversal	As at March 31, 2023
Provision for Contingencies and Service Tax claims	39.53	-	-	39.53
Provision for Undrawn commitments	1.20	10.59	-	11.79

Undrawn loan commitments are commitments under which the Group is required to provide a loan under pre-sanctioned terms to the customer.

The undrawn commitments provided by the Group are predominantly in the nature of limits provided for Automobile dealers based on the monthly loan conversions and partly disbursed loans for immovable properties. These undrawn limits are converted within a short period of time and do not generally remain undisbursed / undrawn beyond one year from the reporting date.

Note - 43-Employee Stock Option Plan Disclosure

The stock options granted by the Parent and related movements are given below:

a) Parent's Stock Options

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options Outstanding as at April 01, 2023	During the Year 2023-24			Options Outstanding as at March 31, 2024	Options vested but not exercised as at April 01, 2023	Options vested but not exercised as at March 31, 2024	Exercise Price ₹	Weighted Average Remaining Contractual Life
			Options Granted	Options Cancelled / lapsed	Options Exercised & allotted					
Grant 12	02-Nov-11	-	-	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**		

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options Outstanding as at April 01, 2023	During the Year 2023-24			Options Outstanding as at March 31, 2024	Options vested but not exercised as at April 01, 2023	Options vested but not exercised as at March 31, 2024	Exercise Price ₹	Weighted Average Remaining Contractual Life
			Options Granted	Options Cancelled / lapsed	Options Exercised & allotted					
Grant 1	15-Mar-17	-	-	-	-	-	-	-	-	-

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options Outstanding as at April 01, 2022	During the Year 2022-23			Options Outstanding as at March 31, 2023	Options vested but not exercised as at April 01, 2022	Options vested but not exercised as at March 31, 2023	Exercise Price ₹	Weighted Average Remaining Contractual Life
			Options Granted	Options Cancelled / lapsed	Options Exercised & allotted					
Grant 12	02-Nov-11	-	-	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**		

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options Outstanding as at April 01, 2022	During the Year 2022-23			Options Outstanding as at March 31, 2023	Options vested but not exercised as at April 01, 2022	Options vested but not exercised as at March 31, 2023	Exercise Price ₹	Weighted Average Remaining Contractual Life
			Options Granted	Options Cancelled / lapsed	Options Exercised & allotted					
Grant 1	15-Mar-17	41,680	-	7,110	34,570	-	41,680	-	-	-

b) Stock Options of Cholamandalam Investment and Finance Company Limited (CIFCL)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at March 31, 2023	During the Year 2023-24				Options outstanding As at March 31, 2024	Options vested but not exercised As at March 31, 2024	Options unvested As at March 31, 2024	Exercise Price ₹	Weighted Average Remaining Contractual Life
			Addition in number of options on account of share split*	Options Granted	Options Forfeited/ Expired	Options Exercised and allotted					
GT25JAN2017	25-Jan-17	5,41,835	-	-	-	3,29,310	2,12,525	2,12,525	-	202.00	-
GT30JAN2018	30-Jan-18	1,38,410	-	-	-	1,10,180	28,230	28,230	-	261.94	-
GT30JAN2018A	30-Jan-18	13,470	-	-	-	5,670	7,800	7,800	-	261.94	-
GT23APR2018	23-Apr-18	-	-	-	-	-	-	-	-	312.47	-
GT26JUL2018	26-Jul-18	47,360	-	-	-	6,480	40,880	40,880	-	299.46	-
GT26JUL2018A	26-Jul-18	-				-	-	-	-	299.46	-
GT30OCT2018	30-Oct-18	1,71,950	-	-	-	57,270	1,14,680	1,14,680	-	253.70	-
GT19MAR2019	19-Mar-19	2,90,600	-	-	-	60,026	2,30,574	2,30,574	-	278.01	-
GT30JUL2019	30-Jul-19	-	-	-	-	-	-	-	-	248.20	-
GT05NOV2019	05-Nov-19	1,78,080	-	-	-	67,940	1,10,140	1,10,140	-	316.00	-
GT23JAN2020	23-Jan-20	-	-	-	-	-	-	-	-	317.50	-
GT03JUNE2020	03-Jun-20	41,640	-	-	-	20,820	20,820	-	20,820	157.90	0.18 years
GT03JUNE2020A	03-Jun-20	-	-	-	-	-	-	-	-	157.90	-
GT07MAY2021	07-May-21	9,92,500	-	-	-	1,11,380	8,81,120	2,85,620	5,95,500	580.30	0.60 years
GT30JULY2021	30-Jul-21	24,700	-	-	-	-	24,700	9,880	14,820	487.15	0.83 years
GT29OCT2021	29-Oct-21	7,38,050	-	-	4,100	1,11,041	6,22,909	1,77,129	4,45,780	609.00	1.08 years
GT29OCT2021A	29-Oct-21	2,520	-	-	-	-	2,520	2,520	-	609.00	1.08 years
GT01FEB2022	01-Feb-22	1,26,100	-	-	-	27,840	98,260	22,600	75,660	629.50	1.34 years
GT05MAY2022	05-May-22	45,200	-	-	-	-	45,200	9,040	36,160	712.15	1.22 years
GT29JUL2022	29-Jul-22	56,560	-	-	-	5,860	50,700	8,280	42,420	690.10	1.45 years
GT29JUL2022A	29-Jul-22	92,400	-	-	44,100	-	48,300	2,660	45,640	690.10	0.83 years
GT29JUL2022B	29-Jul-22	5,340	-	-	-	5,340	-	-	-	690.10	-
GT24SEP2022	24-Sep-22	24,700	-	-	-	4,100	20,600	840	19,760	738.50	1.61 years
GT24SEP2022A	24-Sep-22	2,20,880	-	-	-	3,880	2,17,000	51,340	1,65,660	738.50	0.98 years
GT24SEP2022B	24-Sep-22	7,560	-	-	-	1,260	6,300	6,300	-	738.50	-
GT01NOV2022	01-Nov-22	45,200	-	-	16,400	4,100	24,700	4,940	19,760	709.35	1.71 years
GT31JAN2023	31-Jan-23	15,98,400	-	-	99,200	46,957	14,52,243	2,24,523	12,27,720	710.75	1.96 years
GT01AUG2023	01-Aug-23	-	-	7,21,440	26,500	-	6,94,940	-	6,94,940	1,132.00	2.04 years
GT02NOV2023	02-Nov-23	-	-	3,360	-	-	3,360	-	3,360	1,149.00	2.29 years
GT02NOV2023A	02-Nov-23	-	-	20,500	-	-	20,500	-	20,500	1,149.00	1.72 years
GT25JAN2024	25-Jan-24	-	-	3,44,900	-	-	3,44,900	-	3,44,900	1,245.08	2.52 years
Total		**54,03,455**	**-**	**10,90,200**	**1,90,300**	**9,79,454**	**53,23,901**	**15,50,501**	**37,73,400**	-	-

*Equity shares of face value of ₹10/- have been split into face value of ₹2 per share on June 18, 2019, pursuant to resolution passed through postal ballot on June 3, 2019

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at March 31, 2022	During the Year 2022-23				Options outstanding As at March 31, 2023	Options vested but not exercised As at March 31, 2023	Options unvested As at March 31, 2023	Exercise Price ₹	Weighted Average Remaining Contractual Life
			Addition in number of options on account of share split*	Options Granted	Options Forfeited/ Expired	Options Exercised and allotted					
GT25JAN2017	25-Jan-17	10,63,650	-	-	-	5,21,815	5,41,835	5,41,835	-	202.00	-
GT30JAN2018	30-Jan-18	1,89,240	-	-	-	50,830	1,38,410	1,38,410	-	261.94	-
GT30JAN2018A	30-Jan-18	17,470	-	-	-	4,000	13,470	13,470	-	261.94	-
GT23APR2018	23-Apr-18	26,940	-	-	-	26,940	-	-	-	312.47	-
GT26JUL2018	26-Jul-18	47,360	-	-	-	-	47,360	47,360	-	299.46	-
GT26JUL2018A	26-Jul-18	90,000	-	-	-	90,000	-	-	-	299.46	-
GT30OCT2018	30-Oct-18	2,27,300	-	-	-	55,350	1,71,950	1,71,950	-	253.70	-
GT19MAR2019	19-Mar-19	4,34,920	-	-	40,410	1,03,910	2,90,600	2,90,600	-	278.01	-
GT05NOV2019	05-Nov-19	1,98,300	-	-	-	20,220	1,78,080	95,400	82,680	316.00	0.60 years
GT23JAN2020	23-Jan-20	31,800	-	-	31,800	-	-	-	-	317.50	0.82 years
GT03JUNE2020	03-Jun-20	1,69,520	-	-	85,500	42,380	41,640	-	41,640	157.90	0.68 years
GT07MAY2021	07-May-21	10,66,600	-	-	44,460	29,640	9,92,500	1,98,500	7,94,000	580.30	1.23 years
GT30JULY2021	30-Jul-21	24,700	-	-	-	-	24,700	4,940	19,760	487.15	1.46 years
GT29OCT2021	29-Oct-21	8,05,600	-	-	44,100	23,450	7,38,050	1,44,370	5,93,680	609.00	1.71 years
GT29OCT2021A	29-Oct-21	2,520	-	-	-	-	2,520	1,260	1,260	609.00	1.71 years
GT01FEB2022	01-Feb-22	1,26,100	-	-	-	-	1,26,100	25,220	1,00,880	629.50	1.97 years
GT05MAY2022	05-May-22	-	-	45,200	-	-	45,200	-	45,200	712.15	1.80 years
GT29JUL2022	29-Jul-22	-	-	56,560	-	-	56,560	-	56,560	690.10	2.03 years
GT29JUL2022A	29-Jul-22	-	-	92,400	-	-	92,400	-	92,400	690.10	1.46 years
GT29JUL2022B	29-Jul-22	-	-	5,340	-	-	5,340	-	5,340	690.10	0.33 years
GT24SEP2022	24-Sep-22	-	-	24,700	-	-	24,700	-	24,700	738.50	2.19 years
GT24SEP2022A	24-Sep-22	-	-	2,20,880	-	-	2,20,880	-	2,20,880	738.50	1.61 years
GT24SEP2022B	24-Sep-22	-	-	8,820	1,260	-	7,560	-	7,560	738.50	0.48 years
GT01NOV2022	01-Nov-22	-	-	45,200	-	-	45,200	-	45,200	709.35	2.29 years
GT31JAN2023	31-Jan-23	-	-	16,04,400	6,000	-	15,98,400	-	15,98,400	710.75	2.54 years
Total		**45,22,020**	**-**	**21,03,500**	**2,53,530**	**9,68,535**	**54,03,455**	**16,73,315**	**37,30,140**		

*Equity shares of face value of ₹10/- have been split into face value of ₹2 per share on June 18, 2019, pursuant to resolution passed through postal ballot on June 3, 2019

Note - 43 ESOP Disclosure of Cholamandalam Financial Holdings Limited

The Fair Value of Options used to compute proforma net profit and earnings per Equity Share have been estimated on the date of the grants using Black-Scholes model by an independent consultant. The related compensation cost, if any, is being accounted for by the Resulting Company.

The key assumptions used in Black-Scholes model for calculating the fair value as on the date of the grants are:

a) Company's Stock Options

Employee Stock Option plan 2007

Grant No.	Vesting Commences on	Risk Free Interest Rate (%)	Expected Life (Years)	Expected Volatility of Share Price (%)	Dividend Yield (%)	Price of the underlying Share in the Market at the time of Option Grant (₹)	Fair Value of the Option (₹)
1	31-Oct-08	7.71	2.50	39.11	3.43	43.37	11.34
2	30-Jan-09	7.44	2.50	42.02	3.43	45.61	12.50
3							
Tr I	31-Oct-09	8.22 - 8.25	1.62 - 2.62	31.56 - 37.07	1.86	39.19	73.92 - 74.89
Tr II	31-Oct-09	8.22 - 8.25	1.62 - 2.62	31.56 - 37.07	1.86	39.19	73.92 - 74.89
4							
Tr I	31-Jul-09	0.00 - 8.24	0.00 - 2.99	0.00 - 39.82	1.86	30.67	80.83 - 81.68
Tr II	31-Jul-09	0.00 - 8.24	0.00 - 2.99	0.00 - 39.82	1.86	30.67	80.83 - 81.68
5	31-Oct-09	8.21 - 8.31	0.12 - 3.24	32.28 - 42.55	1.86	16.73	92.20 - 94.76
6	30-Jan-10	8.21 - 8.31	0.24 - 3.49	28.04 - 43.77	1.86	21.42	88.54 - 90.00
7							
Tr I	29-Jan-12	8.21 - 8.26	1.24 - 5.48	31.69 - 46.73	1.86	96.63	39.45 - 80.72
Tr II	29-Jan-12	8.21 - 8.26	1.24 - 5.48	31.69 - 46.73	1.86	96.63	39.45 - 80.72
Tr III	29-Jan-12	8.21 - 8.26	1.24 - 5.48	31.69 - 46.73	1.86	96.63	39.45 - 80.72
8	29-Jan-12	8.21 - 8.26	1.24 - 4.48	31.69 - 43.79	1.86	96.63	27.22 - 52.67
9	29-Jan-12	8.21 - 8.26	1.24 - 3.48	31.69 - 43.79	1.86	96.63	27.22 - 46.62
10	02-May-12	8.21 - 8.25	1.37 - 5.74	31.38 - 47.27	1.86	96.63	27.90 - 56.06
11	01-Aug-12	8.21 - 8.25	1.49 - 5.99	31.76 - 47.01	1.86	110.23	21.93 - 53.00
12							
Tr I	02-Nov-12	8.21 - 8.24	1.74 - 6.24	32.74 - 46.93	1.86	98.74	30.05 - 57.75
Tr II	02-Nov-12	8.21 - 8.24	1.74 - 6.24	32.74 - 46.93	1.86	98.74	30.05 - 57.75

Employee Stock Option Plan 2016

Grant No.	Vesting Commences on	Risk Free Interest Rate (%)	Expected Life (Years)	Expected Volatility of Share Price (%)	Dividend Yield (%)	Price of the underlying Share in the Market at the time of Option Grant (₹)	Fair Value of the Option (₹)
1							
Tr I	15-Mar-18	6.75	3.50	31.49	0.25	416.86	134.16
Tr II	15-Mar-18	6.75	3.50	31.49	0.25	416.86	134.16

b) Stock Options of Cholamandalam Investment and Finance Company Limited (CIFCL)

Variables	Post Modification
Risk Free Interest Rate	7.92%-8.12%
Expected Life	0.12 years- 6.25 years
Expected Volatility	28.28%-63.00%
Dividend Yield	1.18%
Price of the underlying share in market at the time of the option grant.(₹)	212.05

ESOP 2016

Date of Grant	Variables					
	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of the underlying Share in the Market at the time of the Option Grant (₹)	Fair Value of the Option (₹)
25-Jan-17	6.36% - 6.67%	3.5 - 6.51 years	33.39% - 34.47%	0.54%	1,010.00	401.29
30-Jan-18	7.11% - 7.45%	3.5 - 5.50 years	30.16% - 31.46%	0.42%	1,309.70	496.82
30-Jan-18	7.11% - 7.45%	3.5 - 5.50 years	30.16% - 31.46%	0.42%	1,309.70	531.84
23-Apr-18	7.45% - 7.81%	3.51 - 6.51 years	30.33% - 32.38%	0.42%	1,562.35	646.08
26-Jul-18	7.71% - 7.92%	3.51 - 5.51 years	30.56% - 31.83%	0.43%	1,497.30	586.32
30-Oct-18	7.61% - 7.85%	3.51 - 6.51 years	32.34% - 32.70%	0.51%	1,268.50	531.36
19-Mar-19	6.91% - 7.25%	3.51 - 6.51 years	32.19% - 32.59%	0.47%	1,390.05	564.13
30-Jul-19	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	248.20	83.66*
05-Nov-19	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	316.00	112.09*
23-Jan-20	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	317.00	109.51*
03-Jun-20	5%	3.50 years	47.50%	1.33%	157.90	58.27 *
07-May-21	5.12% - 6.02%	3.50 - 6.50 years	52.06% - 43.62%	0.34%	580.30	276.84
30-Jul-21	5.25% - 6.20%	3.50 - 6.51 years	52.06% - 43.65%	0.41%	487.15	232.48
29-Oct-21	5.22% - 6.17%	3.50 - 6.51 years	53.20% - 43.93%	0.33%	609.00	293.95
01-Feb-22	5.49% - 6.50%	3.50 - 6.51 years	53.81% - 44.42%	0.32%	629.50	309.23
05-May-22	6.20% - 7.09%	2.50 - 5.51 years	59.10% - 47.09%	0.28%	712.15	336.08
29-Jul-22	6.84% - 7.18%	3.51 - 6.51 years	53.74% - 45.29%	0.29%	690.10	351.99

Notes to Consolidated Financial Statements

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

Date of Grant	Variables					
	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of the underlying Share in the Market at the time of the Option Grant (₹)	Fair Value of the Option (₹)
29-Jul-22	6.84% - 7.10%	3.51 - 5.51 years	53.74% - 47.07%	0.29%	690.10	339.76
29-Jul-22	6.84%	3.51 years	53.74%	0.29%	690.10	311.94
24-Sep-22	7.13% - 7.31%	3.51 - 6.51 years	53.79% - 45.27%	0.27%	738.50	379.33
24-Sep-22	7.13% - 7.28%	3.51 - 5.51 years	53.79% - 47.07%	0.27%	738.50	366.36
24-Sep-22	7.13%	3.51 years	53.79%	0.27%	738.50	336.74
01-Nov-22	7.15% - 7.37%	3.51 - 6.51 years	53.81% - 45.25%	0.28%	709.35	364.52
31-Jan-23	7.15% - 7.30%	3.51 - 6.51 years	53.58% - 45.23%	0.28%	710.75	364.41
01-Aug-23	7.00% - 7.05%	3.51 - 6.51 years	52.49% - 44.63%	0.18%	1,132.10	577.29
01-Aug-23	7.00% - 7.04%	3.51 - 5.51 years	52.49% - 47.18%	0.18%	1,132.10	556.82
01-Aug-23	7.00%	3.51 Years	52.49%	0.18%	1,132.10	509.03
01-Aug-23	7.00% - 7.02%	3.51 - 4.51 years	52.49% - 49.11%	0.18%	1,132.10	530.43
01-Aug-23	7.00% - 7.05%	3.51 - 6.51 years	52.49% - 44.63%	0.18%	1,132.10	577.29
02-Nov-23	7.22% - 7.28%	3.51 - 5.51 years	42.45% - 47.08%	0.17%	1,149.00	552.3
02-Nov-23	7.22% - 7.29%	3.51 - 6.51 years	42.45% - 44.54%	0.17%	1,149.00	576.73
25-Jan-24	7.01% - 7.06%	3.51 - 6.51 years	37.85% - 44.51%	0.16%	1,245.08	614.02

* Fair value option of equity shares issued under this grant is post share split with a face value of ₹ 2/- each

Notes to Consolidated Financial Statements

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

Note - 44 Change in liabilities arising from financing activities

Particulars	March 31, 2023	Cash flows	Exchange Difference	Others	March 31, 2024
Debt Securities	19,653.58	2,834.60	-	2,324.58	24,812.76
Borrowings other than debt securities	73,186.19	31,276.31	(2.75)	51.38	1,04,511.13
Subordinated liabilities	4,351.26	322.49	-	16.36	4,690.11
Total	**97,191.03**	**34,433.40**	**(2.75)**	**2,392.32**	**1,34,014.00**

Particulars	April 1, 2022	Cash flows	Exchange Difference	Others	March 31, 2023
Debt Securities	13,410.80	5,950.37	-	292.41	19,653.58
Borrowings other than debt securities	52,004.52	20,956.74	(81.23)	306.16	73,186.19
Subordinated liabilities	3,813.26	542.00	-	(4.00)	4,351.26
Total	**69,228.58**	**27,449.11**	**(81.23)**	**594.57**	**97,191.03**

(i) Others includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.,

(ii) Total Liabilities comprise Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities.

Note - 45 Maturity Analysis

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

Particulars	Amount	Maturity	
		Within 12 months	After 12 months
As on March 31, 2024			
Financial Assets			
Cash and Cash Equivalents	973.22	973.22	-
Bank balances Other than Cash and Cash Equivalents	3,575.26	1,424.34	2,150.92
Derivative financial instruments	247.82	126.24	121.58
Receivables			
i) Trade Receivables	214.17	214.17	-
ii) Other Receivables	140.50	140.50	-
iii) Insurance Contract Assets	435.80	143.14	292.66
iv) Re-insurance Assets	1,438.01	827.17	610.84
Loans	1,44,462.65	36,888.61	1,07,574.04
Investment in Associate & Joint Venture	476.94	-	476.94
Other Investments	19,581.19	2,363.11	17,218.08
Other Financial Assets	703.21	238.15	465.06
Asset classified as held for Sale - Investment	37.09	37.09	-
Total Financial Assets	**1,72,285.86**	**43,375.74**	**1,28,910.12**
Non- Financial Assets			
Current tax assets (Net)	598.64	-	598.64
Deferred tax assets (Net)	824.46	-	824.46
Goodwill on Consolidation	42.72	-	42.72
Investment Property	28.96	-	28.96
Intangible assets under development	12.67	0.22	12.45

Notes to Consolidated Financial Statements

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

Particulars	Maturity		
	Amount	Within 12 months	After 12 months
Property, Plant and Equipment	1,669.63	-	1,669.63
Capital Work in Progress	-	-	-
Other Intangible assets	42.43	-	42.43
Re-insurance Assets	1,154.05	462.55	691.50
Other Non-Financial Assets	258.25	146.74	111.51
Total Non- Financial Assets	**4,631.81**	**609.51**	**4,022.30**
Financial Liabilities			
Derivative financial instruments	186.70	28.36	158.34
Payables			
i) Trade Payables	498.60	498.60	-
ii) Other Payables	1,323.02	1,262.43	60.59
iii) Other Insurers	713.28	713.28	-
Debt Securities	24,812.76	10,057.28	14,755.48
Borrowings(Other than Debt Securities)	1,04,511.13	37,144.27	67,366.86
Subordinated Liabilities	4,690.11	293.28	4,396.83
Insurance Contract Liabilities	10,805.52	1,403.17	9,402.35
Other Financial Liabilities	643.64	279.39	364.25
Total Financial Liabilities	**1,48,184.76**	**51,680.06**	**96,504.70**
Non-Financial Liabilities			
Current tax Liabilities	-	-	-
Deferred Tax Liabilities	0.18	-	0.18
Provisions	218.09	0.05	218.04
Insurance Contract Liabilities	6,219.79	1,192.15	5,027.64
Other Non-Financial Liabilities	170.83	160.60	10.23
Total Non-Financial Liabilities	**6,608.89**	**1,352.80**	**5,256.09**
As on March 31, 2023			
Financial Assets			
Cash and Cash Equivalents	1,055.44	1,055.44	-
Bank balances Other than Cash and Cash Equivalents	2,108.27	1,187.43	920.84
Derivative financial instruments	272.86	13.73	259.13
Receivables			
i) Trade Receivables	99.13	99.13	-
ii) Other Receivables	95.35	95.35	-
iii) Insurance Contract Assets	308.15	57.85	250.30
iv) Re-insurance Assets	789.56	178.72	610.84
Loans	1,04,809.65	27,863.55	76,946.10
Investment in Associate & Joint Venture	469.60	-	469.60
Other Investments	17,066.45	2,328.09	14,738.36
Other Financial Assets	577.06	116.21	460.85
Asset classified as held for Sale - Investment	22.57		22.57
Total Financial Assets	**1,27,674.09**	**32,995.50**	**94,678.59**

Notes to Consolidated Financial Statements

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

Particulars	Maturity		
	Amount	Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	482.42	-	482.42
Deferred tax assets (Net)	896.48	-	896.48
Goodwill on Consolidation	42.72	-	42.72
Investment Property	28.96	-	28.96
Intangible assets under development	24.76	0.16	24.60
Property, Plant and Equipment	506.63	-	506.63
Capital Work in Progress	35.74	-	35.74
Other Intangible assets	44.84	-	44.84
Re-insurance Assets	1,036.18	418.57	617.61
Other Non-Financial Assets	260.14	142.38	117.76
Total Non- Financial Assets	**3,358.87**	**561.11**	**2,797.76**
Financial Liabilities			
Derivative financial instruments	134.27	17.62	116.65
Payables			
i) Trade Payables	375.89	375.89	-
ii) Other Payables	1,091.06	1,056.98	34.08
iii) Other Insurers	581.85	581.85	-
Debt Securities	19,653.58	8,501.00	11,152.58
Borrowings(Other than Debt Securities)	73,186.19	25,128.94	48,057.25
Subordinated Liabilities	4,351.26	695.21	3,656.05
Insurance Contract Liabilities	8,805.82	766.17	8,039.65
Other Financial Liabilities	485.09	304.22	180.87
Total Financial Liabilities	**1,08,665.01**	**37,427.88**	**71,237.13**
Non-Financial Liabilities			
Deferred Tax Liabilities	0.13	-	0.13
Provisions	164.10	22.38	141.72
Insurance Contract Liabilities	5,806.45	957.18	4,849.27
Other Non-Financial Liabilities	139.25	131.56	7.69
Total Non-Financial Liabilities	**6,109.93**	**1,111.12**	**4,998.81**

Note - 46 Non-Controlling Interest

Financial information of Subsidiaries having Non-Controlling Interest is given below.

As at March 31, 2024

Name of the Subsidiary	Country of Incorporation	As on March 31, 2024	Profit allocated to non controlling interest	Other comprehensive income allocated to non controlling interest	Total comprehensive income allocated to non controlling interest
Cholamandalam Investment and Finance Company Limited (CIFCL)	India	55.61%	1,901.80	(39.34)	1,862.46
Cholamandalam MS General Insurance Company Limited (CMSGICL)	India	40.00%	176.24	49.75	225.99

Notes to Consolidated Financial Statements

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

As at March 31, 2023

Name of the Subsidiary	Country of Incorporation	As on March 31, 2023	Profit allocated to non controlling interest	Other comprehensive income allocated to non controlling interest	Total comprehensive income allocated to non controlling interest
Cholamandalam Investment and Finance Company Limited (CIFCL)	India	54.64%	1,456.05	13.05	1,469.10
Cholamandalam MS General Insurance Company Limited (CMSGICL)	India	40.00%	63.34	(63.37)	(0.03)

The summarised financial information of the Subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Summarised Statement of Profit and Loss

Particulars	As at March 31, 2024		As at March 31, 2023	
	CIFCL	CMSGICL	CIFCL	CMSGICL
Income	19,419.87	6,969.57	13,105.59	5,370.01
Expenses	14,814.56	6,379.48	9,491.00	5,159.48
Profit Before Tax	4,605.31	590.09	3,614.59	210.53
Tax Expense	1,194.57	149.49	937.92	52.18
Share of Loss from associate	9.32	-	(11.82)	-
Profit for the year	3,420.06	440.60	2,664.85	158.35
- Attributable to the owners of the Company	1,518.26	264.36	1,208.80	95.01
- Attributable to the non-controlling interest	1,901.80	176.24	1,456.05	63.34
Other Comprehensive Income				
- Attributable to the owners of the Company	(31.40)	74.63	10.83	(95.06)
- Attributable to the non-controlling interest	(39.34)	49.75	13.05	(63.37)
Total Comprehensive Income				
- Attributable to the owners of the Company	1,486.86	338.99	1,219.63	(0.05)
- Attributable to the non-controlling interest	1,862.46	225.99	1,469.10	(0.03)

Summarised Balance Sheet

Particulars	As at March 31, 2024		As at March 31, 2023	
	CIFCL	CMSGICL	CIFCL	CMSGICL
Financial Assets	1,53,989.22	18,885.33	1,12,175.00	15,796.39
Non Financial Assets	2,697.19	1,897.63	1,451.89	1,870.17
Financial Liabilities	1,36,814.60	11,990.41	99,091.00	9,849.65
Non Financial Liabilities	278.57	6,330.38	189.80	5,919.72
Total Equity				
- Attributable to the owners of the Company	8,697.99	1,477.30	6,507.53	1,138.31
- Attributable to the non-controlling interest	10,895.25	984.87	7,838.56	758.88

Summarised Cash Flow Statement

Particulars	As at March 31, 2024		As at March 31, 2023	
	CIFCL	CMSGICL	CIFCL	CMSGICL
Net cash inflow / (outflow) in operating activities	(35,682.85)	1,807.31	(27,105.05)	2,212.94
Net cash outflow from investing activities	(2,854.59)	(1,829.91)	(2,148.41)	(3,170.42)

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Particulars	As at March 31, 2024		As at March 31, 2023	
	CIFCL	CMSGICL	CIFCL	CMSGICL
Net cash inflow / (outflow) in financing activities	38,471.23	0.56	27,466.47	1,004.96
Net Increase / (Decrease) in Cash and Cash equivalents	(66.21)	(22.04)	(1,786.99)	47.48

Note - 47A (i) Investment in associates

The Group had recognised the value of investment in associate (of CIFCL) - White Data Systems India Private Limited (WDSI) at fair value on the date of loss of control (March 28, 2023)

Particulars	As at March 31, 2024	As at March 31, 2023
Value of Investment in Associate	-	25.54
Less: Cumulative Share of Loss of from Associate	-	(2.97)
Closing value of Investment	**-**	**22.57**

The following table illustrates the summarised financial information of the Group's investment in White Data Systems India Private Limited:

Particulars	As at March 31, 2024	As at March 31, 2023
Current assets	-	10.03
Non-current assets	-	25.96
Current liabilities	-	(6.38)
Non-current liabilities	-	(1.68)
Equity	**-**	**27.93**
Proportion of the Group's ownership	-	30.87%
Group's share in the Equity of the associate	-	8.62

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers	-	4.66
Other Income	-	0.59
Depreciation & amortization	-	(3.83)
Finance cost	-	(0.20)
Employee benefit	-	(2.91)
Other expense	-	(2.74)
Profit before tax	**-**	**(4.43)**
Income tax expense	-	(0.98)
Profit for the year (continuing operations)	-	(5.41)
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax	-	-
Other comprehensive income that will not be reclassified to profit or loss in the subsequent periods, net of tax	-	(0.01)
Total comprehensive income for the year (continuing operations)	**-**	**(5.42)**
Group's share of loss for the year	**-**	**(1.67)**
Group's share of loss considered in the consolidated statement of profit and loss for the year ended March 31, 2023.	**-**	**(1.67)**

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CIFCL entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India Private Limited (WDSI) and other shareholders of WDSI for the transfer of the entire equity shares held by it in WDSI to TVSSCL. As consideration for sale of WDSI shares, TVSSCSL to issue 22,35,265 Compulsory Convertible Preference Shares (CCPS) of TVSSCL to CIFCL on April 20, 2023, subsequently on August 23, 2023, the CCPS was converted into 24,01,359 equity shares of TVSSCSL.

Note - 47A (ii)

Vishwakarma Payments Private Limited (VPPL) - Associate of CIFCL (CIFCL holds 21% stake in VPPL) is a consortium of 7 entities formed for the purpose of applying to the Reserve Bank of India (RBI) for an NUE (New Umbrella Entity) license within the framework of RBI circular. The licensed NUE is to focus on retail payment systems by developing interoperable infrastructure which will cater to banks and non-banks and enable innovative use-cases to solve the diversity, depth and width of consumers and small businesses in India. VPPL is incorporated with an equity capital of ₹0.01 crs and its networth as on March 31, 2024 is ₹0.01 Crore. It can commence operations only on receipt of license from RBI.

Note - 47A (iii)

The Group had recognised the value of investment in associate - Paytail Commerce Private Limited (Paytail) at amortised cost. The Group has acquired 16.29% of the Equity Share Capital of Paytail Commerce Private Limited in September 2021. By Virtue of the voting and other rights as per the share purchase agreement, Paytail Commerce Private Limited has been assessed as an associate of the Group.

Particulars	As at March 31, 2024	As at March 31, 2023
Value of Investment in Subsidiary on the date of loss of control	9.75	9.75
Less: Cumulative Share of Loss of from Associate	(4.86)	(1.89)
Less: Impairment on Investment	(4.89)	-
Closing value of Investment	**-**	**7.86**

The value of invesment in associate - Paytail has been fully impaired as at March 31, 2024 and it ceased to be an associate of CIFCL effective from March 21, 2024.

Note - 47B (i) - Investment in Joint Venture

As at March 31, 2024, the Group has 49.50% interest in Cholamandalam MS Risk Services Limited ("CMSRSL") and this entity has been treated as Joint Venture in the consolidated Ind AS financial statements.

The following table illustrates the summarised financial information of the Group's investment in CMSRSL:

Particulars	March 31, 2024	March 31, 2023
Current assets	40.98	34.79
Non-current assets	15.81	17.20
Current liabilities	(12.59)	(12.40)
Non-current liabilities	(1.36)	(2.31)
Equity	**42.84**	**37.28**
Proportion of the Group's ownership	49.50%	49.50%
Group's share in the Equity of the Joint Venture	21.21	18.45
Particulars	**2023-24**	**2022-23**
Revenue from Operations	69.14	63.01
Other Income	2.13	1.91
Employee benefit	(40.84)	(33.76)
Other expense	(22.25)	(21.97)

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Particulars	March 31, 2024	March 31, 2023
Profit before tax	**8.18**	**9.19**
Income tax expense	(2.10)	(2.37)
Profit for the year (continuing operations)	**6.08**	**6.82**
Total comprehensive income for the year (continuing operations)	6.08	6.82
Group's share of profit	3.01	3.38
Less: Dividend	(0.25)	(0.25)
Group's share of profit (considered in consolidated statement of Profit and loss)	**2.76**	**3.13**

The Group has the following share of contingent liabilities and capital commitments in the Joint venture as at March 31, 2024.

Particulars	March 31, 2024	March 31, 2023
Contested Liabilities Not provided for in respect of Income Tax matters pending before Appellate Authorities	2.00	2.00
Capital commitments	0.04	0.04

Note - 47B (ii) - Investment in Joint Venture

The Group has acquired equity shares of Payswiff Technologies Private Limited (Payswiff), from its founders and other existing shareholders towards strategic investment in equity shares of Payswiff. This resulted in the Group holding to 74.69% of the equity capital of Payswiff. Payswiff is engaged in the business of enabling online payment gateway services for e-commerce businesses and provides e-commerce solutions. Payswiff is an omni channel payment transaction soluion that lets business owners accept payments from their customers in-store, at home deliveries, online, and on-the-go using mPOS and POS solution.

Particulars	March 31, 2024	March 31, 2023
Value of Investment in Joint Venture	456.83	456.83
Less: Cumulative Share of Loss of from Joint Venture	(1.13)	(13.42)
Closing value of Investment	**455.70**	**443.41**

Even though, the Group holds 74.69% of the paid up equity capital of Payswiff, however, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholder agreeement executed between the Group and founders of Payswiff, the Group is considered to have joint control over the entity as per Ind AS 28 read with Ind AS 110. Hence, it is classified as investment in Joint Venture.

Particulars	March 31, 2024	March 31, 2023
Current assets	44.35	43.69
Non-current assets	97.22	78.67
Current liabilities	(95.58)	(53.99)
Non-current liabilities	(19.21)	(57.98)
Equity	**26.78**	**10.39**
Proportion of the Group's ownership	74.69%	74.82%
Group's share in the Equity of the Joint Venture	20.00	7.77

Note - 48 Capital Management

The Group maintains an actively managed capital base to cover risks inherent in the business, meeting the capital adequacy requirements of Reserve Bank of India (RBI), compliance with solvency requirements prescribed by the Insurance Regulatory and Development Authority of India (IRDAI), maintain strong credit rating and healthy capital ratios in order to support business and maximise shareholder value. The adequacy of the Group's capital is monitored by the Board using, among other measures, the regulations issued by RBI and IRDAI.

Notes to Consolidated Financial Statements

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The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

The Group has complied in full with the capital and solvency requirements prescribed by RBI and IRDAI respectively over the reported period.

Note - 48.1 Financial Risk Management

The kay financial risks faced by the Group are credit and market risks comprising liquidity risk, interest rate risk and foreign currency risks.

Note - 48.2 Credit Risk

Lending

Credit risk in lending business arises when a borrower is unable to meet financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in future. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

Assessment Methodology

The Group has comprehensive and well-defined credit policies across various businesses, products and segments, which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The Group has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals. This enables it to implement necessary changes to the credit policy, whenever the need arises. Also, being in asset financing business, most of the Group's lending is covered by adequate collaterals from the borrowers. The Group developed application scoring model to assess the credit worthiness of the borrower for underwriting decisions for its Vehicle Finance, Loan Against Property and Home Loan business.

The Group also has a well-developed business planning model for the Vehicle Finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

Risk Management and Portfolio Review

The Group has a robust portfolio review mechanism. Key metrics like early delinquency, default rates are tracked, monitored and reviewed daily. Business teams review key trends in these Key Risk Indicators and location level strategies are adopted.

Insurance – Investments

Insurance Business is subject to credit risk in connection with issuers of securities held in its investment portfolio and reinsurers. Losses may occur when a counterparty fails to make timely payments pursuant to the terms of the underlying contractual arrangement or when the counterparty's credit rating or risk profile otherwise deteriorates. Credit risk can occur at multiple levels, as a result of broad economic conditions, challenges within specific sectors of the economy, or from issues affecting individual companies. Events that result in defaults, impairments or downgrades of the securities in our investment portfolio would cause the Company to record realized or unrealized losses and increase provisions for asset default, adversely impacting earnings.

Governance structure, in the form of Investment Committee and well defined investment policies and processes are in place to ensure that the risks involved in investments are identified and acceptable levels are defined. All Regulatory and Internal norms are built in the Investment system which monitors the investment limits and exposure norms on a daily basis.

The policyholders' funds are invested in accordance with regulatory norms. Investment policy and most of the investment is made in the government securities having sovereign rating and debt securities issued by reputed corporate having appropriate rating as per Investment Committee.

Notes to Consolidated Financial Statements

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

Note - 48.3 Risk Management and Portfolio Review

The Group has a robust portfolio review mechanism. Key metrics like early delinquency, default rates are tracked, monitored and reviewed daily. Business teams review key trends in these Key Risk Indicators and location level strategies are adopted.

Note - 48.3.1 ECL Methodology

Lending

The Group records allowance for expected credit losses for all financial assets including loan commitments, other than those measured at FVTPL. Equity instruments carried at cost are not subject to impairment under the ECL methodology.

Note - 48.3.2 Assumptions and Estimation techniques

Lending

The Group calculates ECLs to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. ECL is computed on collective basis. The portfolio is segmented based on shared risk characteristics for the computation of ECL.

The key elements of the ECL are summarised below:

Note - 48.3.2.1 PD

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. While computing probability of default, significant outlier events are suitably handled to ensure it does not skew the outcomes.

A 12M marginal PD is computed by creating cohorts of accounts starting in Stage 1 at the beginning of the year and subsequently moving to Stage 3 at any point in time during the year.

A conditional average probability of default is computed by taking cohort of which were in Stage 2 at the beginning the year and subsequently moved to Stage 3 anytime in each subsequent year

Note - 48.3.2.2 EAD

The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.

Note - 48.3.2.3 LGD

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The recoveries are discounted back to the default date using customer IRR. This present value of recovery is used for LGD computation. A recovery rate (RR) computed as the ratio of present value of recovery to the EAD (1 – RR), gives the LGD.

Note - 48.3.2.4 Mechanics of the ECL method

Stage 1:

All loans (other than purchased credit impaired asset) are categorised as Stage 1 on initial recognition.The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These

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expected 12-month default probabilities are applied to EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:

Loans which are past due for more than 30 days are categorised as Stage 2. When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:

Loans which are past due for more than 90 days are categorised as Stage 3. For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%

Restructured loans are categorised as Stage 3 on the date of restructuring and remain so for a period of one year. Post this, regular staging criteria applies.

Loans which have been renegotiated or modified in accordance with RBI Notifications for COVID-19 related stress has been classified as Stage 2 due to significant increase in credit risk.

The Post Implementation Staging of Loans restructured under Covid Resolution framework shall follow the Days Past Due of respective loan agreements.

In respect of new lending products introduced during the year, the Group follows simplified matrix approach for determining impairment allowance based on industry practise in the absence of historical information. These loans constitutes less than 1% of the total loan book.

Loan Movement across stages during the year is given in a note 11.1

Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

Other Financial assets:

The Group follows 'simplified approach' for recognition of impairment loss allowance on other financial assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Based on Management's assessment of ECL on trade receivables/ other financial assets, the provisions are not material to financial statements (Nil as at March 31, 2023).

Note - 48.3.2.5 Incorporation of forward looking statements in ECL model

The Group considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, Inflation, Government Expenditure etc., as considered relevant so as to determine the impact of macro-economic factors on the Group's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

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Annual data from 2018 to 2028 (including forecasts for 4 years) were obtained from World Economic Outlook, October 2023 published by International Monetary Fund (IMF). IMF provides historical and forecasted data for important economic indicators country-wise. The data provided for India is used for the analysis. Macro variables that were compared against default rates at segment level to determine the key variables having correlation with the default rates using appropriate statistical techniques. Vasicek model has been incorporated to find the Point in Time (PIT) PD. The Group has formulated the methodology for creation of macro-economic scenarios under the premise of economic baseline, upside and downside condition. A final PIT PD is arrived as the scenario weighted PIT PD under different macroeconomic scenarios.

Note - 48.3.2.6 Macro economic variables

Business line	Macro-Economic Variables correlated for each business line	
Two-Wheeler	Gross national savings	General government revenue
Three-Wheeler	Gross national savings	General government revenue
Construction Equipment New	General government revenue	General government revenue
Construction Equipment Used	Volume of exports of goods and services	General government revenue
Commercial Vehicle Shubh	General government total expenditure	Volume of exports of goods and services
Commercial Vehicle Used	Gross domestic product per capita, current prices	General government revenue
Heavy Commercial Vehicle New	Gross domestic product per capita, current prices	Total investment
Home Loan	Gross domestic product, current prices	Total investment
Loan Against Property	Gross domestic product, current prices	General government revenue
Light Commercial Vehicle New	Volume of imports of goods and services	General government revenue
Mini Light Commercial Vehicle New	General government revenue	Volume of exports of goods and services
Passenger Vehicle New (Car/MUV)	Gross domestic product per capita, current prices	Volume of exports of goods and services
Passenger Vehicle Shubh (Car/ MUV)	Volume of imports of goods and services	Volume of exports of goods and services
Passenger Vehicle Used (Car/ MUV)	Gross domestic product, current prices	General government revenue
Tractor New	Gross domestic product per capita, current prices	General government total expenditure
Tractor Used	Gross domestic product per capita, current prices	Total investment

Since the group has used Gross Domestic Product (GDP) as a predominant macro economic variable the sensitivity around the same is given below

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31,2024	Decrease by 5%	(20.23)
March 31,2024	Increase by 5%	29.53

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31,2023	Decrease by 5%	(30.30)
March 31,2023	Increase by 5%	33.54

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Note - 48.3.2.7 Concentration of credit risk and Collateral and Credit Enhancements

Note - 48.3.2.7.1 Concentration of credit risk

Concentration of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in same geographical area or industry sector so that collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions. The Group is in retail lending business on pan India basis targeting primarily customers who either do not get credit or sufficient credit from the traditional banking sector. Vehicle Finance (consisting of new and used Commercial Vehicles, Passenger Vehicles, Tractors, Construction Equipment and Trade advance to Automobile dealers) is lending against security (other than for trade advance) of Vehicle/ Tractor / Equipment and contributes to 58% of the loan book of the Group as of March 31, 2024 (63% as of March 31, 2023). Hypothecation endorsement is made in favour of the Group in the Registration Certificate in respect of all registerable collateral. Portfolio is reasonably well diversified across South, North, East and Western parts of the country. Similarly, sub segments within Vehicle Finance like Heavy Commercial Vehicles, Light Commercial Vehicles, Car and Multi Utility Vehicles, three wheeler and Small Commercial Vehicles, Refinance against existing vehicles, older vehicles (first time buyers), Tractors and Construction Equipment have portfolio share between 7% and 7% leading to well diversified sub product mix.

Loan Against Property is mortgage loan against security of existing immovable property (primarily self-occupied residential property) to self- employed non-professional category of borrowers and contributes to 20% of the lending book of the Group as of March 31, 2024 (20% as of March 31, 2023). Portfolio is concentrated in North 27% with small presence in East 7%. South has 44% and West contributes 22% of the overall exposure of the Group.

The Concentration of risk is managed by Group for each product by its region and its sub-segments. Group did not overly depend on few regions or sub-segments as of March 31, 2024.

Note - 48.3.2.7.2 Collateral and Credit enhancements

Although collateral can be an important mitigation of credit risk, it is the Group's practice to lend on the basis of the customer's ability to meet the obligations out of cash flow resources other than placing primary reliance on collateral and other credit risk enhancements.

The Group obtains first and exclusive charge on all collateral that it obtains for the loans given. Vehicle Finance and Loan Against Property are secured by collateral at the time of origination. In case of Vehicle loans, Group values the vehicle either through proforma invoice (for new vehicles) or using registered valuer for used vehicles. In case of Loan Against Property loans, the value of the property at the time of origination will be arrived by obtaining two valuation reports from Group's empanelled valuers.

Hypothecation endorsement is obtained in favour of the Group in the Registration Certificate of the Vehicle/ Tractor / Equipment funded under the vehicle finance category.

Immovable Property is the collateral for Loan Against Property. Security Interest in favour of the Group is created by Mortgage through deposit of title deed which is registered wherever required by law.

In respect of Other loans, Home loans follow the same process as Loan Against Property and pledge is created in favour for the Group for loan against securities.

99% of the Group's term loan are secured by way of tangible Collateral.

In respect of some unsecured lending, the Group obtains First Loss Default Guarantee or similar arrangement from external service providers as partial cover against potential credit default.

Fair value of collateral held against credit impaired assets - March 31, 2024

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
3,644.81	2,793.62	1,605.03	280.70	(1,034.54)	1,693.07

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Fair value of collateral held against credit impaired assets - March 31, 2023

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
3,221.59	2,307.55	1,894.35	209.23	(1,189.54)	1,482.01

Note: Column (b), (c), (d) of the above table, represents fair value of collateral

Valuation of Collateral:

a) Vehicles including construction equipment and tractors are valued at original cost less 20% depreciation per year on WDV

b) Immovable property is valued based on the amount as per the valuation report at the time of sanctioning of loan

c) Other loans – Book debts at Cost or Securities at market value

Note - 48.3.3 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices.

Lending

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates. The Group's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The Group is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee. In addition, the Group has put in an Asset Liability Management (ALM) support group which meets frequently to review the liquidity position of the Group.

Insurance

The Group is exposed to financial and capital market risks – the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes or volatility in market prices. Market risk includes equity market and interest rate risks.

The Group has investment policy in place which deals with guidelines set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities.

Note - 48.3.3.1 Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Group has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The Group also has lines of credit that it can access to meet liquidity needs. These are reviewed by the Asset Liability Committee (ALCO) on a monthly basis. The ALCO provides strategic direction and guidance on liquidity risk management. A sub-committee of the ALCO, comprising members from the

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Treasury and Risk functions, monitor liquidity risks on a weekly basis and decisions are taken on the funding plan and levels of investible surplus, from the ALM perspective. This sets the boundaries for daily cash flow management.

Analysis of Financial assets and Financial liabilities by remaining contractual maturities given in note-50

Note - 48.3.3.2 Interest Rate Risk

The Group being in the business of lending raises money from diversified sources like market borrowings, term Loan from banks and financial institutions, foreign currency borrowings etc. Financial assets and liabilities constitute significant portion, changes in market interest rates can adversely affect the financial condition. The fluctuations in interest rates can be due to internal and external factors. Internal factors include the composition of assets and liabilities across maturities, existing rates and re-pricing of various sources of borrowings. External factors include macro-economic developments, competitive pressures, regulatory developments and global factors. The movement in interest rates (upward / downward) will impact the Net Interest Income depending upon rate sensitivity of the asset or liability. The Group uses traditional gap analysis report to determine the vulnerability to movements in interest rates. The Gap is the difference between Rate Sensitive Assets (RSA) and Rate Sensitive Liabilities (RSL) for each time bucket. A positive gap indicates that the Group can benefit from rising interest rates while a negative gap indicates that the Group can benefit from declining interest rates. Based on market conditions, the Group enters into interest rate swap to mitigate interest rate risk.

Note - 48.3.3.3 Foreign Currency Risk

Foreign currency risk for the Group arise majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group holds derivative financial instruments such as Cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate.

The Counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

Note - 48.3.3.4 Hedging Policy

The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment and hence the hedge ratio is 1:1.

Note - 48.4 Disclosure of Effects of Hedge Accounting

As at March 31, 2024

Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crore)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crore)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crore)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cash flow Hedge								
Cross Currency Interest rate swap	2	2	161.33	15.06	June 03, 2024 to Feb 22, 2027	(146.27)	171.10	Borrowings
Interest rate swaps	-	7	-	20.74	March 27, 2026 to December 29, 2028	20.74	-	Borrowings

Notes to Consolidated Financial Statements

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

Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crore)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crore)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crore)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Forward contracts	1	1	86.49	150.90	June 01,2024 to June 20,2028	64.40	91.59	Borrowings
Fair Value Hedge								
Interest rate swaps	-	-	-	-	-	-	-	NA

Cash flow Hedge	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crore)	Hedge Effectiveness recognised in profit and loss (₹ in crore)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crore)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	(72.19)	-	-	NA

As at March 31, 2023

Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crore)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crore)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crore)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cash Flow Hedge								
Cross Currency Interest rate swap	2	-	147.42	-	May 15, 2023 to July 19, 2025	(147.41)	136.39	Borrowings
Interest rate swaps	1	1	2.72	5.59	March 8, 2024 to March 31, 2028	2.87	-	Borrowings
Forward contracts	1	1	120.71	128.68	June 20,2023 to June 20,2028	7.97	123.56	Borrowings
Fair Value Hedge								
Interest rate swaps	1	-	2.02	-	October 7,2023	(2.02)	-	Borrowings

Notes to Consolidated Financial Statements

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

Cash flow Hedge	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crore)	Hedge Effectiveness recognised in profit and loss (₹ in crore)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crore)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	45.64	2.02	-	NA

Note - 48.5 Insurance Risk

The principal risk, the Group faces under insurance contracts, is that the actual claims and benefit payments or the timing thereof differ from expectations. This is influenced by frequency of claims and severity of claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The principal assumption underlying the liability estimates is that the Group's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of frequency and severance considered based on past trends. The general insurance claim liabilities are sensitive to the key assumptions. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities. It is not possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non–linear.

For sensitivity analysis and claims development table, refer note below. The method used for deriving sensitivity information and significant assumptions did not change during the presented periods.

Sensitivity Analysis of claims outstanding Liabilities *

As at March 2024

Scenario	Increase/ (Decrease) in Net Liabilities	Increase/ (Decrease) in Gross Liabilities	Increase/ (Decrease) in Profit before taxes	Increase/ (Decrease) in Equity
Increase in Insurance Claims Liability Estimate by 2.5%	30.28	46.50	(30.28)	(22.66)
Increase in Insurance Claims Liability Estimate by 5%	60.56	93.00	(60.56)	(45.32)
Decrease in Insurance Claims Liability Estimate by 2.5%	(30.28)	(46.50)	30.28	22.66
Decrease in Insurance Claims Liability Estimate by 5%	(60.56)	(93.00)	60.56	45.32

As at March 2023

Scenario	Increase/ (Decrease) in Net Liabilities	Increase/ (Decrease) in Gross Liabilities	Increase/ (Decrease) in Profit before taxes	Increase/ (Decrease) in Equity
Increase in Insurance Claims Liability Estimate by 2.5%	23.40	21.28	(23.40)	(17.51)
Increase in Insurance Claims Liability Estimate by 5%	46.80	42.57	(46.80)	(35.02)
Decrease in Insurance Claims Liability Estimate by 2.5%	(23.40)	(21.28)	23.40	17.51
Decrease in Insurance Claims Liability Estimate by 5%	(46.80)	(42.57)	46.80	35.02

Notes to Consolidated Financial Statements

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

Insurance Liability (Claims) Development pattern *

As at March 2024

Ultimate Net Loss Cost - Re-estimated	YE 31-Mar-17	YE 31-Mar-18	YE 31-Mar-19	YE 31-Mar-20	YE 31-Mar-21	YE 31-Mar-22	YE 31-Mar-23	YE 31-Mar-24
End of Accident Year	1,552.59	1,906.10	2,104.34	2,451.93	2,305.88	2,835.90	3,241.86	4,116.48
One Year Later	1,529.45	1,890.66	2,117.02	2,444.61	2,231.37	2,762.31	3,150.57	-
Two Year Later	1,598.50	1,891.36	2,112.21	2,383.66	2,197.65	2,670.54	-	-
Three Year Later	1,630.91	1,884.11	1,997.07	2,248.77	2,157.10	-	-	-
Four Year Later	1,625.49	1,799.50	1,894.71	2,162.80	-	-	-	-
Five Year Later	1,562.08	1,742.01	1,859.23	-	-	-	-	-
Six Year Later	1,559.78	1,718.05	-	-	-	-	-	-
Seven Year Later	1,548.85	-	-	-	-	-	-	-

As at March 2023

Ultimate Net Loss Cost - Re-estimated	YE 31-Mar-16	YE 31-Mar-17	YE 31-Mar-18	YE 31-Mar-19	YE 31-Mar-20	YE 31-Mar-21	YE 31-Mar-22	YE 31-Mar-23
End of Accident Year	1,190.33	1,552.59	1,906.10	2,104.34	2,451.93	2,305.88	2,835.90	3,241.86
One Year Later	1,193.30	1,529.45	1,890.66	2,117.02	2,444.61	2,231.37	2,762.31	-
Two Year Later	1,215.88	1,598.50	1,891.36	2,112.21	2,383.66	2,197.65	-	-
Three Year Later	1,250.45	1,630.91	1,884.11	1,997.07	2,248.77	-	-	-
Four Year Later	1,279.58	1,625.49	1,799.50	1,894.71	-	-	-	-
Five Year Later	1,293.25	1,562.08	1,742.01	-	-	-	-	-
Six Year Later	1,282.78	1,559.78	-	-	-	-	-	-
Seven Year Later	1,286.65	-	-	-	-	-	-	-

* The sensitivity analysis of claims outstanding liability and Insurance Liability (claim) development table are presented net off Re-insurance.

Note - 49 Goodwill

The Goodwill of ₹ 39.08 Crore recognised with respect to CIFCL represents the significant portion of the total Goodwill carried by the Group. The quoted market value of shares of CIFCL as on March 31, 2024 is significantly higher than the acquisition price. Accordingly, based on the assessment of goodwill done by the group, it believes that the carrying amount of goodwill is recoverable and no impairment has been considered.

The Goodwill of ₹ 3.64 Crore recognised on the acquisition of other subsidiary – CMSGICL is not significant and the Group believes that the carrying amount of the Goodwill is recoverable.

Note : 50 Analysis of Financial Liabilities by remaining contractual maturities

The table below summarises the expected utilisation or settlement of liabilities

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 Liabilities								
Derivative financial instruments	-	6.39	-	21.97	89.21	69.13	-	**186.70**
Payables	-	-	-	-	-	-	-	**-**

Notes to Consolidated Financial Statements

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

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
(I) Trade Payables								
i) Total outstanding dues of micro & small enterprises	8.10	-	-	-	-	-	-	**8.10**
ii) Total outstanding dues of creditors other than micro and small enterprises	463.07	0.56	13.19	13.67	-	-	-	**490.49**
(II) Other Payables								
i) Total outstanding dues of micro & small enterprises	-	-	-	-	-	-	-	**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	1,279.43	-	0.81	-	-	-	-	**1,280.24**
(II) Other Insurers								
i) Total outstanding dues of micro & small enterprises	-	-	-	-	-	-	-	**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	-	-	713.28	-	-	-	-	713.28
Debt Securities	2,694.23	1,376.20	2,575.73	4,985.89	11,679.20	6,121.63	-	29,432.88
Borrowings (Other than Debt Securities)	5,664.91	8,323.71	11,011.07	19,174.24	58,857.84	16,021.82	340.92	**1,19,394.51**
Subordinated Liabilities	80.31	172.65	160.06	300.34	839.97	2,191.13	11,623.21	15,367.67
Insurance Contract Liabilities	471.57	395.66	598.38	1,129.14	3,087.47	2,142.29	5,891.06	13,715.57
Other Financial Liabilities	323.56	16.86	24.20	54.26	177.10	108.09	115.25	**819.32**
Total Undiscounted financial liabilities	**10,985.18**	**10,292.03**	**15,096.72**	**25,679.51**	**74,730.79**	**26,654.09**	**17,970.44**	**1,81,408.76**

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 Liabilities								
Derivative financial instruments	-	3.80	4.24	9.58	48.90	55.30	12.45	**134.27**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro & small enterprises	3.55	-	-	-	-	-	-	**3.55**
ii) Total outstanding dues of creditors other than micro and small enterprises	354.90	0.55	13.24	13.79	-	-	-	**382.48**
(II) Other Payables								
i) Total outstanding dues of micro & small enterprises	-	-	-	-	-	-	-	**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	1,064.06	-	-	-	3.00	-	-	**1,067.06**

Notes to Consolidated Financial Statements

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

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
(II) Other Insurers								
i) Total outstanding dues of micro & small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	-	-	581.85	-	-	-	-	**581.85**
Debt Securities	698.83	2,503.43	3,909.11	2,359.08	10,795.73	2,062.44	-	**22,328.62**
Borrowings(Other than Debt Securities)	3,883.85	4,790.80	8,681.40	12,577.35	40,659.09	12,613.03	518.87	**83,724.39**
Subordinated Liabilities	5.40	86.22	157.27	883.17	997.14	1,722.39	18,546.28	**22,397.87**
Insurance Contract Liabilities	232.56	321.74	436.69	732.35	2,326.25	2,089.08	5,196.62	**11,335.29**
Other Financial Liabilities	335.70	11.97	17.90	49.04	104.33	40.34	35.10	**594.38**
Total Undiscounted financial liabilities	**6,578.85**	**7,718.51**	**13,801.70**	**16,624.36**	**54,934.44**	**18,582.58**	**24,309.32**	**1,42,549.76**

Note - 51 Disclosures in connection with IND AS 116 - Leases

The Group has taken office premises and related assets on lease for its operations.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of machinery with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of lease liabilities included under financial liabilities and right to use asset included in Property, Plant and Equipment and the movements during the period:

Other Disclosures

(i) (a) Movement in the carrying value of the Right to Use Asset for the year ended March 31, 2024

Particulars	Amount		
	Building	Office Equipment	Computer Equipment
Opening Balance	180.40	4.68	2.66
Depreciation charge for the Period	(84.86)	(4.68)	(2.66)
Additions during the Period	308.98	-	-
Adjustment/Deletion	(16.96)	-	-
Closing Balance	**387.56**	**-**	**-**

(i) (b) Movement in the carrying value of the Right to Use Asset for the year ended March 31, 2023

Particulars	Amount		
	Building	Office Equipment	Computer Equipment
Opening Balance	128.04	15.48	8.78
Depreciation charge for the Period	(64.25)	(10.80)	(6.12)
Additions during the Period	118.05	-	-
Adjustment/Deletion	(1.44)	-	-
Closing Balance	**180.40**	**4.68**	**2.66**

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

(ii) Classification of current and non current liabilities of the lease liabilities

Particulars	As on March 31, 2024	As on March 31, 2023
Current Liabilities	79.75	119.61
Non Current Liabilities	328.42	92.38
Total Lease Liabilities	**408.17**	**211.99**

(iii) Movement in the carrying value of the Lease Liability during the year

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	211.99	166.78
Interest Expense	26.84	17.14
Lease Payments [Total Cash Outflow]	(70.23)	(86.94)
Short term rent concession	-	-
Additions during the year	294.83	115.94
Adjustment/Deletion	(55.26)	(0.93)
Closing Balance	**408.17**	**211.99**

(iv) Contractual Maturities of Lease Liability outstanding

Particulars	As on March 31, 2024	As on March 31, 2023
Less than One year	105.31	118.67
One to Five years	278.37	181.84
More than Five years	115.25	5.63
Total	**498.93**	**306.14**

(v) The following are the amount recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense of right-of-use assets	92.20	81.17
Interest expense on lease liabilities	26.84	17.14
Expense relating to short-term leases (included in other expenses)	8.85	7.63
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognised in profit or loss	**127.89**	**105.94**

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8% to 12%.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to the lease liabilities as and when they fall due.

The Group has several lease contracts that includes extension and termination contracts. These options are negotiated by the management of the respective entities to provide flexibility in managing the leased-asset portfolio and align with Group's business needs. The management of the respective entities exercises significant judgement in determining whether these extension and termination are reasonably certain to be exercised.

The Group has not defaulted in its lease obligations.

Notes to Consolidated Financial Statements

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

Note - 52

Note - 52.1 Fair value of financial instruments

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group 's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and non–financial liabilities.

Particulars	March 31, 2024		March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	973.22	973.22	1,055.44	1,055.44
Bank balances Other than Cash and Cash Equivalents	3,575.26	3,575.26	2,108.27	2,108.27
Receivables				
i) Trade Receivables	214.17	214.17	99.13	99.13
ii) Other Receivables	140.50	140.50	95.35	95.35
iii) Insurance Contract Assets	435.80	435.80	308.15	308.15
iv) Reinsurance Assets	1,438.01	1,438.01	789.56	789.56
Loans	1,44,462.65	1,46,221.22	1,04,809.65	1,04,848.01
Other Investments	19,581.19	19,344.22	17,066.45	17,124.71
Other Financial Assets	703.21	756.20	577.06	577.40
Total Financial Assets	**1,71,524.01**	**1,73,098.60**	**1,26,909.06**	**1,27,006.02**
Financial Liabilities				
Payables				
i) Trade Payables	498.60	498.60	375.89	375.89
ii) Other Payables	1,323.02	1,323.02	1,091.06	1,091.06
iii) Other Insurers	713.28	713.28	581.85	581.85
Debt Securities	24,812.76	24,884.85	19,653.58	19,893.74
Borrowings(Other than Debt Securities)	1,04,511.13	1,04,800.39	73,186.19	73,532.82
Subordinated Liabilities	4,690.11	5,230.09	4,351.26	4,505.87
Insurance Contract Liabilities	10,805.52	10,805.52	8,805.82	8,805.82
Other Financial Liabilities	643.64	641.70	485.09	480.45
Total Financial Liabilities	**1,47,998.06**	**1,48,897.45**	**1,08,530.74**	**1,09,267.50**

The Group assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable and payables approximates their carrying amount largely due to 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 of financial assets or liabilities disclosed under level 2 category.

i) Derivatives are fair valued using market observable rates and publishing prices.

ii) The fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.

iii) The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate near to report date based on comparable rate / market observable data.

iv) The fair values of quoted equity investments are derived from quoted market prices in active markets.

v) The fair value investment in Government securities are derived from rate near to the reporting date of the comparable product.

Notes to Consolidated Financial Statements

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

Note - 52.2 - Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2024

Particulars	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value				
FVTOCI Equity Instruments	4.58	0.92	-	2.37
FVTOCI Debt Instruments	12,933.29	-	13,383.29	-
FVTPL Debt Instruments & AIF	364.94	-	364.94	-
FVTPL Equity Instruments & Mutual Funds	985.98	893.49	-	1.51
Derivative financial instruments	247.82	-	247.82	-
Assets for which fair values are disclosed				
Investments-At Amortised cost	5,293.79	3,447.81	1,789.89	-
Investment Properties *	28.96	-	-	29.68
Loans	1,44,462.65	-	-	1,46,221.22

There have been no transfers between different levels during the period.

* Fair value of investment property is calculated based on valuation given by external independent valuer.

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2024

Liabilities measured at Fair value				
Derivative financial instruments	186.70	-	186.70	-
Liabilities for which fair values are disclosed				
Debt Securities	24,884.85	-	24,884.85	-
Borrowings (Other than Debt Securities)	1,04,800.38	-	1,04,800.38	-
Subordinated Liabilities	5,230.09	-	5,230.09	-

There have been no transfers between different levels during the period.

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2023

Particulars	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value				
FVTOCI Equity Instruments	19.75	17.66	-	2.09
FVTOCI Debt Instruments	11,582.83	-	11,582.83	-
FVTPL Debt Instruments & AIF	57.46	-	57.46	-
FVTPL Equity Instruments & Mutual Funds	446.69	440.17	-	6.52
Derivative financial instruments	272.86	-	272.86	-

Notes to Consolidated Financial Statements

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

Particulars	Carrying Value	Fair value measurement using: Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed				
Investments-At Amortised cost	4,969.02	2,929.96	1,848.54	-
Investment Properties *	28.96	-	-	29.49
Loans	1,04,809.65	-	-	1,04,848.01

There have been no transfers between different levels during the period.

* Fair value of investment property is calculated based on valuation given by external independent valuer.

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2023

Liabilities measured at Fair value				
Derivative financial instruments	134.27	-	134.27	-
Liabilities for which fair values are disclosed				
Debt Securities	19,740.72	-	19,740.72	-
Borrowings (Other than Debt Securities)	73,532.82	-	73,532.82	-
Subordinated Liabilities	4,609.60	-	4,609.60	-

There have been no transfers between different levels during the period.

Note - 52.3 Summary of Financial assets and liabilities which are recognised at amortised cost

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Cash and Cash Equivalents	973.22	1,055.44
Bank balances other than Cash and Cash Equivalents	3,575.26	2,108.27
Loans	1,44,462.65	1,04,809.65
Investments	5,293.79	4,979.94
Other Financial Assets	703.21	577.06
Financial Liabilities		
Debt Securities	24,812.76	19,653.58
Borrowings(Other than Debt Securities)	1,04,511.13	73,186.19
Subordinated Liabilities	4,690.11	4,351.26
Other Financial Liabilities	643.64	485.09

52.4 Refer Note 15 for sensitivity analysis for investment property, whose fair value is disclosed under the level 3 category.

Notes to Consolidated Financial Statements

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

Note - 53 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

As at and for the year ended March 31, 2024

Name of the entity	Net Assets (i.e. total assets less total liabilities)		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
I. Parent								
Cholamandalam Financial Holdings Limited	0.00%	47.51	(0.60%)	(21.46)	(0.52%)	(0.28)	(0.56%)	(21.74)
II. Subsidiaries								
Cholamandalam Investment and Finance Company Limited	40.00%	8,803.64	33.40%	1,285.76	(58.86%)	(31.41)	32.13%	1,254.35
Cholamandalam MS General Insurance Company Limited	4.00%	913.64	12.90%	496.14	139.86%	74.63	14.62%	570.77
Non-Controlling Interests in all subsidiaries	54.00%	11,882.29	54.00%	2,078.04	19.52%	10.42	53.51%	2,088.46
III. Associates & Joint Venture								
White Data Systems India Private Limited	-	-	(0.10%)	(2.97)	-	-	(0.08%)	(2.97)
Vishvakarma Payments Private Limited	-	-	-	-	-	-	-	-
Cholamandalam MS Risk Services Limited	-	21.31	0.10%	2.76	-	-	0.07%	2.76
Payswiff Tehnologies Private Limited	2.00%	455.63	0.30%	12.29	-	-	0.31%	12.29
Paytail Commerce Private Limited	-	-	-	-	-	-	-	-
Total Share of Holding and Non-Controlling Interest	**100.00%**	**22,124.02**	**100.00%**	**3,850.56**	**100.00%**	**53.36**	**100.00%**	**3,903.92**

As at and for the year ended March 31, 2023

Name of the entity	Net Assets (i.e. total assets less total liabilities)		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
I. Parent								
Cholamandalam Financial Holdings Limited	0.00%	(3.60)	(1.00%)	(23.70)	(0.16%)	0.22	(0.88%)	(23.48)
II. Subsidiaries								
Cholamandalam Investment and Finance Company Limited	39.00%	6,375.48	41.00%	1,163.88	(8.06%)	10.83	43.91%	1,174.71
Cholamandalam MS General Insurance Company Limited	5.00%	819.10	6.00%	158.74	70.77%	(95.06)	2.38%	63.68
Non-Controlling Interests in all subsidiaries	53.00%	8,597.44	54.00%	1,519.39	37.45%	(50.32)	54.92%	1,469.07

Notes to Consolidated Financial Statements

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

Name of the entity	Net Assets (i.e. total assets less total liabilities)		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
III. Associate & Joint Venture								
White Data Systems India Private Limited	-	(1.37)	-	(2.07)	-	-	(0.08%)	(2.07)
Vishvakarma Payments Private Limited	-	-	-	-	-	-	-	-
Cholamandalam MS Risk Services Limited	-	18.55	-	3.13	-	-	0.12%	3.13
Payswiff Tehnologies Private Limited	3.00%	443.41	-	(9.00)	-	-	(0.34%)	(9.00)
Paytail Commerce Private Limited	-	9.01	-	(0.75)	-	-	(0.03%)	(0.75)
Total Share of Holding and Non-Controlling Interest	**100.00%**	**16,258.02**	**100.00%**	**2,809.62**	**100.00%**	**(134.33)**	**100.00%**	**2,675.29**

Note - 53 (A) Additional Disclosures Under Schedule III Division III

Part I -Ageing Analysis

A(i) Trade Receivables ageing schedule as on March 31,2024

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	214.68	0.68	2.43	-	-	217.79
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	(1.06)	(0.13)	(2.43)	-	-	(3.62)
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**213.62**	**0.55**	**-**	**-**	**-**	**214.17**

A(ii) Trade Receivables ageing schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	85.91	7.28	5.94	-	-	99.13
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-

Notes to Consolidated Financial Statements

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

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**85.91**	**7.28**	**5.94**	**-**	**-**	**99.13**

B(i) Capital Work In Progress (CWIP) ageing schedule as on March 31,2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	-	-	-	-	**-**
Projects Temporarily Suspended	-	-	-	-	**-**

B(ii) Capital Work In Progress (CWIP) ageing schedule as on March 31, 2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	35.74	-	-	-	**35.74**
Projects Temporarily Suspended	-	-	-	-	**-**

C(i) Intangible assets under development aging schedule as on March 31, 2024

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	2.59	0.05	10.03	-	**12.67**
Projects Temporarily Suspended	-	-	-	-	**-**

C(ii) Intangible assets under development aging schedule as on March 31, 2023

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	13.48	8.09	3.19	-	**24.76**
Projects Temporarily Suspended	-	-	-	-	**-**

D(i) Trade Payables ageing schedule as on March 31, 2024

Particulars	Outstanding for following periods from due date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises	8.10	-	-	-	**8.10**
(ii) Others	485.96	0.08	1.62	2.84	**490.50**

Notes to Consolidated Financial Statements

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

Particulars	Outstanding for following periods from due date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(iii) Disputed dues - Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**494.06**	**0.08**	**1.62**	**2.84**	**498.60**

D(ii) Trade Payables ageing schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises	3.55	-	-	-	**3.55**
(ii) Others	362.92	4.14	4.88	0.40	**372.34**
(iii) Disputed dues - Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**366.47**	**4.14**	**4.88**	**0.40**	**375.89**

Note 53 (A) - Additional Disclosures Under Schedule III Division III

Part - II - Other Disclosures

Note - 53.1 No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Note - 53.2 Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Note - 53.3 The Group does not have any outstanding amount arising out of transactons with struck off Companies during the year.

Note - 53.4 There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period as at the end of the year.

Note - 53.5 The Group as part of its normal lending business, grants loans and advances to its customers, other entities and persons ensuring adherence to all regulatory requirements. Further, the Group has also borrowed funds from banks, financial institutions in compliance with regulatory requirements in the ordinary course of business.

Other than the transactions described above, 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 Group 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 lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has also not received any fund from any parties (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries during the year (Previous year - Nil)

Note - 53.6 Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2024 (Previous year - Nil)

Note - 53.7 Group has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

Notes to Consolidated Financial Statements

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

Note - 53.8 Group has not entered into any scheme of arrangements which has an accounting impact on current/previous financial year.

Note - 53.9 There is no income surrendered/disclosed as income during the current/previous year in the tax assessments under Income Tax Act, 1961, that has not been recorded in the books of accounts.

Note - 54 Events after reporting date

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

Note - 55 Prior period information

Previous year figures have been regrouped / re-classified wherever necessary to conform to current year's classification.

As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Regn No.109983W

Tirtharaj Khot
Partner
Membership No: (F) - 037457

Date : May 10, 2024
Place : Chennai

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

E Krithika
Company Secretary

M M Murugappan
Chairman
DIN:00170478

N Ganesh
Manager & Chief Financial Officer



CAUTIONARY STATEMENT:

Certain expectations and projections regarding the future performance of the Company referenced in the Annual Report constitute forward-looking statements. These expectations and projections are based on currently available competitive, financial and economic data, along with the Company's operating plans and are subject to certain future events and uncertainties, which could cause actual results to differ materially from those indicated by such statements.



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