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Tranche IV Prospectus
January 16, 2024

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

Our Company was originally incorporated as a public limited company under the name of 'Cholamandalam Investment and Finance Company Limited' under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Tamil Nadu at Chennai ("**RoC**") on August 17, 1978. It commenced its business pursuant to a certificate of commencement of business dated November 22, 1978 issued by the RoC. The name of our Company was changed to 'Cholamandalam DBS Finance Limited' pursuant to a fresh certificate of incorporation issued by the RoC on April 12, 2006 and was subsequently changed to 'Cholamandalam Investment and Finance Company Limited' pursuant to a fresh certificate of incorporation issued by the RoC on June 2, 2010. The CIN of our Company is L65993TN1978PLC007576. We have obtained a certificate of registration dated June 9, 2011, bearing number 07-00306 issued by the RBI to commence/ carry on the business of non-banking financial institution under Section 45-IA of the RBI Act, 1934 and another certificate of registration dated December 15, 2022, bearing number N-07-00893, to commence/ carry on the factoring business without accepting public deposits. Further, our Company has also been classified as NBFC-ICC. For more information about our Company, please see "*General Information*" and "*History and Certain Corporate Matters*" on pages 47 and 189, respectively.

Corporate Identity Number: L65993TN1978PLC007576; **PAN:** AAACC1226H
Registered and Corporate Office: Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600032, Tamil Nadu, India
Tel: +91 44 4090 7172; **Website**: www.cholamandalam.com; **Email:** investors@chola.murugappa.com
Company Secretary and Compliance Officer: P. Sujatha; **Tel:** +91 44 4090 7172; **Email:** sujathap@chola.murugappa.com
Chief Financial Officer: D. Arul Selvan; **Tel:** +91 44 4090 7172; **Email:** arulselvand@chola.murugappa.com

PUBLIC ISSUE BY CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED ("COMPANY" OR THE "ISSUER") OF UP TO 1,66,30,000 SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH ("NCDs") FOR AN AMOUNT AGGREGATING UP TO ₹500 CRORES ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹1,163 CRORE, AGGREGATING UP TO ₹1,663 CRORE (HEREINAFTER REFERRED TO AS THE "TRANCHE IV ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF ₹ 5,000 CRORES AND IS BEING OFFERED BY WAY OF THIS TRANCHE IV PROSPECTUS DATED JANUARY 16, 2024, CONTAINING INTER ALIA THE TERMS AND CONDITIONS OF TRANCHE IV ISSUE ("TRANCHE IV PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED APRIL 19, 2023 ("SHELF PROSPECTUS") FILED WITH THE REGISTRAR OF COMPANIES, TAMIL NADU AT CHENNAI ("ROC"), STOCK EXCHANGES AND SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"). THE SHELF PROSPECTUS AND THE TRANCHE IV PROSPECTUS CONSTITUTES THE PROSPECTUS ("PROSPECTUS").

THIS TRANCHE IV ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON - CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED (THE "SEBI NCS REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT, 2013") TO THE EXTENT NOTIFIED AND THE SEBI MASTER CIRCULAR. THE ISSUE IS NOT UNDERWRITTEN.

OUR PROMOTERS

Our Promoters are Cholamandalam Financial Holdings Limited, Ambadi Investments Limited, M V Subbiah, M A Alagappan, A Vellayan, A Venkatachalam, M M Murugappan, M M Venkatachalam, M A M Arunachalam, S Vellayan, Arun Alagappan, M M Veerappan, V Narayanan, V Arunachalam, M M Muthiah, M V Muthiah, Arun Venkatachalam, M V Subramanian, M V Murugappan HUF, M V Subbiah HUF, M A Alagappan HUF, A Vellayan HUF, A Venkatachalam HUF, M M Murugappan HUF, M A M Arunachalam HUF, M M Venkatachalam HUF, M M Muthiah HUF, A M M Arunachalam HUF, Murugappa & Sons (M V Subbiah, M A Alagappan & M M Murugappan hold shares on behalf of the firm) Tube Investments of India Limited New Ambadi Estates Private Limited, Coromandel International Limited, Ambadi Enterprises Limited, Carborundum Universal Limited, E.I.D. Parry (India) Limited, M A Alagappan (holds shares on behalf of Kadamane Estates).
Tel: +91 44 4090 7172; **Email**: investors@chola.murugappa.com. For further details, see "*Our Promoters*" beginning on page 206.

GENERAL RISKS

Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under "*Risk Factors*" on page 18 of this Tranche IV Prospectus. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities. This Tranche IV Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), RoC or any stock exchange in India nor do they guarantee the accuracy or adequacy of this document.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Tranche IV Prospectus read together with the Shelf Prospectus, contains all information with regard to our Company and this Tranche IV Issue, which is material in the context of this Tranche IV Issue. The information contained in this Tranche IV Prospectus read together with the Shelf Prospectus, is true and correct in all material respects and is not misleading and that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which makes this Tranche IV Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

The NCDs proposed to be issued pursuant to this Tranche IV Issue have been rated IND AA+/Stable by India Ratings & Research Private Limited for an amount of up to ₹ 5,000 crores by way of its letter dated February 15, 2023 (further revalidated on March 20, 2023, April 13, 2023, July 12, 2023, November 1, 2023 and January 2,2024) and [ICRA]AA+ (Positive) by ICRA Limited by way of its letter dated January 2, 2024 (further revalidated on January 4, 2024). Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. The press release by the rating agencies in relation to the Issue shall not be older than one year from the date of the opening of the Issue. The rating provided by the Credit Rating Agencies may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. For the rationale and press release for these ratings, see *"General Information"* and "*Annexure B*" of this Tranche IV Prospectus, beginning on pages 47 and 414, respectively.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated March 31, 2023 was filed with BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" along with BSE, the "**Stock Exchanges**"), pursuant to the provisions of SEBI NCS Regulations and was open for public comments for a period of seven Working Days from the date of filing of the Draft Shelf Prospectus with the Stock Exchanges until 5:00 p.m. on April 13, 2023. No comments were received on the Draft Shelf Prospectus until 5:00 p.m. on April 13, 2023.

LISTING

The NCDs offered through this Tranche IV Prospectus and the Shelf Prospectus are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number DCS/BM/Pi-BOND/002/23-24 dated April 13, 2023 and from NSE by way of its letter bearing reference number NSE/LIST/D/2023/0090 dated April 13, 2023. NSE shall be the Designated Stock Exchange.

COUPON RATE, COUPON PAYMENT FREQUENCY, RDEMPTION DATE, REDEMPTION AMOUNT AND ELIGIBLE INVESTORS

For details pertaining to Coupon Rate, Coupon Payment Frequency, Redemption Date and Redemption Amount of the NCDs, see "*Terms of the Issue*" beginning on page 280. For details relating to eligible investors, see "*Issue Structure*" beginning on page 295.

LEAD MANAGER TO THE ISSUE

A. K. Capital Services Limited
603, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai 400 098,
Maharashtra, India
Tel: +91 22 6754 6500
Facsimile: +91 22 6610 0594
Email: chola.ncd2023@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Aanchal Wagle/ Milan Soni
Compliance Officer: Tejas Davda
SEBI Registration No: INM000010411
CIN: L74899MH1993PLC274881

REGISTRAR TO THE ISSUE

KFin Technologies Limited (*formerly known as KFIN Technologies Private Limited*)
Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad Rangareddi 500 032, Telangana, India
Tel: +91 40 6716 2222
Facsimile: +91 40 6716 1563
Email: chola.ncdipo@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221
CIN: L72400TG2017PLC117649

CREDIT RATING AGENCIES

India Ratings & Research Pvt Ltd
Wockhardt Towers, 4th Floor, West Wing,
Bandra Kurla Complex,
Bandra East, Mumbai 400 051,
Maharashtra, India
Tel: +91 22 4000 1700
Facsimile: + 91 22 4000 1701
Email: infogrp@indiaratings.co.in
Website: www.indiaratings.co.in
Contact Person: Jinay Gala
Compliance Officer: Arunima Basu

ICRA Limited
Building No.8, 2nd Floor, Tower A, DLF
Cyber City, Phase II,
Gurgaon 122 002,
Haryana, India
Tel: +91 124 454 5300
Facsimile: +91 124 405 0424
Email: shivakumar@icraindia.com
Website: www.icra.in
Contact Person: L. Shivakumar
SEBI Registration No: IN/CRA/008/15
CIN: L74999DL1991PLC042749

DEBENTURE TRUSTEE**

IDBI Trusteeship Services Limited**
Universal Insurance Building,
Ground Floor, Sir P.M. Road,
Fort, Mumbai - 400001
Tel: +91 22 40807073
Facsimile: +91 22 66311776
Email: itsl@idbitrustee.com / jinal@idbitrustee.com
Investor Grievance Email: response@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Jinal Shah
Compliance Officer: Sneha Jadhav
SEBI Registration No.: IND000000460
CIN: U65991MH2001GOI131154

STATUTORY AUDITORS

M/s. Price Waterhouse LLP, Chartered Accountants
7th and 10th Floor,
Menon Eternity,
165, St. Mary's Road,
Alwarpet, Chennai 600 018
Tel: 91 80 4079 5000
Firm Registration No.: 01112E/E300264
Email: abdul.majeed@pwc.com
Peer Review Certificate No.: 012776
Contact Person: A.J. Shaikh

M/s. Sundaram & Srinivasan, Chartered Accountants
23, CP Ramaswamy Road, Alwarpet,
Chennai 600018,
Tamil Nadu, India
Tel: 044 2498 8762
Firm Registration No.: 004207S
Email: usha@sundaramandsrinivasan.co.in
Peer Review Certificate No.: 013703
Contact Person: S. Usha

TRANCHE IV ISSUE PROGRAMME*

TRANCHE IV ISSUE OPENS ON: JANUARY 19, 2024	TRANCHE IV ISSUE CLOSES ON: FEBRUARY 2, 2024

** This Tranche IV Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m.(Indian Standard Time) during the period indicated in this Tranche IV Prospectus, except that this Tranche IV Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or Debenture Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations and subject to not exceeding thirty days from filing this Tranche IV Prospectus with ROC. In the event of an early closure or extension of this Tranche IV Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche IV Issue have been given on or before such earlier or initial date of Tranche IV Issue closure. Application Forms for this Tranche IV Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Tranche IV Issue Period. On the Tranche IV Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day after the Tranche IV Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 280.*

***IDBI Trusteeship Services Limited pursuant to Regulation 8 of the SEBI NCS Regulations and by way of letters dated March 27,2023 and July 25, 2023 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche IV Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Tranche IV Issue. A copy of the Shelf Prospectus and this Tranche IV Prospectus have been filed with the RoC, in terms of Section 26 and Section 31 of the Companies Act, 2013, along with the endorsed/ certified copies of all requisite documents. For further details, see "Material Contracts and Documents for Inspection" beginning on page 410.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Tranche IV Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Tranche IV Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Tranche IV Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI NCS Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, the RBI Act and the rules and regulations notified thereunder.

General Terms

Term	Description
Company / Issuer	Cholamandalam Investment and Finance Company Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600032, Tamil Nadu, India
We / us / our	Unless the context otherwise indicates or implies, refers to our Company

Company related terms

Term	Description
Articles / Articles of Association / AoA	Articles of association of our Company
Audit Committee	Audit committee of Board of Directors of our Company, constituted in accordance with applicable laws
Audited Consolidated Financial Statements	Comprises of: (i) Audited consolidated financial statements of the Company and its subsidiaries (together referred to as the Group) and its associates and joint venture as of and for financial year ended March 31, 2021, which are prepared in accordance with Indian Accounting Standards (Ind AS) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act, and which have been approved by the Board of Directors of our Company at their meeting held on May 7, 2021. (ii) Audited consolidated financial statements of the Company and its subsidiaries (together referred to as the Group) and its associates and joint venture as of and for each of the financial year ended March 31, 2022 and March 31, 2023 which are prepared in accordance with Indian Accounting Standards (Ind AS) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act, and which have been approved by the Board of Directors of our Company at their meetings held on May 5, 2022 and May 3, 2023 respectively.
Audited Standalone Financial Statements	Comprises of: (i) Audited standalone financial statements of the Company for financial year ended March 31, 2021, which are prepared in accordance with Indian Accounting Standards (Ind AS) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act, and which have been approved by the Board of Directors of our Company at their meeting held on May 7, 2021. (ii) Audited standalone financial statements of the Company for financial year ended March 31, 2022 and March 31, 2023 which are prepared in accordance with Indian Accounting Standards (Ind AS) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act, and which have been approved by the Board of Directors of our Company at their meetings held on May 5, 2022 and May 3, 2023 respectively.
Audited Financial Statements/ Financial Information	Audited Consolidated Financial Statements and Audited Standalone Financial Statements collectively.
Board / Board of Directors	Board of directors of our Company and includes any committee constituted thereof

Term	Description
Chairperson	The Chairperson of our Board of Directors
CHFL	Cholamandalam Home Finance Limited
Corporate Office	Corporate office of our Company located at Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600032, Tamil Nadu, India
Corporate Social Responsibility Committee	Corporate social responsibility committee of Board of Directors of our Company constituted in accordance with applicable laws
Committee	A committee constituted by the Board, from time to time
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company
CSEC/CSL	Cholamandalam Securities Limited
Debenture Committee	Debenture committee of Board of Directors of our Company, constituted in accordance with applicable laws
Debt/ Outstanding Debt/ Total Debt	Debt includes debt securities and borrowings other than debt securities and subordinated liabilities
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of face value ₹ 2 each of our Company
Group Companies	Chola Business Services Limited, Cholamandalam MS General Insurance Company Limited, Cholamandalam MS Risk Services Limited, Cherry Tin Online Private Limited, CE Info Systems Limited, Coromandel Engineering Company Limited, Medall Healthcare Private Limited, Murugappa Morgan Thermal Ceramics Limited, Murugappa Management Services Private Limited, Net Access India Limited, Parry Agro Industries Limited, Parry Enterprises India Limited, Paytail Commerce Private Limited, and Zetwerk Manufacturing Businesses Private Limited
Independent Directors(s)	Independent director(s) of our Company, as disclosed under *"Our Management"*, beginning on page 175.
Key Managerial Personnel(s) / KMP(s)	Key managerial personnel(s) of our Company as disclosed under *"Our Management"*, beginning on page 175 and appointed in accordance with provisions of the Companies Act, 2013.
Memorandum / Memorandum of Association/ MoA	Memorandum of association of our Company
Nomination and Remuneration Committee/ NRC	Nomination and remuneration committee of Board of Directors of our Company, constituted in accordance with applicable laws
Non-Executive Director(s)	Non-executive director(s) of our Company, as disclosed under *"Our Management"*, beginning on page 175.
Previous Statutory Auditor	Previous Statutory Auditors of our Company i.e., M/s S.R. Batliboi and Associates LLP, Chartered Accountants
Promoters	Cholamandalam Financial Holdings Limited, Ambadi Investments Limited, M V Subbiah, M A Alagappan, A Vellayan, A Venkatachalam, M M Murugappan, M M Venkatachalam, M A M Arunachalam, S Vellayan, Arun Alagappan, M M Veerappan, V Narayanan, V Arunachalam, M M Muthiah, M V Muthiah, Arun Venkatachalam, M V Subramanian, M V Murugappan HUF, M V Subbiah HUF, M A Alagappan HUF, A Vellayan HUF, A Venkatachalam HUF, M M Murugappan HUF, M A M Arunachalam HUF, M M Venkatachalam HUF, M M Muthiah HUF, A M M Arunachalam HUF, Murugappa & Sons (M V Subbiah, M A Alagappan & M M Murugappan hold shares on behalf of the firm) Tube Investments of India Limited, New Ambadi Estates Private Limited, Coromandel International Limited, Ambadi Enterprises Limited, Carborundum Universal Limited, E.I.D. Parry (India) Limited, M A Alagappan (holds shares on behalf of Kadamane Estates)
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2 (1) (pp) of the SEBI ICDR Regulations, 2018, as amended
PTPL	Payswiff Technologies Private Limited
Registered Office	Registered office of our Company located at Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600032, Tamil Nadu, India
Registrar of Companies / RoC	Registrar of Companies, Chennai at Tamil Nadu

Term	Description
Senior Management	Senior Management of our Company in accordance with Regulation 2 (1)(iia) of the SEBI NCS Regulations
Shareholders	Equity Shareholders of our Company from time to time
Statutory Auditor(s)	M/s. Price Waterhouse LLP, Chartered Accountants and M/s. Sundaram & Srinivasan, Chartered Accountants
Subsidiaries	The subsidiaries of our Company, namely, Cholamandalam Securities Limited, Cholamandalam Home Finance Limited, and Payswiff Technologies Private Limited* ** Even though the Company holds 74.82% of the paid-up equity capital of PTPL as of March 31, 2023, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholder agreement executed between the group and founders of PTPL dated January 17, 2022, the group is considered to have joint control over PTPL as per Ind AS 28 read with IND AS 110. Hence, it is classified as investment in joint venture in the audited consolidated financial statements of the Company for the Financial Year ended March 31, 2023.*
Unaudited Consolidated Interim Financial Results	Unaudited consolidated interim financial results of the Group and its associates and joint venture for the quarter and six months ended September 30, 2023 prepared in accordance with Indian Accounting Standards 34 "Interim Financial Reporting", prescribed specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act and which have been approved by the Board of Directors of our Company at their meeting held on November 2, 2023 and submitted by the Company to the Stock Exchanges pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
Unaudited Interim Financial Results	The Unaudited Consolidated Interim Financial Results and the Unaudited Standalone Interim Financial Results
Unaudited Standalone Interim Financial Results	Unaudited standalone interim financial results of the Company for the quarter and six months ended September 30, 2023 prepared in accordance with Indian Accounting Standards 34 "Interim Financial Reporting", prescribed specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act and which have been approved by the Board of Directors of our Company at their meeting held on November 2, 2023 and submitted by the Company to the Stock Exchanges pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Issue related terms

Term	Description
Abridged Prospectus	A memorandum containing the salient features of the Shelf Prospectus and this Tranche IV Prospectus
Acknowledgement Slip/ Transaction Registration Slip/ TRS	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
A. K. Capital/Lead Manager	A. K. Capital Services Limited
Allot/ Allotment / Allotted	Unless the context otherwise requires, the issue and allotment of the NCDs pursuant to this Tranche IV Issue
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
Allottee(s)	The successful Applicant to whom the NCDs are Allotted, either in full or in part in terms of this Tranche IV Issue
Applicant / Investor / ASBA Applicant / ASBA Bidder	The person who applies for issuance and Allotment of NCDs through ASBA process or through UPI Mechanism pursuant to the terms of the Shelf Prospectus, this Tranche IV Prospectus, the Abridged Prospectus and Application Form for this Tranche IV Issue.
Application / ASBA Application	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to this Tranche IV Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount or an Application Amount of up to UPI Application Limit will be blocked upon acceptance of UPI Mandate Request by retail investors which will be considered as the application for Allotment in terms of the Shelf Prospectus and this Tranche IV Prospectus.

Term	Description
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for this Tranche IV Issue
Application Form / ASBA Form	The form in terms of which the Applicant shall make an offer to subscribe to the NCDs through the ASBA process or through the UPI Mechanism and which will be considered as the Application for Allotment of NCDs and in terms of the Shelf Prospectus and this Tranche IV Prospectus
ASBA Account	A bank account maintained by an ASBA Bidder with an SCSB, as specified in the ASBA Form submitted by ASBA Applicants for blocking the Bid Amount mentioned in the ASBA Form, and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value up to UPI Application Limit
ASBA Applicant	Any Applicant who applies for NCDs through the ASBA process
ASBA / Application Supported by Blocked Amount	The Application whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application by authorising SCSB to block the Application Amount in the specified bank account maintained with such SCSB or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of up to UPI Application Limit which will be considered as the application for Allotment in terms of the Shelf Prospectus and this Tranche IV Prospectus.
Banker to the Issue	Collectively Public Issue Account Bank, Refund Bank and Sponsor Bank
Base Issue Size/ Base Issue	₹500 crore
Basis of Allotment	The basis on which NCDs will be allotted to applicants as described in "*Issue Procedure – Basis of Allotment for NCDs*" on page 300
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Consortium, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com
BSE	BSE Limited
Category I Investor (Institutional Investors)	• Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds and pension funds each with a minimum corpus of ₹ 25 crores, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI or Non-Banking Financial Company registered with the RBI having a total assets of ₹ 500 crore or more as per the last audited financial statements; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI
Category II Investor (Non-Institutional Investors)	• Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;

Term	Description
	• Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons
Category III Investor (High net-worth Individual Investors)	High net-worth individual investors - resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all options of NCDs in this Tranche IV Issue.
Category IV Investor (Retail Individual Investors)	Retail individual investors – resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all options of NCDs in this Tranche IV Issue and shall include retail individual investors, who have submitted bid for an amount not more than UPI Application Limit (i.e., ₹ 500,000 for issue of debt securities) in any of the bidding options in the Tranche IV Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism
Charged Receivables	Receivables of the Company as identified or to be identified under the Deed of Hypothecation which from time to time are expressed to be, the subject of the Security.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Collecting Depository Participants / CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered with the SEBI Act and who is eligible to procure Applications at the Designated CDP Locations in terms of the SEBI Master Circular
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Locations
Company Customers	Any person to whom the Company extends loans in its ordinary course of business pursuant to the Company loan documents
Consortium Agreement	Consortium Agreement dated January 16, 2024 between our Company, Lead Manager and Consortium Member.
Consortium Member	A.K. Stockmart Private Limited
Consortium / Members of the Consortium / Members of Syndicate (each individually, a Member of the Consortium)	The Lead Manager and the Consortium Member
Coupon/ Interest Rate	Please see the section titled "*Issue Structure*" on page 295
Credit Rating Agency(ies)	India Ratings & Research Pvt Ltd and ICRA Limited
Debenture Holder(s) / NCD Holder(s)	The holders of the Secured NCDs whose name appears in the database of the relevant Depository and/or the register of NCD Holders (if any) maintained by our Company if required under applicable law.
Debenture Trust Deed	The trust deed to be entered between the Debenture Trustee and our Company which shall be executed in relation to the NCDs within the time limit prescribed by applicable statutory and/or regulatory requirements, including creation of appropriate security, in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% security cover on the outstanding principal amounts and interest thereon. The contents of the Debenture Trust Deed shall be as prescribed by SEBI or any other applicable statutory/regulatory body from time to time
Debenture Trustee Agreement	Agreement dated March 31, 2023 entered into between our Company and the Debenture Trustee
Debenture Trustee / Trustee	Trustees for the NCD holders in this case being IDBI Trusteeship Services Limited
Deed of Hypothecation	Unattested deed of hypothecation to be executed by the Company in favour of the Debenture Trustee for creating a first ranking and exclusive charge on the Charged Receivables by way of hypothecation with regard to the NCDs.

Term	Description
Deemed Date of Allotment	The date on which our Board of Directors or a committee approved by the Board of Directors or Debenture Committee approves the Allotment of the NCDs for this Tranche IV Issue or such date as may be determined by the Board of Directors or a Debenture Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for this Tranche IV Issue by way of this Tranche IV Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment
Demographic Details	The demographic details of an Applicant such as his address, email, bank account details, MICR Code and UPI ID, category, PAN etc. for printing on refund or used for refunding through electronic mode as applicable.
Depository(ies)	National Securities Depository Limited and /or Central Depository Services (India) Limited
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms used by the ASBA Applicants and a list of which is available at http://www.sebi.gov.in/sebi_data/attachdocs/1365051213899.html or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other weblink as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com
Designated Date	The date on which the Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account to the Public Issue Account(s) or to the Refund Account, as appropriate, in terms of the Shelf Prospectus and this Tranche IV Prospectus and the Public Issue Account and Sponsor Bank Agreement.
Designated Intermediaries	Includes, the Members of the Consortium, Sub-Consortium/agents, Trading Members, agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Tranche IV Issue
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms and Application Forms submitted using the UPI Mechanism as a payment option (for a maximum amount of UPI Application Limit) are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and updated from time to time
Designated Stock Exchange	NSE
Direct Online Application Mechanism	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities with an online payment facility
DP / Depository Participant	A depository participant as defined under the Depositories Act
Draft Shelf Prospectus	The draft shelf prospectus dated March 31, 2023 filed with the Stock Exchanges for receiving public comments and with SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations
Issue	Public issue by our Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, for an amount aggregating up to the ₹ 5,000 Crores ("**Shelf Limit**") (hereinafter referred to as the "**Issue**"), pursuant to the Shelf Prospectus and the relevant Tranche Prospectus. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant Tranche Prospectus for any tranche issue (each a "**Tranche Issue**") which should be read with the Shelf Prospectus. The Issue is being made pursuant to the provisions of SEBI NCS Regulations, The Companies Act, 2013 and rules made thereunder as amended to the extent notified and the SEBI Master Circular.
Issue Agreement	Agreement dated March 31, 2023 entered into by our Company and the Lead Manager
Issue Document	The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche IV Prospectus read with any notices, corrigenda, addenda thereto, the Abridged Prospectus, the Application Form and supplemental information, if any,
Lead Manager	A. K. Capital Services Limited
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchanges in connection with the listing of debt securities of our Company
Market Lot	One (1) NCD

Term	Description
Mobile App(s)	The mobile applications listed on the website of Stock Exchanges as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism
NCDs / Debentures	Secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹ 5,000 crores offered through the Shelf Prospectus and the Tranche Prospectus(es) through one or more Tranche Issues.
NCD Holders/ Debenture Holder	Any debenture holder who holds the NCDs issued pursuant to this Tranche IV Issue and whose name appears on the beneficial owners list provided by the Depositories.
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue
Offer Document	The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche IV Prospectus, the Abridged Prospectus, the Application Form and supplemental information, if any, read with any notices, corrigenda and addenda thereto
Series/Option(s)	Collectively the Series / Option(s) of NCDs being offered to the Applicants, see "*Issue Related Information*" on page 280
Public Issue Account	Account(s) to be opened with the Banker to the Issue to receive monies from the ASBA Accounts maintained with the SCSBs (including under the UPI mechanism) on the Designated Date
Public Issue Account and Sponsor Bank Agreement	Agreement dated January 16, 2024 entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, the Refund Bank and Sponsor Bank, and the Lead Manager for the appointment of the Sponsor Bank in accordance with the UPI Mechanism Circular and for collection of the Application Amounts from ASBA Accounts under the UPI mechanism from the Applicants on the terms and conditions thereof and where applicable, refund of the amounts collected from the applicants, as specified in this Tranche IV Prospectus for Tranche IV Issue
Public Issue Account Bank	HDFC Bank Limited
Receivables	All and any of the monies, cash flows, receivables, proceeds accruing to the Company, amounts owing to, and receivable by the Company and/ or any person on its behalf, all book debts, present or future, arising from/ in connection with the business of the Company, both present and future, payable by or on behalf of the Company Customers as are Standard Assets, including without limitation: (a) all principal amounts; (b) all amounts on account of interest (including, without limitation, default or additional interest); and (c) all prepayment amounts and amounts due on account of termination and/ or prepayment including liquidated damages and break costs, if any, where, 'Standard Assets' shall mean receivables that are not more than 90 (ninety) days past due and shall include such receivables where upon receipt of amounts from Company Customers towards such receivables as are more than 90 (ninety) days past due, the amounts so received are sufficient to ensure that such receivable is less than 90 (ninety) days past due
Record Date	15 (fifteen) days prior to the interest payment date, and/or Redemption Date for NCDs issued under the this Tranche IV Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date
Recovery Expense Fund	A fund created by our Company with the Designated Stock Exchange in the manner as specified by SEBI in SEBI Master Circular for Debenture Trustees as amended from time to time and Regulation 11 of the SEBI NCS Regulations for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹2,500,000 at the time of making the application for listing of NCDs
Redemption Amount	Please see "*Terms of the Issue*" on page 280
Redemption Date	Please see "*Terms of the Issue*" on page 280
Refund Account	The account(s) to be opened by our Company with the Refund Bank, from which refunds of the whole or part of the Application Amounts (excluding for the successful ASBA Applicants), if any, shall be made.
Refund Bank	HDFC Bank Limited

Term	Description
Register of NCD holder	A register of debenture holders maintained by our Company in accordance with the provisions of the Companies Act, 2013
Registrar Agreement	Agreement dated March 31, 2023 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registered Brokers or Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 as amended from time to time, and the stock exchanges having nationwide terminals, other than the Consortium and eligible to procure Applications from Applicants
Registrar to the Issue/ Registrar	KFin Technologies Limited (*formerly known as KFIN Technologies Private Limited*)
Registrar and Share Transfer Agents/RTA	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Issue at the Designated RTA Locations.
SCSBs / Self Certified Syndicate Banks	The banks registered with SEBI, offering services in relation to ASBA and UPI, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes for ASBA and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for UPI, updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Security	The principal amount of the NCDs to be issued together with all interest due and payable on the NCDs, thereof shall be secured by an exclusive charge by way of hypothecation of Charged Receivables of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover of at least 100% of the outstanding principal amounts and interest thereon is maintained at all times until the Maturity Date. The NCDs proposed to be issued shall rank pari passu without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment.
Shelf Limit	The aggregate limit of the Issue, being ₹5,000 crore to be issued pursuant to the Shelf Prospectus and Tranche Prospectus(es) through one or more Tranche Issues
Shelf Prospectus	The Shelf Prospectus dated April 19, 2023 filed by our Company with the RoC, BSE, NSE and the SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations. The Shelf Prospectus shall be valid for a period as prescribed under section 31 of the Companies Act, 2013.
Stock Exchanges	BSE and NSE
Specified Locations	Centers where the Members of the Consortium shall accept ASBA Forms from Applicants a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time
Sponsor Bank	HDFC Bank Limited
Syndicate ASBA	ASBA Applications through the Designated Intermediaries.
Syndicate ASBA Application Locations	Bidding centres where the Designated Intermediaries shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Centres named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Tenor	Tenor shall mean the tenor of the NCDs as specified in this Tranche IV Prospectus
Trading Members	Intermediaries registered with a broker or a sub-broker under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges
Tranche IV Issue	Public issue by the Company of up to 1,66,30,000 rated, listed, secured, redeemable non-convertible debentures of face value of ₹1,000 each for an amount up to ₹500 crore ("**Base Issue Size**") with an option to retain oversubscription up to ₹1,163 crore, aggregating up to ₹1,663 crore, being offered by way of this Tranche IV Prospectus, which should be read together with the Shelf Prospectus filed with the RoC, Stock Exchanges and SEBI. The Tranche IV Issue is being made pursuant to the provisions of SEBI NCS Regulations, the Companies Act, 2013 and rules made thereunder as amended to the extent notified and the SEBI Master circular.

Term	Description
Tranche IV Issue Closing Date	February 2, 2024
Tranche IV Issue Opening Date	January 19, 2024
Tranche IV Issue Period	The period between the Tranche IV Issue Opening Date and the Tranche IV Issue Closing Date inclusive of both days, during which prospective Applicants may submit their Applications.
Tranche IV Prospectus	This Tranche IV Prospectus dated January 16, 2024, filed by our Company with the SEBI, NSE, BSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations
Transaction Documents	Transaction documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche IV Prospectus read with any notices, corrigenda, addenda thereto, Abridged Prospectus, the Issue Agreement, Registrar Agreement, Consortium Agreement, Debenture Trustee Agreement, Public Issue Account and Sponsor Bank Agreement, Tripartite Agreements, Application Form, the Debenture Trust Deed and Security Documents executed or to be executed by our Company, as the case may be. For further details see, "*Material Contracts and Documents for Inspection*" on page 410.
Tripartite Agreements	Tripartite Agreement dated November 26, 1997 entered into between our Company, Registrar to the Issue (*formerly known as Karvy Consultants Limited*) and NSDL; and Tripartite Agreement dated January 28, 2000 entered into between our Company, Registrar to the Issue (*formerly known as Karvy Consultants Limited*) and CDSL.
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India
UPI Application Limit	Maximum limit to utilize the UPI mechanism to block the funds for application value up to ₹500,000, as applicable and prescribed by SEBI from time to time
UPI Mandate Request / Mandate Request	A request initiated by the Sponsor Bank on the retail individual investor to authorise blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount (not exceeding UPI Application Limit) and subsequent debit of funds in case of allotment
UPI Mechanism / UPI	Unified Payments Interface mechanism in accordance with SEBI Master Circular as amended from time to time, to block funds for application value up to UPI Application Limit submitted through intermediaries.
Wilful Defaulter	Includes wilful defaulters as defined under Regulation 2(1)(lll) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 which includes a Person or a company categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes a company whose director or promoter is categorized as a wilful defaulter
Working Day	Working day means all days on which commercial banks in Mumbai are open for business. In respect of announcement or Tranche IV Issue Period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Further, in respect of the time period between the Tranche IV Issue Closing Date and the listing of the NCDs on the Stock Exchange, working day shall mean all days of the Stock Exchange for NCD, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.

Technical/Industry Related Terms/Abbreviations

Term	Description
AI	Artificial intelligence
ALM	Asset liability management
AML	Anti-money laundering
AUM	Assets Under Management refers sum of Business AUM
Average Net Worth	Average Net Worth is computed as the average of Net Worth balances at the end of each quarter.
Budget 2023	Union Budget for Fiscal 2023
Business AUM	Business AUM represents the sum of Loans (Net of Impairment Allowance and Loans to Subsidiaries) and De-recognised Loans.
CARE	Credit Analysis and Research Limited

Term	Description
CASA	Current Account Savings Account
CDSL	Central Depository Services (India) Limited
CIBIL	TransUnion CIBIL Limited
Closing Assets (Balance Sheet)	Closing Assets (Balance Sheet) represents the sum of Loans and Investments.
CRAR/ CAR	Capital to risk assets ratio
CRISIL	CRISIL Ratings, a division of CRISIL Limited
CV	Commercial vehicle
De-recognised Loans	De-recognised Loans represent outstanding assigned loans as per books as at the end of the relevant year/ period.
Disbursements	Disbursements represents amount disbursed to customers during the relevant year /period
DSA	Direct selling agent
DST	Direct sales team
ECL	Expected credit loss
EV	Electronic Vehicle
Expense Ratio (%)	Expense Ratio represents Operating Expense divided by Average Closing Assets (Balance Sheet)
FFI	Foreign financial institution
FTU	First time users
Gross Stage 3	Gross Carrying Amount- Stage 3 as presented in Financial Information
Gross Stage 3 (%)	Gross Carrying Amount- Stage 3 - Loans/ Total Gross Loans
Gross NPA	Non Performing Assets as per the applicable RBI regulations
GNPA	Gross Non Performing Assets as per applicable RBI Regulations
GNPA (%)	Gross NPA/ Gross Loans
HCV	Heavy commercial vehicles
HFC	Housing finance companies
HQLA	High quality liquid asset
IBC	Insolvency and Bankruptcy Code, 2016
ICRA	ICRA Limited
India Ratings	India Ratings and Research Private Limited
Investments (including deposits)	Investments represents investment in subsidiaries and associates and term deposits with banks excluding interest accrued as at the end of the relevant year/ period
LAP	Loan Against Property
LCV	Light commercial vehicles
Loans	Loans represents on-balance sheet balances of receivables outstanding including loans given to subsidiaries as at the end of the relevant year/ period.
Loan Losses	Represents Impairment of financial instruments
LTECL	Lifetime expected credit loss
LTV	Loan to value
MCLR	Marginal Cost of Funds based Lending Rate

Term	Description
MFI	Microfinance institutions
MUV	Multi-utility vehicles
NBFC	Non-banking finance company
NBFC-ICC	Non-banking financial company –Investment and Credit Companies
NBFC – MFI	Non-banking financial company – microfinance institutions
NBFC – D	Deposit taking non-banking finance company
NBFC – ND	Non deposit taking non-banking finance company
Net Income Margin	Net income margin represents the percentage of Total Income less finance costs divided by Average Closing Assets (Balance sheet)
Net NPA	Gross NPA as reduced by Provision for NPA
Net Worth	Sum of Equity Share Capital and Other Equity
New Businesses	SME Loans, Consumer and Small Enterprise Loans and Secured Business and Personal Loan
NNPA (%)	Net NPA/ (Gross Loans – Provisions for GNPA)
NPA	Non-Performing Assets as per relevant RBI regulations
NSDL	National Securities Depository Limited
OEMs	Original equipment manufacturers
Operating Expense	Operating expense represents employee benefit expense, other expenses and depreciation and amortization expenses in the relevant year/ period
Provision Coverage Ratio (%)	Impairment allowance on Loans against underlying Gross Loan balance
Provision Coverage Ratio for Stage 3 (%)	Impairment allowance - Stage 3 – Loans against the Gross Carrying Amount – Stage 3- Loans
RBI Bulletin October 2023	RBI Bulletin Volume LXXVII Number 10 October 2023
Secured Debt	Represents secured portion of Debt Securities and borrowings (other than debt securities)
SCV	Small commercial vehicles
SME	Small and medium-sized enterprises
SRTO	Small road transport operators
Stage 3	Net Stage 3/ (Gross Loans – Impairment allowed on Stage 3). Stage 3 is as per Financial Information
Stage 3 Assets	Loans considered credit-impaired on gross basis
Tier I capital	Tier I capital means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a non-deposit taking nonbanking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year
Tier II capital	Tier II capital includes the following: a) preference shares other than those which are compulsorily convertible into equity; b) revaluation reserves at discounted rate of fifty five percent; c) General Provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; d) hybrid debt capital instruments;

Term	Description
	e) subordinated debt; f) perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital to the extent the aggregate does not exceed Tier I Capital
UPI	Unified Payment Interface

Conventional and general terms

Term	Description
₹/ Rs. / INR/ Rupees	The lawful currency of the Republic of India
AGM	Annual general meeting
AS or Accounting Standards	Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
AY	Assessment year
BSE	BSE Limited
CAGR	Compounded annual growth rate
CCDs	Compulsorily convertible debentures
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
Companies Act	The Companies Act, 1956, or the Companies Act, 2013, as applicable
Companies Act, 2013	Companies Act, 2013, and rules made thereunder
Consumer Protection Act	Consumer Protection Act, 1986
CrPc	Code of Criminal Procedure, 1973
COVID-19	Pandemic caused due to the worldwide spread of the novel coronavirus disease
COO	Chief Operating Officer
CSR	Corporate social responsibility
Depositories Act	The Depositories Act, 1996
DRR	Debenture redemption reserve
EGM	Extraordinary general meeting
EPS	Earnings per share
FEMA	Foreign Exchange Management Act, 1999
Fiscal / Financial Year / FY	Financial year ending March 31
GDP	Gross domestic product
GoI	Government of India
HUF	Hindu undivided family
IBC	Insolvency and Bankruptcy Code, 2016
IFRS	International financial reporting standards
IFSC	Indian financial system code

Term	Description
Ind AS	Indian Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended from time to time
Indian GAAP	Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Accounting Standards) Rules, 2014, as amended from time to time
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International securities identification number
IST	Indian standard time
IT Act	Income Tax Act, 1961
ITAT	Income Tax Appellate Tribunal
JV	Joint Venture
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic ink character recognition
NACH	National automated clearing house
NBFC-ND-SI Directions	Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
NEFT	National electronic funds transfer
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
PAT	Profit after tax
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RTAs	Registrar and share transfer agents
RTGS	Real time gross settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI LODR Regulations/ SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI NCS Regulations / SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended
SEBI Master Circular	Master Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 issued by SEBI and as updated on July 7, 2023, as amended

Term	Description
SEBI Master Circular for Debenture Trustees	Master Circular no. SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 issued by SEBI and updated as on July 6, 2023, as amended
TDS	Tax deducted at source

Notwithstanding the foregoing, the terms defined as part of "Risk Factors", "General Information", "Industry Overview", "Regulations and Policies", "Statement of Possible Tax Benefits Available to the Debenture Holders", "Other Regulatory and Statutory Disclosures", "Provisions of Articles of Association" and "Financial Information" on pages 18, 47, 143, 364, 134, 349, 375 and 222, respectively, shall have the meaning ascribed to them as part of the aforementioned sections. Terms not defined as part of the sections "Our Business", "Risk Factors", "Industry Overview" and "Regulations and Policies", on pages 157, 18, 143 and 364, respectively, shall have the meaning ascribed to them hereunder.

FORWARD-LOOKING STATEMENTS

Certain statements in this Tranche IV Prospectus that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as *"aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "seek", "should", "will", "would",* or other words or phrases of similar import. Similarly, statements that describe strategies, objectives, plans or goals are also forward-looking statements.

All statements regarding expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to business strategy, revenue and profitability, new business and other matters discussed in this Tranche IV Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including financial conditions and results of operations to differ from expectations include, but are not limited to, the following:

a. Disruption in our sources of funding;

b. The performance, operations, and prospects of the overall Indian automotive market and, in particular, demand for LCVs, HCVs and cars and MUVs;

c. Our inability to compete effectively in an increasingly competitive industry;

d. The volatility in interest rates and other market conditions;

e. Our business operations involve transactions with relatively high-risk borrowers;

f. Our reliance on any erroneous or misleading information provided by our customers

For further discussion of factors that could cause our actual results to differ, see "*Risk Factors*" on page 18.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the "*Our Business*", "*Industry Overview*" and *"Outstanding Litigations and Defaults"* on pages 157, 143 and 330 respectively.

The forward-looking statements contained in this Tranche IV Prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

By their nature, certain market risk disclosures are only estimate(s) and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, our Directors and officers, nor any of our respective affiliates or the Lead Manager have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI NCS Regulations, our Company and the Lead Manager will ensure that investors are informed of material developments between the date of filing this Tranche IV Prospectus with the RoC and the date of receipt of listing and trading permission from the Stock Exchanges for the NCDs.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION

General

In this Tranche IV Prospectus, unless the context otherwise indicates or implies, references to *"you", "offeree", "purchaser", "subscriber", "recipient", "investors"* and *"potential investor"* are to the prospective investors in this Tranche IV Issue, references to our *"Company"*, the *"Company", "we", "us", "our"* or the *"Issuer"* are to Cholamandalam Investment and Finance Company Limited. Unless stated otherwise, all references to page numbers in this Tranche IV Prospectus are to the page numbers of this Tranche IV Prospectus.

In this Tranche IV Prospectus, references to *"Rupees","₹", "Rs.", "INR"* are to the legal currency of India *and references to "USD", "US$"* are to the legal currency of the United States. All references herein to the *"U.S."* or the *"United States"* are to the United States of America and its territories and possessions and all references to *"India"* are to the Republic of India and its territories and possessions, and the *"Government"*, the *"Central Government"* or the *"State Government"* are to the Government of India, central or state, as applicable.

Certain figures contained in this Tranche IV Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than two decimal points to conform to their respective sources. India has decided to adopt the "Convergence of its existing standards with IFRS with some difference" referred to as the "Indian Accounting Standards" or "Ind AS". In terms of a notification released by the MCA, our Company is required to prepare its financial statements in accordance with Ind AS for accounting periods beginning on April 1, 2019.

In this Tranche IV Prospectus, any discrepancy in any table between total and the sum of the amounts listed are due to rounding off. Except otherwise specified, our Company has presented numerical information in the Shelf Prospectus and this Tranche IV Prospectus in "crores", "lakhs", "millions" or "billions". One crore represents 10,000,000, one lakh represents 100,000, one million represents 1,000,000 and one billion represents 1,000,000,000.

Unless otherwise stated, references in this Tranche IV Prospectus to a particular year are to the calendar year ended on December 31.

Unless stated otherwise all references to time in this Tranche IV Prospectus are to Indian standard time.

Presentation of Financial Information

The financial year of our Company commences on April 1 and ends on March 31 of the next year, so all references to particular "financial year", "fiscal year" and "fiscal" or "FY", unless stated otherwise, are to the 12 months period ended on March 31 of that year. Unless the context requires otherwise, all references to a year in the Shelf Prospectus and this Tranche IV Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31 of that calendar year.

The Reformatted Financial Information (as defined under the Shelf Prospectus) was disclosed in the Shelf Prospectus and consisted of Reformatted Standalone Financial Information (as defined under the Shelf Prospectus) and Reformatted Consolidated Financial Information (as defined under the Shelf Prospectus). The Reformatted Standalone Financial Information was prepared from the audited standalone financial statements of our Company as at and for each of the years ended March 31, 2022, March 31, 2021 and March 31, 2020, which are prepared in accordance with Indian Accounting Standards (Ind AS) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act, which have been approved by the Board of Directors of our Company at their meetings held on May 5, 2022, May 7, 2021 and June 3, 2020 respectively. The Reformatted Consolidated Financial Information was prepared from the audited consolidated financial statements of the Company and its subsidiaries (together referred to as the Group) and its associates and joint venture (as applicable for respective years) as at and for each of the years ended March 31, 2022, March 31, 2021 and March 31, 2020, which are prepared in accordance with Indian Accounting Standards (Ind AS) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act, which have been approved by the Board of Directors of our Company at their meetings held on May 5, 2022, May 7, 2021 and June 3, 2020 respectively. The audited financial statements and the reports thereon do not constitute a part of the Shelf Prospectus.

Pursuant to the amendments in SEBI NCS Regulations by way of notification dated July 3, 2023, the (i) Audited Financial Statements of our Company for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and which have been approved by the Board of Directors of our Company at their meetings held on May 3, 2023, May 5, 2022 and May 7, 2021, respectively along with auditors reports thereon dated May 3, 2023, May 5, 2022 respectively issued by our Statutory Auditors and dated May 7, 2021 issued by our Previous Statutory Auditors; and (ii) Unaudited Interim Financial Results for the quarter and six months ended September 30, 2023 which have been approved by the Board of Directors of our Company at their meeting held on November 2, 2023 have been included in this Tranche IV Prospectus.

Unless stated otherwise and unless the context requires otherwise, the financial data used in this Tranche IV Prospectus is derived from the (i) respective Audited Financial Statements as at and for each of the years ended March 31, 2023, 2022 and 2021; and (ii) Unaudited Interim Financial Results for the quarter and six months ended September 30, 2023 as included in this Tranche IV Prospectus. Unless stated otherwise and unless the context requires otherwise, the financial data used in this Tranche IV Prospectus is on a standalone basis.

Further, please note that the financial data for the six months ended September 30, 2023 is not comparable to financial data for the years ended March 31, 2023, 2022 and 2021 and is not indicative of future results.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in this Tranche IV Prospectus in "crore" units, "lakh" units, "million" units, "billion" units or in whole numbers where the numbers have been too small to represent in lakhs, millions or billions. One crore represents 10,000,000, one lakh represents 100,000, one million represents 1,000,000 and one billion represents 1,000,000,000.

Exchange Rates

This Tranche IV Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI NCS Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and USD (in Rupees per USD):

Currency	As at				
	December 31, 2023	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.12	83.06	82.22	75.80	73.50

Source: www.fbil.org.in

In case March 31 / September 30/ December 31 of any of the respective years is a public holiday, the previous working day not being a public holiday has been considered. The above exchange rates are for the purpose of information only and may not represent the rates used by the Company for purpose of preparation or presentation of its financial statements. The rates presented are not a guarantee that any person could have on the relevant date converted any amounts at such rates or at all.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout the Shelf Prospectus and this Tranche IV Prospectus has been obtained from various industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. Although the industry and market data used in the Shelf Prospectus and this Tranche IV Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation however, no material data in connection with the Issue has been omitted. Data from these sources may also not be comparable.

The extent to which the market and industry data used in the Shelf Prospectus and this Tranche IV Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 18. Accordingly, investment decisions should not be based solely on such information.

SECTION II: RISK FACTORS

Prospective investors should carefully consider the risks and uncertainties described below, in addition to the other information contained in this Tranche IV Prospectus including the section titled "Our Business" on page 157 and "Annexure A: Financial Information" on page 413, before making any investment decision relating to the NCDs. If any of the following risks or other risks that are not currently known or are now deemed immaterial, actually occur, our business, financial condition and results of operation could suffer, the trading price of the NCDs could decline and you may lose all or part of your interest and/or redemption amounts. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition.

Unless otherwise stated or unless the context requires otherwise in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated or unless context requires otherwise, the financial information used in this section is derived from and should be read in conjunction with the Financial Information as included in this Tranche IV Prospectus.

This Tranche IV Prospectus contains forward looking statements that involve risk and uncertainties. Our Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of several factors, including the considerations described below and elsewhere in this Tranche IV Prospectus.

In this section, unless the context otherwise requires, references to "we", "us", "our", "the Company" or "our Company" refer to Cholamandalam Investment and Finance Company Limited.

INTERNAL RISKS

1. Any disruption in our sources of funding could adversely affect our liquidity and financial condition.

The liquidity and profitability of our business depends, in large part, on our timely access to, and the costs associated with raising funds. Our funding requirements historically have been met from various sources, including secured and unsecured loans, such as rupee-denominated term loans and cash credit facilities from banks and financial institutions, secured non-convertible debentures, unsecured subordinated bonds, external commercial borrowings, commercial paper, inter-corporate deposits, shareholder funding and by way of securitization and assignment of receivables. Our business thus depends and will continue to depend on our ability to access a variety of funding sources. Set forth below are details of our Company's total debt, as well as the average cost of such debt, in the three preceding Fiscals and the six months ended September 30, 2023:

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30, 2023
	2021	2022	2023	
	(₹ crores, except percentages)			
Total Debt[(1)]	63,729.99	69,173.50	97,356.06	1,19,469.53
Average Cost of Debt[(2)]	7.63%	6.63%	7.03%	7.78%

Note:

(1) Total Debt represents the sum of debt securities, borrowings (other than debt securities) and subordinated liabilities.

(2) Average Cost of Debt represents finance costs for the relevant year/ period as a percentage of Average Debt in such period. Average Debt represents the average of the closing balances of total debt for five quarters in respect of year ending March 31 and the three quarters for the six months ending September 30, 2023

Our ability to raise funds on acceptable terms and at competitive rates depends on various factors including our current and future results of operations and financial condition, our risk management policies, the shareholding of our Promoters in our Company, our credit ratings, our brand equity, the regulatory environment and policy initiatives in India and developments in the international markets affecting the Indian economy. In addition, the cost and availability of debt capital depends in part on our short-term and long-term credit ratings. Our Company's long-term debt is rated IND AA +/Stable and [ICRA] AA+ (Positive) by India Ratings and ICRA, respectively. There is no guarantee that we will be able to maintain such ratings in the future. Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and debt markets, as well as increase the probability that our lenders may impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future. Any downgrade in our credit ratings may also trigger an event of default or acceleration of certain of our current or future borrowings.

Changes in economic, regulatory and financial conditions or any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates, which could adversely affect our liquidity and financial condition.

2. Our results of operations, cash flows and financial condition are dependent upon the performance, operations, and prospects of the overall Indian automotive market and, in particular, demand for LCVs, HCVs and cars and MUVs. Any adverse development in the Indian automotive sector or in government policies affecting this industry, including the new and used vehicle financing industry, could adversely affect our business, results of operations and cash flows.

Set forth below are details of the contribution of our Vehicle Finance segment to our AUM as of the corresponding dates:

Particulars	As of March 31,			As of September 30, 2023,
	2021	2022	2023	
	(₹ crores, except percentages)			
AUM - Vehicle Finance	50,415.33	52,880.61	66,937.82	75,395.95
Vehicle Finance AUM, as a percentage of total AUM	72.03%	68.76%	62.85%	60.68%

As our Vehicle Finance segment primarily relates to financing of new and used commercial and personal vehicles, our assets and Stage 3 Assets have, and will likely continue in the future to have, a high concentration of vehicle financing loans. Our Vehicle Finance segment is dependent on various factors that impact the automotive industry, such as the demand for vehicles and transportation services in India, the costs of raw materials for manufacture of vehicles, levy of additional duties and taxes, changes in Indian regulations, customer preferences and government policies affecting used and new commercial vehicles. Our business includes commercial vehicle finance for new and pre-owned commercial vehicles and any adverse developments in this sector would adversely affect our results of operation. Also, see " – *Changes in environmental, tax or other laws may lead to a decline in the sale of vehicles or value of vehicles as a collateral, which could adversely affect our business, results of operations and prospects*" on page 35. A significant slowdown in the economy may affect transport operators' earnings negatively, resulting in higher delinquencies. Similarly, a high increase in interest rates or reduction in sales can have an impact on overall business volumes. Set forth below are details of the contribution of loans for HCVs, LCVs, Cars and used vehicles to our total loans:

Particulars	As of March 31,			As of September 30, 2023
	2021	2022	2023	
	(₹ crores, except percentages)			
HCV Loans	4,881.70	3,913.59	4,741.70	5,058.29
HCV Loans, as a % of total Vehicle Finance loans	9.68%	7.40%	7.08%	6.71%
LCV Loans	10,472.44	10,994.83	14,032.11	15,582.56
LCV Loans, as a % of total Vehicle Finance loans	20.77%	20.79%	20.96%	20.67%
Car Loans	5,255.13	5,818.42	7,799.85	9,077.16
Car Loans, as a % of total Vehicle Finance loans	10.42%	11.00%	11.65%	12.04%
Used vehicles Loans (includes Trade advances)	13,464.19	14,735.27	17,833.23	20,252.20
Used vehicles Loans, as a % of total used vehicles loans	26.71%	27.87%	26.64%	26.86%

A slowdown in the economy may affect transport operators' earnings negatively, resulting in higher delinquencies. Furthermore, demand for finance for used and new commercial vehicles may decline and the ability of commercial vehicle owners and/ or operators to perform their obligations under existing financing agreements may be adversely affected. As a result, any factor which adversely impacts the automotive industry, demand for motor vehicle OEMs' product and, in particular, demand for LCVs and HCVs, may have an impact on our operations, profitability and/ or cash flows. There can be no assurance that we will be able to react effectively to these or other market developments.

Additionally, our business of providing finance to customers in the commercial vehicle asset class may be further affected by competition that these customers may face from the railways, freight and cargo services. Particularly HCVs, which are mainly used for transporting goods, may face direct competition from the railway sector, which is considered to be faster, more cost effective and may have a greater geographical reach to transport goods. Government initiatives towards improving railway infrastructure or introducing any subsidies in favour of the railways may result in a decrease in business of LCVs and HCVs in the road transport logistics sector, resulting in a decline of our customers who require financing thereby adversely affecting our business, results of operations, financial condition, and cash flows.

3. Our inability to compete effectively in an increasingly competitive industry may adversely affect our Net Income Margins and market share.

The vehicle finance market is highly fragmented and historically has been serviced by a range of financial entities, including the captive finance affiliates of OEMs, banks and NBFCs. Many of these competitors have greater financial resources, may be larger in terms of business volume and may have significantly lower cost of funds compared to us. Many of these competitors may also have long-standing relationships with automobile dealerships. Loan pricing is one of the factors that play an important role in customers' decision making in selecting a financier and some captive finance affiliates of automobile companies have in the past offered loans at competitive rates to retain market share. There can be no assurance that we will be able to compete successfully with such competitors. We believe we also

face competition in many states across India from small finance banks who are focussed on the regional mass market customer segment with access to CASA deposits resulting in relatively lower cost of funds.

Our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost funding, and the interest rates at which we lend to our customers. Our ability to increase interest rates on the loans we advance, however, is limited by newer vehicle financing products, variable payment terms and lower processing fees introduced by our competitors. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive vehicle finance market. Increasing competition may adversely affect our Net Income Margins and market share.

4. The volatility in interest rates and other market conditions could materially and adversely impact our business, prospects, financial condition, results of operations and cash flows.

Our results of operations and cash flows are significantly dependent upon the level of interest income, as interest income is the largest component of our total income. Set forth below are details of our interest income and Net Interest Margin in the corresponding periods/ years:

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30, 2023
	2021	2022	2023	
	(₹ crores, except percentages)			
Interest income	9,224.16	9,566.81	12,082.18	8,069.69
Interest income, as a percentage of total income	96.90%	94.36%	93.10%	92.70%
Net Interest Margin[(1)]	6.80%	7.11%	6.78%	6.35%

Notes:
(1) Net Interest Margin represents the percentage of Interest Income less Finance Costs, divided by Average closing assets (Balance Sheet).

Our Net Income Margin is affected by our interest expense, which in turn is dependent on our borrowings and associated interest rates. Interest rates are highly sensitive to many external factors beyond our control, including growth rates in the economy, inflation, liquidity, the RBI's monetary policies, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors. Any volatility or increase in interest rates or other market conditions may also adversely affect the rate of growth of the automotive industry, which may adversely impact our business, prospects, results of operations, financial condition and cash flows.

Our cost of funds is sensitive to interest rate fluctuations, which exposes us to the risk of reduction in spreads. The pricing on our issuances of debt will also be negatively impacted by any downgrade or potential downgrade in our credit ratings. Changes in interest rates could affect the interest rates we charge on our interest-earning assets in a manner different from the interest rates we pay on our interest-bearing liabilities because of the different maturity periods applying to our assets and liabilities and on the basis that our vehicle finance loans are advanced at a fixed rate. The difference could result in an increase in interest expense relative to interest income, leading to a reduction in our Net Income Margin, which could materially and adversely affect our results of operations and cash flows.

5. Our business operations involve transactions with relatively high-risk borrowers. Any default from our customers could adversely affect our business, results of operations, financial condition and cash flows.

We offer a range of financial products and services that address the specific financing requirements of self-employed and non-professional individuals, small and medium entrepreneurs and customers with informal income sources and limited banking and credit history. Similarly, our housing loans are focused on affordable housing and our vehicle loans are principally focused on consumers with limited access to capital through formal banking channels. A significant portion of our customer base is typically less economically stable than large corporates, and as a result, is usually adversely affected by declining economic conditions. Earning capacity of customers in these segments depends on various macro and micro economic factors that affect them from time to time. We have a greater risk of loan defaults and losses in the event there are adverse economic conditions which may have a negative effect on the ability of our borrowers to make timely payments of their loans. As a result, we are more vulnerable to customer default risks including delay in repayment of principal or interest on our loans. Although we have our own customised due diligence and credit analysis procedures, there can be no assurance that these measures are adequate to ensure a lower delinquency rate. Our profitability depends on our ability to evaluate the right income levels of our customers, assess the credit risks and to price our loans accordingly. Our customers may default on their obligations as a result of various factors including bankruptcy, insolvency, lack of liquidity and/ or failure of the business or commercial venture in relation to which such borrowings were sanctioned. Certain product segments are unsecured and are susceptible to higher levels of credit risks. Further, we need to comply with the regulatory requirements for products and services provided by us. For instance, recently RBI, vide its circular dated November 16, 2023 has increased the risk weights for commercial banks as well as NBFCs by 25 percentage points to 125% in respect of all outstanding and new consumer credit exposure, including personal loans, but excluding housing loans, education loans, vehicle loans and loans secured by gold and gold jewellery. The circular has also introduced exposure limit on unsecured consumer credit. For details see *"Regulations and Policies"* on page 364. Additionally, although our Vehicle Finance, Loan Against Property, Home Loans and New Business segments involve certain collateral, we may still be exposed to

defaults in payment, which we may not be able to recover fully or in part, or the recovery of which may require us to incur costs and expend additional resources. If our borrowers fail to repay loans in a timely manner or at all, our business, prospects, financial condition, results of operations and cash flows may be adversely impacted.

Further, we may not receive updated information regarding any change in the financial condition of our customers or may receive inaccurate or incomplete information as a result of any misrepresentation by our customers or employees.

6. Our reliance on any erroneous or misleading information provided by our customers may affect our judgement of their creditworthiness, as well as the value of and title to the collateral.

While deciding whether to extend credit to customers, we rely, to a significant extent, on the information furnished to us by the customers for certain key elements of the credit assessment process, including their income, assets, financial transactions and credit history. We follow Know Your Customer ("**KYC**") guidelines prescribed by RBI for potential customers, verify their place of employment and residence, as applicable. For ascertaining the creditworthiness and encumbrances on collateral we may depend on the respective registrars and sub-registrars of assurances, credit information companies or credit bureaus, and on independent valuers in relation to the value of the collateral, and our reliance on any misleading information given may affect our judgement of credit worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, prospects, results of operations and financial condition. These accounts will take longer legal proceedings to resolve. There is no assurance that there will not be any further such instances given the manual nature of property documentation and verification in India.

Further, we may have customers who are unable to document their entire income comprehensively. Further, most small businesses in India do not maintain documents such as income proof, business registration, GST registration, income tax filings and bank statements, making credit assessment challenging. Accordingly, we may not be able to assess their income or ability to repay our loans accurately. To an extent our NPAs may be deemed to have resulted from our erroneous judgment of customers' ability or willingness to repay their debt, including owing to circumstances that arise after loans have been sanctioned. We may not receive updated information regarding any change in the financial condition of our customers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation by our customers or employees. Moreover, the availability of accurate and comprehensive credit information on retail customers in India is more limited than for larger corporate customers, which reduces our ability to accurately assess the credit risk associated with such lending.

7. Our inability to control the level of Stage 3 Assets in our portfolio effectively will impact our profitability due to higher provisions.

As of March 31, 2021, 2022, 2023 and as of September 30, 2023, our Gross Carrying Amount- Stage 3 Loans amounted to ₹2,705.01 crores, ₹ 3,342.81 crores, ₹ 3,221.60 crores and ₹ 3,718.81 crores, respectively. Various factors that are beyond our control may cause a further increase in the level of Stage 3 Assets and have an adverse impact on the quality of our loan portfolio. These factors include macro-economic factors (including a rise in unemployment, a sharp and sustained rise in interest rates, developments in the Indian economy, movements in global commodity markets and exchange rates) regulatory hurdles and global competition as well as customer specific factors such as wilful default and mismanagement of a customer's operations. If our Stage 3 Assets increase, we will be required to increase our provisions, which would result in our net profit being less than it otherwise would be and would adversely affect our results of operation and financial condition. There can be no assurance that the rates of future Stage 3 Assets and losses will be consistent with prior experience or at levels that will maintain our profitability, that the credit performance of our customers will be maintained, that our credit and our underwriting analysis, servicing and collection systems and controls will continue to be adequate. We may also not be successful in our efforts to improve collections and/ or foreclose on existing Stage 3 Assets. In addition, as our loan portfolio matures, we may experience greater defaults in principal and/ or interest repayments. Thus, if we are unable to control or reduce our level of Stage 3 Assets, the overall quality of our loan portfolio may deteriorate, and our results of operations and cash flows may be adversely affected. Moreover, there can be no assurance that there will be no deterioration in our provisioning coverage as a percentage of Stage 3 Assets or otherwise, or that the percentage of Stage 3 Assets that we will be able to recover will be similar to our past experience of recoveries of Stage 3 Assets. In the event of any further deterioration in our Stage 3 Asset portfolio, or if our provisions are insufficient to cover our existing or future levels of Stage 3 Assets, our ability to raise additional capital and debt funds as well as our results of operations, cash flows and financial condition could be adversely affected.

As of March 31, 2021, 2022, 2023 and as of September 30, 2023, our provision coverage ratio for Stage 3 (%) which represents impairment allowance-Stage 3-Loans against the gross carrying amount-Stage 3 – Loans was 44.27%, 39.67%, 46.00% and 47.32% respectively.

Further, as NBFCs, we are regulated by the RBI and are required to adhere to the prudential norms on income recognition, asset classification and provisioning ("**IRACP**") notified by the RBI from time to time, in addition to the Ind AS accounting and provisioning requirements applicable to our Company in the ordinary course. For instance, on November 12, 2021, the RBI issued a circular titled "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications" ("**November 12 Circular**") with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The November 12 Circular, among

other matters, requires borrower accounts to be flagged as overdue by lending institutions as part of their day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as special mention accounts ("**SMA**") as well as NPA is required to be undertaken as part of day-end processes for the relevant date, such that the date of SMA/ NPA shall reflect the asset classification status of an account at the day-end of that calendar date. The November 12 Circular clarifies that the SMA classification requirement for borrower accounts is applicable to all loans, including retail loans, irrespective of size of exposure of the lending institution. Further, the November 12 Circular provides that accounts classified as NPAs may be upgraded to 'standard' only if the entire arrears of interest and principal are paid by the borrower, as opposed to such upgradation being undertaken upon payment of only interest overdues. Further, as our loan portfolio grows, our NPAs may increase and the current level of our provisions may not adequately cover any such increases. General economic slowdown or financial difficulties faced by our customers could unexpectedly increase delinquency rates.

On December 14, 2021, the RBI issued a circular titled "Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs)" ("**PCA Framework Circular**") to enable supervisory intervention and implement remedial measures of NBFCs, including NBFC-NDs, on the basis of tracking certain indicators such as CRAR, Tier I Capital Ratio and Net NPA Ratio. Pursuant to the PCA Framework Circular, the PCA framework for NBFCs has come into effect from October 1, 2022, based on the financial position of NBFCs on or after March 31, 2022. We cannot assure you that in the future, we will be able to maintain the thresholds prescribed by the RBI under the PCA Framework Circular which could have an adverse effect on our business, financial condition and results of operations.

Further, we are required to adhere to provisioning requirements pursuant to the Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended ("**Master Directions**"). If future regulations require us to increase our provisions for any reason, our profits may be adversely affected. Also, our ability to raise additional capital and debt financing as well as our results of operations, cash flows and financial condition could be adversely affected as a result thereof. The amount of our reported NPAs may increase in the future due to the aforementioned factors and other factors beyond our control, and we cannot assure you that we will be able to effectively control or reduce the level of the impaired loans in our total AUM. If we are unable to manage our NPAs or adequately recover our loans, our business, financial condition and results of operations will be adversely affected. In addition, our current loan loss provisions may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of our total AUM. If the quality of our loan portfolio deteriorates, we may be required to increase our loan loss provisions. If such provisions are not sufficient to provide adequate cover for loan losses that may occur, this could have an adverse effect on our business, financial condition and results of operations.

8. We are subject to regulations in relation to minimum capital adequacy requirements and a decline in our CRAR will require us to raise fresh capital which may not be available on favourable terms, which may affect our business, prospects, results of operations and financial condition. A decline in our capital adequacy ratio could also restrict our future business growth.

Our Company is subject to regulations relating to the capital adequacy of NBFCs, which determine the minimum amount of capital we must hold as a percentage of the risk-weighted assets on our portfolio, or CRAR. Under the extant regulations, our Company is required to have a minimum CRAR of 15.00%, with a minimum Tier 1 capital of 10%. As of September 30, 2023, our Company's CRAR was 16.62%, of which Tier 1 capital was 14.66%. Further, RBI, vide its circular dated November 16, 2023 has increased the risk weights for commercial banks as well as NBFCs by 25 percentage points to 125% in respect of all outstanding and new consumer credit exposure, including personal loans, but excluding housing loans, education loans, vehicle loans and loans secured by gold and gold jewellery. Any increase in the risk weights or risk weights for unsecured debt may impact the capital adequacy. For details see *"Regulations and Policies"* on page 364 We cannot assure you that we will be able to raise adequate capital in the future on terms favourable to us, or at all, which may adversely affect the growth of our business. Further, the RBI may also in the future require compliance with other prudential norms and standards, which may require us to alter our business and accounting practices or take other actions that could adversely affect our business and operating results.

9. Pursuant to RBI regulations applicable to various banks and NBFCs, our sources of funding may be restricted.

We rely on loans and facilities from banks for a substantial portion of our funding requirements, and any impact on the ability of banks to provide funding to NBFCs will have a direct impact on our sources of funding. For instance, pursuant to certain RBI regulations applicable to various banks and NBFCs the RBI has imposed certain restrictions on banks from providing financing to NBFCs. Under these regulations, certain NBFC activities are ineligible for financing by bank credit, including, *inter alia* (i) certain types of discounting and rediscounting of bills (except for rediscounting of bills discounted by NBFCs arising from the sale of commercial vehicles, two-wheelers and three-wheelers, subject to certain conditions); (ii) loans and advances by NBFCs to their subsidiaries and group companies; (iii) lending by NBFCs to individuals for subscribing to initial public offerings and purchasing shares from the secondary market; (iv) unsecured loans, inter-corporate deposits by the NBFCs to/ in any company or (v) investments of NBFCs by way of shares and debentures, except need-based credit to stock broking companies against shares and debentures held by them as stock-in-trade.

Additionally, these regulations prohibit banks from (i) granting bridge loans of any nature; (ii) providing interim finance against capital or debenture issues and/ or in the form of loans of a temporary nature pending the raising of long-term funds from the market by way of capital, deposits, or other means to any category of NBFCs; (iii) accepting shares and debentures as collateral for secured loans granted to NBFCs; and (iv) executing guarantees covering intercompany deposits or loans that guarantee refund of deposits or loans accepted by NBFCs. Banks are also prevented from issuing guarantees for the purpose of indirectly enabling the placement of deposits with NBFCs.

As of September 30, 2023, 53.09% of our total debt (sum of debt securities, borrowings (other than debt securities) and subordinated liabilities) were availed from banks, including secured rupee term loans, secured foreign currency loans, secured external commercial borrowings and secured rupee loans payable on demand. Given that our primary source of funding is borrowings from banks, we cannot assure you that these regulations will not impact our ability to obtain funding from banks on favourable terms, or at all. Further, we cannot assure you that we will be able to find alternative sources of funding on equally favourable terms, or at all. Any impact on our ability to source funding may have an adverse impact on our cost of capital, financial condition, results of operations and cash flows.

10. Our inability to maintain relationships with automotive dealers and motor vehicle OEMs could have an adverse effect on our Vehicle Finance segment, prospects, results of operations, financial condition and cash flows.

Our Vehicle Finance segment depends on the continuity of our relationship with our customers, particularly through automotive dealers who facilitate loan origination for us, and through our relationships with motor vehicle OEMs. There can be no assurance that we will be successful in maintaining such relationships or increasing the number of such relationships. The agreements we enter into with OEMs are on a non-exclusive basis. If we are not able to maintain existing relationships with key automotive dealers and motor vehicle OEMs or if we are not able to develop new relationships, including due to our inability to provide services on a timely basis or offer products that meet the needs of the dealers' customers, the number of dealers through which we have retail funding relationships could decline and as a result, our business, prospects, results of operations, financial condition and cash flows could be adversely affected.

11. Our Company, our Directors, our Promoters and one of our Subsidiaries are involved in certain legal and other proceedings. Any adverse outcome in such proceedings may have an adverse effect on our business, results of operations, financial condition and cash flows.

There are outstanding legal proceedings involving our Company, our Directors, our Promoters and our Subsidiaries. These proceedings are pending at levels of adjudication before various courts, including certain civil, criminal and taxation cases that have been filed against our Company. The summary of such outstanding legal and regulatory proceedings as on the date of this Tranche IV Prospectus is set out below:

	Criminal Proceedings	**Tax Proceedings**	**Statutory or Regulatory Proceedings**	**Disciplinary action by SEBI or Stock Exchanges against Promoters**	**Material civil litigation**	**Aggregate amount involved* (₹ in crores)**
Company						
By the Company	80,216	-	N.A	N.A	1,312	32.93
Against the Company	201	34	5	N.A	-	294.54
Subsidiaries						
By the Subsidiaries	-	-	3	N.A	-	-
Against the Subsidiaries	-	3	-	N.A	-	0.51
Directors						
By the Directors	-	-		N.A	-	-
Against the Directors	8	-	2	N.A	-	0.05
Promoters						
By the Promoters	-	-	-	-	-	-
Against the Promoters	3	16	395	-	-	21.36

* *To the extent quantifiable*

For further information of the material legal proceedings that we, our Directors and our Subsidiaries are subject to, see "*Outstanding Litigations and Defaults*" on page 330. We cannot assure you that the outcome of these legal proceedings will be favourable, and any adverse decision in any of these cases may impact our business and financial condition. The disputed amount involved in certain matters may be large, and an adverse order against us on such matters may impact our financial resources. Litigations against our Company could also consume our financial resources in their defense or prosecution. Further, should any new developments arise, such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our provisions, expenses and current liabilities.

12. We operate in a highly regulated industry and changes in the laws, rules and regulations applicable to us may adversely affect our business, financial condition, results of operations and cash flows.

We operate in a highly regulated industry and we have to adhere to various laws, rules and regulations. Our Company has a certificate of registration from the RBI to operate as an NBFC and is regulated by the RBI. Accordingly, legal and regulatory risks are inherent and substantial in our business. As we operate under licenses or registrations obtained from the applicable regulators, we are subject to actions that may be taken by such regulators in the event of any non-compliance with any applicable policies, guidelines, circulars, notifications and regulations issued by the relevant regulators. For a description of the material laws, rules and regulations applicable to us, see "*Regulations and Policies*" on page 364.

In addition, any changes in the laws, rules and regulations applicable to us may adversely affect our business, financial condition and results of operations.

For example, we are subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure provisioning and other master directions. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. The RBI, from time to time, amends the regulatory framework governing NBFCs to address concerns arising from certain divergent regulatory requirements for banks and NBFCs. The RBI on October 22, 2021 put in place a revised regulatory framework for NBFCs effective from October 1, 2022 read with the detailed guidelines put in place by the RBI in its circular dated April 19, 2022. Recently RBI, vide its circular dated November 16, 2023 tightened the norms pertaining to consumer credit and bank credit to NBFCs and introduced exposure limit on unsecured consumer credit exposures. The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, investments, ethical issues, money laundering and privacy. These laws and regulations can be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses to comply with such laws and regulations, which could adversely affect our business and our financial performance.

13. Our significant indebtedness and the conditions and restrictions imposed by our financing arrangements could restrict our ability to obtain additional financing, raise capital, conduct our business and operations in the manner we desire.

As of December 31, 2023, total debt of our Company (as per IND AS) were ₹ 1,23,064.27 crores, and we will continue to incur additional indebtedness in the future. Our significant indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow may be used towards servicing of our existing debt, which will reduce the availability of our cash flow to fund working capital, capital expenditures and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as our indebtedness are at variable interest rates;
- there could be a material adverse effect on our business, prospects, results of operations, financial condition and cash flows if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Some of the financing arrangements entered into by us include conditions that require our Company to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of these covenants include, altering our capital structure; changing our current ownership/ control, formulating a scheme of amalgamation, disposal or acquisition of key subsidiary, compromise or reconstruction, material change in management, making any investments whether by way of deposits, loans or investments in share capital of a company, implementing a scheme of expansion, undertaking guarantee obligations, declaration or payment of dividend, substantial expansion of any project and amending constitutional documents. Further, under certain financing agreements, we are required to maintain specific credit ratings and if we fail to do so, it would result in an event of default. We are also required to maintain certain financial ratios and ensure compliance with regulatory requirements such as maintenance of capital adequacy ratios, qualifying asset norms and ensure positive net worth. Such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time.

Our lenders may recall all or part of such unsecured amounts borrowed by us on short or no notice. Such recalls on borrowed amounts may be contingent on the occurrence of an event beyond our control and there can be no assurance

that we will be able to persuade our lenders to give us extensions or to refrain from exercising such recalls which may adversely affect our operations and cash flows. Further, certain of our lenders also have the ability to cancel amounts from sanctioned limits of our Company, which have not been drawn down by us.

A failure to observe the covenants under our financing arrangements or to obtain necessary waivers may lead to the termination of our credit facilities, acceleration of amounts due under such facilities and the enforcement of any security provided. Pursuant to clauses in certain financing agreements, any defaults under such facilities may also trigger cross default or cross acceleration provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated or any security created under such agreements enforced, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Additionally, during any period in which we are in default, we may be unable to raise, or may face difficulties raising, further financing.

In addition, we cannot assure you that our business will generate sufficient cash to enable us to service our debt or to fund our other liquidity needs. We may also need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all.

14. We rely significantly on our information technology systems for our business and operations and any failure, inadequacy or security breach in such systems could adversely affect our business, results of operations and reputation.

Our business is dependent upon complex and interdependent information technology systems. We use our technology platforms to assist with functions such as lead generation and management, underwriting and risk management, collections and to perform data analytics. We have developed and use proprietary tools, cloud services and mobility applications. We have an integrated customer relationship management and loan management system. Our operations depend on our ability to process a high volume of transactions across our network of branches, which are connected through computer systems and servers to our corporate office. As part of our growth strategy, we intend to further develop and invest in our information technology systems and create an end-to-end digital process. The technology-driven underwriting, risk management and collection processes on which our Company relies, may not be able to effectively identify, monitor or mitigate the risks in our lending operations.

The size and complexity of our computer systems may make them potentially vulnerable to breakdown, system integration problems, malicious intrusion and computer viruses. Our financial, accounting, analytics or other data processing systems may fail to operate adequately, or at all, as a result of events that are beyond our control, including a disruption of electrical or communications services in markets in which we primarily operate. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. Although we have not experienced any significant disruptions to our information technology systems in the past, we cannot assure you that we will not encounter disruptions in the future. In addition, our systems are potentially vulnerable to data security breaches, whether by employees, who may have a lack of experience with our newer information technology systems, or others, that may expose sensitive data to unauthorized persons. Data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive financial and personal information) of our customers and employees. Further, we may not detect or prevent all attempts to compromise our systems, including distributed denial-of-service attacks, viruses, malicious software, break-ins, ransomware attacks, phishing attacks, social engineering, fraudulent emails and related payments scams, security breaches or other attacks and similar disruptions that may jeopardize the security of information stored in and transmitted by our systems or that we otherwise maintain. Breaches of our cybersecurity measures could result in unauthorized access to our systems, misappropriation of information or data, unforeseen disclosure or transfer of data, deletion or modification of consumer information, or a denial of service or other interruption to our business operations. We may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyberattacks. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business and reputation. We face the threat of fraud and cyber-attacks, such as hacking, phishing, trojans and other threats, attempting to exploit our network to disrupt services to customers and/or theft of sensitive internal company data or customer information. This may cause damage to our reputation and adversely impact our business and financial results.

15. We may not be able to recover, on a timely basis or at all, the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under defaulted loans.

As security for the financing facilities provided by us to our customers, the vehicles or construction equipment purchased by our customers are hypothecated in our favour and property is mortgaged for LAP. For each financing arrangement, we sanction an amount of credit that is less than the value of the vehicle or property which we take as collateral. We regulate this amount through our restrictions on the loan to value ratio of each financing. Loans are generally provided up to certain specified percentages of the value of new commercial vehicles and used vehicles, as ascertained by our appraiser.

The value of the vehicle, or construction equipment, however, is subject to depreciation, deterioration, and/ or reduction in value on account of other extraneous reasons, over the course of time. Similarly, for LAP, the value of the collateral may not be adequate to cover amounts under default. Consequently, the realizable value of the collateral for the credit facility provided by us, when liquidated, may be lower than the outstanding loan from such customers. Any default in repayment of the outstanding credit obligations by our customers may expose us to losses. Furthermore, in the case of a default, we typically repossess the collateral. The hypothecated vehicles and construction equipment, being movable property, may be difficult to locate or seize in the event of any default by our customers.

There can also be no assurance that we will be able to sell such vehicles, construction equipment or properties provided as collateral at prices sufficient to cover the amounts under default. In addition, there may be delays associated with such processes. Further, if any of our borrowers take recourse of arbitration or litigation against our repayment claims, it may cause a further delay in our recovery process leading to depreciation of the secured asset. A failure or delay in recovering the expected value from sale of collateral security could expose us to a potential loss. Any such losses could adversely affect our financial condition, results of operations and/ or cash flows. Furthermore, enforcing our legal rights by litigating against defaulting customers is generally a slow and potentially expensive process in India. Accordingly, it may be difficult for us to recover amounts owed by defaulting customers in a timely manner or at all. Further, if we are unable to sell any repossessed vehicles provided as security for such loans, at commercially favourable prices, in a timely manner or at all, we may not recover the costs of maintaining such repossessed vehicles and our operations, cash flows and profitability could be adversely affected.

16. We have in this Tranche IV Prospectus included certain non-GAAP financial measures such as Net Fixed Assets, Net worth, Total Debts to Total assets, GNPA(%), NNPA (%), Provision Coverage Ratio and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the financial services industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other financial services companies.

Certain non-GAAP financial measures such as Net Fixed Assets, Net worth, Total Debts to Total assets, GNPA(%), NNPA (%), Provision Coverage Ratio, Expense Ratio, Loan Losses and Net Income Margin calculated on basis of our Average Closing Assets (Balance Sheet) (together the "**Non GAAP Measures**") and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Tranche IV Prospectus. These non GAAP measures a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. We have in this Tranche IV Prospectus included financial information which may be different from that followed by other financial services companies. However, note that these non-GAAP financial measures and other statistical information relating to our operations and financial performance are non-standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other financial services companies. Hence, a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure.

17. We face asset-liability mismatches which could affect our liquidity and consequently may adversely affect our operations, profitability and/ or cash flows.

While we believe that our cash flow from operations, available cash and borrowings will be adequate to meet our future liquidity needs, we cannot assure you that our businesses will generate sufficient cash flow from operations such that our anticipated revenue growth will be realized or that future borrowings will be available to us under credit facilities in amounts sufficient to enable us to repay our existing indebtedness, fund our expansion efforts or fund our other liquidity needs. If we are unable to service our existing debt, our ability to raise debt in the future will be adversely affected, which will have a significant adverse effect on our results of operations, cash flows and financial condition.

Further, asset liability mismatches create liquidity surplus or liquidity crunch situations and depending upon the interest rate movement, such situations may adversely affect our Net Income Margin. As is typical for NBFCs, a portion of our funding requirements is met through short-term funding sources such as working capital demand loans, cash credit and commercial papers. We also face interest rate risks as vehicle finance loans are typically provided at a fixed rate of interest whereas the term loans and working capital loans from banks taken by us are typically based on a floating rate of interest.

Consequently, our inability to obtain and/ or maintain additional credit facilities or renew our existing credit facilities, in a timely and cost-effective manner or at all, may lead to mismatches between our assets and liabilities, which in turn may adversely affect our operations and financial performance. Further, mismatches between our assets and liabilities are compounded in case of pre-payments of the financing facilities we grant to our customers. Such factors may have an adverse effect on our results of operations, cash flows and financial condition.

18. A significant portion of our overdue collections are in cash and consequently we face the risk of misappropriation or fraud by our full-time employees or other personnel engaged by us, which may adversely affect our business and profitability.

A significant portion of our collections from our customers is in cash. Large cash collections expose us to the risk of theft, fraud, misappropriation or unauthorized transactions by employees responsible for dealing with such cash collections. In the past, we have been subject to acts of fraud committed by our employees and customers. Misconduct by our employees could also include binding us to transactions that exceed authorised limits or present unacceptable risks or concealing unauthorized or unlawful activities from us. These risks are exacerbated by the high levels of responsibility we delegate to our employees, the geographically dispersed nature of our network and our hub and spoke business model, with the centralized hub situated out of our head office in Chennai. We primarily cater to customers in rural and semi-urban markets, which carry additional risks due to limitations on infrastructure and technology.

While we have implemented technology that tracks our cash collections, taken insurance policies, including fidelity coverage and coverage for cash in safes and in transit, and undertaken measures to detect and prevent unauthorized transactions, fraud or misappropriation, this may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations and profitability. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transactions, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill.

Our business is also susceptible to fraud by dealers, distributors and other agents through the forgery of documents, multiple financing of the same asset/ collateral and unauthorized collection of instalments on behalf of our Company. Given the high volume of transactions involving cash processed by us, certain instances of fraud and misconduct by our representatives or employees may go unnoticed for some time before they are discovered and others successfully rectified. Even when we discover instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, there can be no assurance that we will recover any amounts lost through such fraud or other misconduct. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of such systems will result in losses that are difficult to detect or rectify. It is not always possible to deter fraud or misconduct by employees and customers and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Any instances of such fraud or misconduct could adversely affect our reputation, business, results of operations, financial condition and cash flows.

In addition, in the Vehicle Finance segment, customers we lend to are typically road transporters who travel long distances away from their home location. Our inability to trace such customers who default on their loans may result in additional loan losses. Similarly, in our Loan Against Property and Home Loans segment, where our customers default, our ability to take possession of property legally and dispose it off could take longer time. Any instances of such fraud or misconduct, or failure to recover collateral, could adversely affect our reputation, results of operations, financial condition and cash flows. We have been the subject of instances of fraud in the past, amounting to ₹ 24.72 crores across 283 instances in the three preceding Fiscals and the six months ended September 30, 2023. In the past, we have also been subject to acts of fraud committed by our employees and customers. For further information, see "*Outstanding Litigations and Defaults - Material fraud committed against our Company in the last three years, and if so, the action taken by our Company"* on page 330.

19. Our secretarial and historical records may be subject to deficiencies and inaccuracies. Further, some of our historical records may not be traceable.

The MCA, Office of the Registrar of Companies, Tamil Nadu at Chennai has issued three notices to us, each dated March 15, 2019, pursuant to an inspection conducted under Section 209A of the Companies Act, 2013, to show cause for the following: (i) allegedly not following the 'useful life' prescribed under the Companies Act, 2013; (ii) classifying computers and data processing units of the Company as 'plant and machinery' in the financial statements for Fiscals 2015 to 2018; and (iii) allegedly not furnishing the financial position of the Subsidiaries and the erstwhile subsidiary, White Data Systems Private Limited, in the Board report attached to the financial statements of the Company. While we have responded to the MCA, we cannot assure you that the Ministry of Corporate Affairs will not take any action against us pursuant to these show cause notices. Further, while our financial statements are prepared in accordance with the applicable laws and accounting standards, we cannot assure you that the MCA will not issue similar show cause notices to us in the future for any alleged non-compliance, due to a difference in interpretation.

Our Company was incorporated in 1978, and we are not in possession of certain historical filings made by our Company with statutory authorities and there are certain inconsistencies in some of our historical records. For instance, (i) the list of allottees in respect of the allotments made by us on December 4, 1978, February 26, 1979, April 7, 1980

and December 26, 1990, are presently not traceable; (ii) for allotments made by us on October 27, 1982 and February 20, 1995 the allotment registers are incomplete, and the complete list of allottees is not available in our records; (iii) the shareholder approvals for preferential allotments made by our Company between November 2, 1978 and January 19, 1980 are not traceable; and (iv) there have been instances of inconsistencies between the return of allotment and the resolutions in respect of certain allotments. We have relied on documents including form filings made by our Company, resolutions passed by our Company, annual returns of our Company, annual reports, etc., in relation to the build-up of the equity share capital of our Company as disclosed in "*Capital Structure*" on page 49. We cannot assure you that our Company will not be subject to any action, including monetary penalties by statutory authorities, on account of any non-availability of, or inconsistency in, the secretarial records and filings of our Company.

20. We require certain statutory and regulatory approvals and licenses for conducting our business and an inability to obtain or maintain such approvals and licenses in a timely manner, or at all, may adversely affect our operations.

We require various approvals, licenses, registrations and permissions for operating our business. We are also required to comply with the prescribed requirements including exposure limits, classification of NPAs, KYC requirements and other internal control mechanisms. In the future, we will be required to maintain such permits and approvals and obtain new permits and approvals for any proposed expansion strategy or diversification into additional business lines or new financial products. There can be no assurance that the relevant authorities will issue any of such permits or approvals in a timely manner, or at all, and/ or on favorable terms and conditions. Our failure to comply with the terms and conditions to which such permits or approvals are subject, and/ or to maintain or obtain the required permits or approvals may result in an interruption of our business operations and may have a material adverse effect on our business operations and future financial performance.

In the event that we are unable to comply with the requirements within the specified time limit, or at all, we may be subject to regulatory actions by the RBI including the levy of fines or penalties and/ or the cancellation of our license to operate as an NBFC. However we cannot assure you that we may not breach the exposure norms in the future. Any levy of fines or penalties or the cancellation of our Company's license to operate as an NBFC by the RBI or the Government of India, due to the breach of exposure or other applicable norms, may adversely affect our business, prospects, results of operations, financial condition and cash flows.

In addition, we require various registrations to operate our branches in the ordinary course of our business. These registrations typically include those required to be obtained or maintained under legislations governing shops and establishments, professional tax and trade licenses of the particular state in which they operate. Certain approvals may have lapsed in the normal course of business and our Company has either made an application to the appropriate authorities for renewal of such registrations or is in the process of making such applications. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of these conditions, our certificates of registration may be suspended or cancelled and we shall not be able to carry on such activities. For further information, see "*Regulations and Policies*" on page 364. Further, any instructions by RBI or other regulatory authority in India directing the Company to stop the use of its premises/ branches or officials for the operations of its Group entities could materially and adversely affect our business and impact our future financial performance

21. We have expanded into new lines of business and if we are unable to successfully run the new businesses profitably, our results of operations, cash flows and financial condition may be affected. We cannot assure you that we will be effective in implementing our strategies for such new lines of business.

As part of our growth strategy, we aim to expand our product portfolio by launching adjacent lending products to capture a larger portion of the wallet share of our customers. We have limited experience in some of the recently launched products and business verticals. There can be no assurance that we will be able to continue to successfully implement our strategy.

We have since forayed into new lines of business, including SME Loans, Consumer and Small Enterprise Loans and Secured Business and Personal Loan and have made significant investments in technology to enable us to undertake them. We cannot assure you that we will be effective in implementing our strategies for such new lines of business. They may not yield the intended results and which in turn may have an adverse effect on our business, prospects and results of operations. While supporting large scale transformation programs in the existing lines of business, the technology team has also launched of new lines of business, both secured and unsecured, in a digital mode, spanning to loan originations, management and loan collections. We cannot assure you that we will be able to successfully implement our strategy to focus on our transaction financing business. If we are unable to successfully manage, operate or grow our transaction financing business, our business, results of operations and cash flows will be adversely affected.

Further, in the past, we have invested into our subsidiary, Payswiff Technologies Private Limited. For further details, see "*History and Certain Corporate Matters - Our Subsidiaries*" on page 189. While the investment into Payswiff Technologies Private Limited was undertaken following a detailed review and due diligence process, we cannot assure you on the manner in which it was conducting its business and operations prior to the date of investment by our Company, or that there are no past instances of non-compliances involving Payswiff Technologies Private Limited.

Further, if Payswiff Technologies Private Limited is not successful in such business, we may lose some or all of the investments that we have made in it and our reputation, results of operations, financial condition and cash flows may be adversely affected.

22. An inability to effectively manage our growth, sustain our rate of growth, or maintain operational efficiencies, may adversely affect our business and we may not be able to increase our revenues or maintain our profitability.

We have experienced significant growth in recent times and our current growth strategy includes increasing the number of loans we extend, diversifying our product portfolio, aligning it based on the changing business environment and requirements of our customers and expanding our customer base. Our Profit for the period/ year has increased from ₹ 1,514.91 crores in Fiscal 2021 to ₹ 2,666.20 crores in Fiscal 2023 and our profit for the period was ₹ 1,488.50 crores in the six months ended September 30, 2023. However, we cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to expand further or diversify our product portfolio. If we increase the number of loans we extend too quickly or fail to properly assess credit risks associated with new borrowers, a higher percentage of our loans may become non-performing, which may adversely affect the quality of our assets and our results of operations, cash flows and financial condition. We also face a number of operational risks in executing our growth strategy. As part of our growth strategy, we have experienced rapid growth in our Vehicle Finance segment, our office network has expanded significantly and we are expanding to additional smaller towns and cities within India. Our branches have increased from 1,137 as of March 31, 2021 to 1,191 as of March 31, 2023 and we had 1,267 branches as of September 30, 2023. Our rapid growth exposes us to a wide range of risks, including business and management risks, such as the possibility that a number of our impaired loans may increase faster than anticipated or that we fail to understand the new markets we enter into, as well as operational risks and fraud, regulatory and legal risks. It will also place sufficient demands on our management, financial and other resources and will require us to continuously develop and improve our operational, financial and internal controls.

Moreover, our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key managerial personnel, maintaining effective risk management policies, continuing to offer products which are relevant and cost effective for our target customers, training managerial personnel to address emerging challenges, developing and maintaining technical infrastructure and systems and ensuring a high standard of customer service. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to evolving internal controls and risk management procedures. Failure to train our employees for the above operational controls may result in loss of business, erosion of the quality of customer service, diversion of management resources, an increase in our exposure to high-risk credit, significant costs and an increase in employee attrition rates, any of which could adversely affect our business.

While we try to balance our loans/ disbursals depending on the business environment and respective risk parameters, this approach may not always be successful in the event markets do not perform as anticipated.

Our business has grown consistently in the past. Any inability to maintain our growth may have a material adverse effect on our business, results of operations and financial condition.

23. Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and lending markets and, as a result, would negatively affect our Net Income Margin and our business.

The cost and availability of capital is dependent on our short-term and long-term credit ratings. Ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Our current ratings indicate high degree of safety as regards timely servicing of financial obligations and carrying low credit risk. For further information on our Company's credit ratings, see "*Our Business – Credit Ratings*" on page 157.

Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and debt markets and, as a result, negatively affect our Net Income Margin and our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any additional financing or refinancing arrangements in the future. The ratings provided by the rating agencies may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions.

24. We are subject to the risk of failure of, or a material weakness in, our internal control systems, which could have a material adverse effect on our reputation, business, financial condition, results of operations and cash flows.

We have established internal control systems and processes for our internal audit team to scrutinise, and periodically test and update, all facets of our operations, as necessary. However, we are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Although we believe that we have taken appropriate measures

to develop our internal control systems and policies to address those issues, we cannot assure you that our systems and policies will be sufficient or will fully correct such weaknesses, or that similar deficiencies will not arise in the future.

Further, our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material adverse effect on our reputation, business, financial condition, results of operations and cash flows.

25. Negative cash flows in the future could adversely affect our cash flow requirements, our ability to operate our business and implement our growth plans, thereby affecting our financial performance.

We have in the past, and may in the future, experience negative operating cash flows. The following table sets forth certain information relating to our cash flows on a standalone basis for the periods indicated under Ind AS:

(in ₹ crores)

Particulars	Fiscal			Six months ended September 30, 2023
	2021	2022	2023	
Net cash (used in) operating activities	(8,850.74)	(5,607.52)	(27,036.89)	(17,122.43)

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, prospects, results of operations and financial condition may be materially and adversely affected.

26. We have securitized/ assigned a significant portion of the receivables from our loan portfolio to banks and other institutions. Any deterioration in the performance of any pool of receivables assigned to banks and other institutions or any change in RBI or government policies may adversely affect our results of operations, financial condition and cash flows.

We have securitized and assigned through bilateral transactions a significant portion of the receivables from our loan portfolio to banks and other institutions. These securitization and assignment transactions are conducted on the basis of internal estimates of our funding requirements, and may vary from time to time. Under Ind AS 109, assets transferred under securitisation do not meet de-recognition criteria and the same will therefore be retained in the books and amount received from the securitisation trust will be treated as borrowing. The assignment transactions entered into by the Company satisfy de-recognition criteria under Ind AS, consequently, upfront gain is recognised on bilateral assignments.

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30, 2023
	2021	2022	2023	
	(₹ crores, except percentages)			
Carrying amount of de-recognised financial asset	4,160.42	2,764.99	1,762.48	1,438.33
Carrying amount of de-recognised financial asset, as a percentage of AUM (net of provisions)	5.94%	3.60%	1.65%	1.16%

Any change in RBI or other government regulations in relation to bilateral direct assignments and securitizations by NBFCs could have an adverse impact on our assignment and securitization plans in the future. As of March 31, 2021, 2022 and 2023 and as of September 30, 2023, we had De-recognized Loans amounting to ₹4,160.42 crores, ₹2,764.99 crores, ₹1,762.48 crores and ₹1,438.33 crores, respectively, representing 5.94 %, 3.60 % 1.65 %, and 1.16 % respectively, of our Business AUM (net of provisions).

Securitization and assignment transactions help us in maintaining our capital adequacy, are considered as a true sale as per RBI guidelines relating to securitisation and direct bilateral assignment and also provide us with relief on capital. It also helps in generation of income by way of collection fees and agreed spread. The counterparties to securitization transactions require us to provide credit enhancement through fixed deposits or bank guarantees. Credit enhancements enable us to improve our credit worthiness. We have outstanding credit enhancement of ₹ 1,753.28 crores and outstanding bank guarantees ₹ 281.56 crores as of September 30, 2023. In the event a counterparty does not realize the receivables due under such loan assets, it could claim recourse through such credit enhancement for an amount up to the first loss risk, which could adversely affect our results of operations, cash flows and financial condition. Furthermore, any recourse to such credit enhancement or invocation of bank guarantees may also result in our inability to securitize further pools of assets.

27. We rely on third party external vendors and Chola Business Services Limited to whom we have outsourced certain of our operations. If these third parties fail to perform their obligations, it could adversely affect our business and cause us financial loss, which may not be recoverable from such third-party in full or at all.

For certain of our business functions such as customer acquisition, property and vehicle valuations, title verification, field investigation, tele-calling, IT systems management and vehicle repossession, we depend on third-party external vendors to provide these services to us. If these third-parties fail to perform their services adequately or lapse on their part to meet quality standards that we require, it may result in potential operational and credit losses which can impact our profitability. While we believe we have a vendor on-boarding and monitoring process that enables us to identify and change non-performing vendors, there can be no assurance that such controls implemented by us will prevent any potential future losses. Further, any failure on our part to comply with the terms contained in agreements with such vendors may expose us to the risk of premature termination of the arrangement and claims, disputes and litigations with such third-parties.

These personnel perform various activities such as sourcing of customers, distribution and marketing of our financing products, collections including collection of overdue amounts and repossession of assets, and other back office and administrative support.

In the event that Chola Business Services Limited fails to deliver trained personnel for our business operations, source customers and assess them adequately or effectively perform its services pursuant to the services agreement, or if this agreement is not renewed, and we are unable to find an alternative service provider at similar terms or at all, it may adversely affect our business operations and financial performance.

28. Our ability to establish and maintain current accounts with scheduled commercial banks and payment banks may be restricted on account of guidelines issued by the RBI. Any restrictions on our ability to maintain these accounts, or establish new current accounts, could adversely impact our growth, business and financial condition.

On August 06, 2020, the RBI issued a circular titled 'Opening of Current Accounts by Banks-Need for discipline' to scheduled commercial banks and payments banks. Instructions in the Circular include that "(i) No bank shall open current accounts for customers who have availed credit facilities in the form of cash credit (CC)/ overdraft (OD) from the banking system and all transactions shall be routed through the CC/OD account. (ii) Where a bank's exposure to a borrower is less than 10 per cent of the exposure of the banking system to that borrower, while credits are freely permitted, debits to the CC/OD account can only be for credit to the CC/OD account of that borrower with a bank that has 10 per cent or more of the exposure of the banking system to that borrower. (iii) Where a bank has a share of 10 per cent or more in the total exposure of the banking system to the borrower, it can provide CC/OD facility as hitherto. (iv) Banks should not route drawal from term loans through current accounts. Since term loans are meant for specific purposes, the funds should be remitted directly to the supplier of goods and services. (v) Expenses incurred by the borrower for day to day operations should be routed through CC/OD account, if the borrower has a CC/OD account, else through a current account. (vi) As regards existing current and CC/OD accounts, banks shall ensure compliance with the above instructions within a period of three months from the date of this circular." On October 29, 2021, RBI, relaxed the restriction on opening of current account in respect of borrowers where exposure of the banking system is ₹ 5 crore or more wherein such borrower can maintain current accounts with any one of the banks with which it has CC/OD facility, provided that the bank has at least 10 per cent of the exposure of the banking system to that borrower. These circulars will restrict the ability of NBFCs to establish new current accounts and maintain current accounts with multiple scheduled commercial banks and payments banks, and could disrupt our ongoing business and conduct of operations of the Company.

29. We depend on the accuracy and completeness of information about customers and counterparties and any misrepresentation, errors in or incompleteness of such information could cause our business to suffer. In addition, we are exposed to counterfeit collateral documents which we might record as security.

In deciding whether to extend credit or enter into other transactions with customers, we rely on information furnished to us by or on behalf of customers. We may also rely on certain representations from our customers as to the accuracy and completeness of that information. For ascertaining the creditworthiness and encumbrances on collateral we may depend on the respective registrars and sub-registrars of assurances, credit information companies or credit bureaus, and on independent valuers in relation to the value of the collateral, and our reliance on any misleading information given may affect our judgement of credit worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, prospects, results of operations and financial condition. In the past 12 months, we have had instances where we have identified fake collateral/ title documents from customers on delinquent accounts. These accounts will take longer legal proceedings to resolve. There is no assurance that there will not be any further such instances given the manual nature of property documentation and verification in India.

Moreover, the availability of accurate and comprehensive credit information on retail customers and small businesses in India is more limited than for larger corporate customers, which reduces our ability to accurately assess the credit risk associated with such lending. A nationwide credit bureau, viz., the Credit Information Bureau (India) Limited ("**CIBIL**") is operational in India and RBI has approved the creation of other credit information bureaus. However, CIBIL does not presently report information from retailers, utility companies and trade creditors, and no other nationwide bureaus of this nature presently exist. While the law provides us with better access to credit information, there may be relatively less financial and credit information available on small and medium enterprises and in relation to the possibility of double-financing obtained by any such clients, than may have been available in a more developed

economy, and the availability of such financial and credit information in India may be considered to suffer from an absence of competitive pressure at present.

Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our non-performing and restructured assets, which could materially and adversely affect our business, prospects, results of operations, financial condition and cash flows.

30. Our risk management measures may not be fully effective in mitigating our risks in all market environments or against all types of risks, which may adversely affect our business and financial performance.

We are exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk and legal risk. The effectiveness of our risk management is limited by the quality and timely availability of data. Our risk management techniques may not be fully effective in mitigating our risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated and which may adversely affect our business and results of operation.

Other risk management methods depend upon an evaluation of information regarding markets, customers or other matters. This information may not in all cases be accurate, complete, current, or properly evaluated. Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify a number of transactions and events. Although we have established policies and procedures, they may not be fully effective. Our future success will depend, in part, on our ability to respond to new technological advances and evolving NBFC, vehicle finance, loan against property and housing finance and mortgage loan sector standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails significant technical and business risks. There can be no assurance that we will successfully implement new technologies or adapt our transaction-processing systems to customer requirements or evolving market standards.

31. Fluctuation in the market values of our investments could adversely affect our results of operations and financial condition.

As part of our treasury management, we have formulated a board-approved investment policy in accordance with the RBI Master Directions. Our investment policy prescribes policies for investments in SEBI registered mutual funds, Government Securities/ treasury bills, liquid/ liquid plus mutual funds and fixed deposits with banks and small finance banks, subject to the overall investment limit fixed by the Board. The value of these investments depends on several factors beyond our control, including the domestic and international economic and political scenario, inflationary expectations, interest rate volatility and monetary policies. Any decline in the value of these investments may have an adverse effect on our results of operations and financial condition.

32. The Indian housing finance industry is highly competitive and our inability to compete effectively could adversely affect our business and results of operations.

The housing finance industry in India is highly competitive and we compete with banks, HFCs, small finance banks and NBFCs in each of the geographies in which we operate. Consistent with developments over the years, we may also see the entrance of new competitors in the housing finance industry. Our competitors may have more resources, a wider branch and distribution network, access to cheaper capital, superior technology and may have a better understanding of and relationships with customers in these markets. This may make it easier for competitors to expand and to achieve economies of scale to a greater extent. In addition, our competitors may be able to rely on the reach of the retail presence of their affiliated group companies or banks. Competition in this market segment has also increased as a result of interest rate deregulation and other liberalization measures affecting the housing finance industry in India and we expect competition to intensify in the future.

Our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost capital, and charge optimum interest rates at which we lend to our customers. Consequently, our ability to maintain or increase our margins will be dependent on our ability to pass on increases in the interest rates on our interest-bearing liabilities to our customers. Moreover, any increases in the interest rates on the loans we extend may also result in a decrease in business. We cannot assure you that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive housing finance industry. If we are unable to compete effectively, our business and results of operations may be adversely affected.

33. Our insurance coverage may not adequately protect us against losses.

We maintain insurance coverage that we believe is adequate for our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in

sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or coinsurance requirement, could adversely affect our business, financial condition, results of operations and cash flows.

34. Priority sector lending requirements adhered to by scheduled commercial banks may increase our cost of funding and adversely affect our business, results of operations, financial condition and cash flows.

Pursuant to the RBI master circular dated July 1, 2015, as amended, and master directions dated July 7, 2016 on priority sector lending-targets and classification, scheduled commercial banks operating in India are required to maintain 40% of their adjusted net bank credit or the credit equivalent amount of their off balance sheet exposure, whichever is higher, as priority sector advances. Foreign banks with 20 or more branches in India were required to achieve such 40% priority sector lending within a maximum period of five years commencing from April 1, 2013 and ending on March 31, 2018, while foreign banks with less than 20 branches are required to achieve such 40% priority sector lending in a phased manner i.e. 32% by Fiscal 2016, 34% by the Fiscal 2017, 36% by Fiscal 2018, 38% by Fiscal 2019 and 40% by Fiscal 2020. Further, as per RBI circular dated August 13, 2019, lending by banks to NBFCs for the following sectors will be eligible for classification as priority sector lending: (i) agriculture – on-lending by NBFCs for 'term lending' component under agriculture is permissible up to ₹ 10 lakh per borrower, (ii) MSME – on-lending by NBFC is permissible up to ₹ 20 lakh per borrower, and (iii) housing - existing limits for on-lending by HFCs has been increased from ₹ 10 lakh per borrower to ₹ 20 lakh per borrower. Further, bank credit to NBFCs for on-lending will be permitted to up to a limit of 5% of the individual bank's total priority sector lending on an ongoing basis.

Commercial banks in the past have relied on specialized institutions, including NBFCs, to provide them with access to qualifying advances through lending programs and loan assignments, which may lead to more competition for us and may adversely affect our business and results of operations. Any such changes in priority sector guidelines by RBI may adversely affect our business and operations. While scheduled commercial banks may still choose to lend to NBFCs they may charge higher rates to do so because these loans no longer count towards their priority sector lending requirements. This may lead to an increase in the rates at which such loans have historically been offered to us, thus increasing our borrowing costs and adversely affecting our financial condition and results of operation. As a result of these developments, our access to funds and the cost of our capital may be adversely affected and to the extent we are unable to secure replacement funding at similar cost or at all, our results of operations and cash flows could be adversely affected.

35. We are subject to ongoing scrutiny by regulatory authorities. A failure to comply with regulatory observations following any such inspections may adversely affect our business and prospects.

The RBI periodically carries out onsite inspections on banks, financial institutions and NBFCs under the provisions of the RBI Act, pursuant to which an annual inspection of our books of accounts and other records relating to our financial position is conducted by the RBI on an ongoing basis. In the past, in its periodic inspections on our Company, the RBI has made observations on various matters including, among other things, the (i) internal controls and processes, (ii) risk management systems, (iii) policies, (iv) management, and (v) other operational matters of our Company. We have responded to these observations from time to time, and have taken steps, or are in the process of taking steps to address the identified issues. In the event that we fail to comply with the RBI observations as committed, or in case we seek waivers or extensions for complying with the observations, the RBI may take adverse action against us, including placing stringent restrictions on our operations or even revoking our registration/ licence.

36. A portion of our loans are unsecured. If borrowers under unsecured loans default and we are unable to recover such receivables in a timely manner or at all, our financial condition, results of operations and cash flows may be adversely affected.

As at September 30, 2023, we had unsecured loans of ₹10,301.81 crores which represented 8.29% of our total loans. Since these loans are unsecured, in the event of defaults by such customers, our ability to realise the amounts due to us would be restricted to initiating legal proceedings for recovery. There can be no guarantee as to the length of time it could take to conclude such legal proceedings or for the legal proceedings to result in a favourable decision for us. Any failure to recover the full amount of principal and interest on unsecured loans given to our customers could adversely affect our financial condition, results of operations and cash flows.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Act, 2002 has strengthened the ability of lenders to recover NPAs by granting lenders greater rights to enforce security and recover amounts owed from secured borrowers. Since the introduction of the Insolvency and Bankruptcy Code, 2016 ("**IBC**"), the IBC has become the main framework under which insolvency proceedings against corporate persons are undertaken. While the IBC does not make any distinction between secured creditors and unsecured creditors during the corporate insolvency resolution process, the liquidation waterfall in case the company has to undergo liquidation depends on whether the creditor is secured or unsecured. It is nonetheless possible for us to take a significant reduction in the amount owed to

us both in case of insolvency resolution and liquidation, which could result in increased losses and decline in profits, and adversely affect our financial condition, results of operations and cash flows.

37. Cholamandalam Securities Limited ("CSEC"), our wholly-owned subsidiary, is a registered member of NSE and BSE and a depository participant in NSDL and CDSL. If CSEC is not successful in such business, we may lose some or all of the investments that we have made in it and our reputation, results of operations, financial condition and cash flows may be adversely affected.

CSEC, our wholly-owned subsidiary, is a registered member of NSE and BSE and a depository participant in NSDL and CDSL. The stock broking business of and depository participant services provided by CSEC are highly regulated, and is subject to a number of regulations including the SEBI (Stock Brokers) Regulations, 1992, SEBI (Intermediaries) Regulations, 2008, SEBI master circular no. SEBI/HO/MIRSD-PoD-1/P/CIR/2023/71 for Stock Brokers dated May 17, 2023, SEBI (Research Analysts) Regulations, 2014 and Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018. We are subject to all the business risks and uncertainties associated with the stock broking business, which may adversely affect our business, prospects, results of operations, financial condition and cash flows. These risks include the following:

- General economic and political conditions in India and globally that affect the Indian securities markets. Downturns and adverse market conditions could adversely affect the volume of trading in securities offered, thereby reducing brokerage revenues;
- Market movements and volatility may affect the demand for third-party products, thereby reducing commission income;
- Increased competition in this business, leading to lower fee and commissions and lower income;
- Financing costs may increase due to the limited access to liquidity and the capital markets or volatility in interest rates;
- Stock broking operations are also subject to regulatory limits on brokerage fee rates and net worth requirements imposed by the exchanges, and CSL is subject to various laws relating to the prevention of insider trading, front running and other conflicts of interest. Although there are internal controls and measures in place, there can be no assurance that CSL or its agents, intermediaries or employees will always manage such conflicts of interest, including compliance with various applicable laws and regulations.
- The laws applicable to such business continue to evolve and may be amended, revised or replaced in the future by the Government or regulatory authorities, or due to judicial decisions. Such measures may affect trading volumes and increase trading costs, which may affect our business, financial condition and cash flows.

In the event that we are unable to comply with the requirements specified under such regulations, we may be subject to regulatory actions by the SEBI or the Stock Exchanges, including levy of fines or penalties. There have been instances in the past where monetary penalties have been levied on our Company which have either been paid or are in the process of being defended. If the stock broking business of CSEC is adversely affected, we may lose some or all of the investments that we make in CSEC and our reputation, financial condition and results of operations could be adversely affected.

38. Our inability to protect or use our intellectual property rights may adversely affect our business.

Our name and trademarks are significant to our business and operations. The use of our brand name or logo by third parties could adversely affect our reputation, which could in turn adversely affect our financial performance. We use the "Chola" trademark, which is the trademark for our primary business operations, and is owned by one of our Promoters, Cholamandalam Financial Holdings Limited. It is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition. Cholamandalam Financial Holdings Limited may not be able to prevent infringement of such trademarks and a passing off action may not provide sufficient protection until such time the applicable registrations are granted. Further, our trademark applications may fail to result in trademarks being issued in a timely manner or at all. We may also be susceptible to claims from third parties asserting infringement and other related claims. Any of the foregoing could have an adverse effect on our business, results of operations and financial condition.

39. We face difficulties and incur additional expenses in operating in rural and semi-urban markets, where infrastructure may be limited.

We cater primarily to customers in rural and semi-urban markets, which may have limited infrastructure, particularly for transportation and electricity. At our branches in remote markets, we may face difficulties in conducting operations, such as accessing power facilities, transporting people and equipment, and implementing technology measures. We may also face increased costs in conducting our business and operations in these markets, such as higher data connectivity and network costs. We cannot make assurances that such costs will not increase in the future as we expand

our network in rural and semi-urban markets, which could adversely affect our profitability. Moreover, some of our customers reside in rural and semi-urban areas and their results of operations are affected by risks specific to their businesses. For example, the agriculture industry in India is substantially dependent on monsoons. Extreme weather conditions such as drought, insufficient rainfall or floods may potentially affect the quality and quantity of farming production in a given year, thereby adversely affecting the ability of our farmer customers to repay their loans.

40. We may experience difficulties in expanding our business into new regions and markets in India.

As we continue to grow, we will evaluate opportunities to expand our business into new markets in India. Factors such as competition, customer requirements, regulatory regimes, business practices and customs in these new markets may differ from those in our existing markets, and our experience in such existing markets may not be applicable to these new markets. In addition, as we enter new markets and geographical regions, we are likely to compete with not only other banks and financial institutions but also the local unorganised or semi-organised private financiers, who are more familiar with local regulations, business practices and customs, and have stronger relationships with target customers.

As we expand our geographic footprint, our business may be exposed to additional challenges, including obtaining necessary governmental approvals, identifying and collaborating with local business partners with whom we may have no existing relationship; successfully marketing new products; attracting customers in a market in which we do not have significant experience or visibility; being subject to additional local taxes; attracting and retaining new employees; expanding our technological infrastructure; maintaining standardised systems and procedures; and adapting our marketing strategy and operations to new markets in India in which different languages are spoken. To address these challenges, we may have to make significant investments that may not yield desired results or incur costs that we may not be able to recover. Our inability to expand our current operations may adversely affect our business, financial conditions, results of operations and cash flows.

41. Our inability to maintain relationships with our sourcing intermediaries could have an adverse effect on our business, prospects, results of operations and financial condition.

In addition to our sales team, we have entered into commercial arrangements with sourcing intermediaries, which include commission based direct selling agents ("**DSAs**"), If we are unable to provide services required by these sourcing intermediaries on a timely basis or offer products that meet the needs of customers referred by them, the number of such arrangements and amount of loans originated by them, could decrease and adversely affect our business, prospects, financial condition, results of operations and cash flows. These are non-exclusive arrangements and our loan origination is dependent to an extent on continuing such relationships on commercially reasonable terms. There can be no assurance that we will be successful in maintaining our relationships with these sourcing intermediaries. These sourcing intermediaries could originate loans for our competitors thereby adversely affecting our business prospects. In addition, sourcing intermediaries may not be able to effectively market our loan products, and any misbehaviour or misrepresentation by these sourcing intermediaries to the customers may impair or harm our reputation. DSAs serve as an important sourcing channel for us and for the industry in general, and have a captive pool of customers with whom they maintain a long term relationships. DSAs are provided with variable incentives basis the disbursement to the end customer. The incentives are competitive and are designed to retention of relationship on a long term basis. If our relationships with these sourcing intermediaries and DSAs are discontinued or such arrangements are affected or modified, our ability to originate loans may be affected which may in turn adversely affect our business, prospects, financial condition and results of operations.

42. Changes in environmental, tax or other laws may lead to a decline in the sale of vehicles or value of vehicles as a collateral, which could adversely affect our business, results of operations and prospects.

We are engaged in vehicle financing, and as of September 30, 2023, Loans to the Vehicle Finance segment represented 60.68% of our Company's total Loans as of such date. Any regulation passed by either the central Government or any of the state Governments, or any orders of judiciary to ban the sale of a particular segment of vehicles or impose additional taxes on any particular segment of vehicles, could lead to a decline in the sales of such vehicles and also in the value of such vehicles held as collateral. Further, our vehicle finance business is cyclical in nature. High levels of customer defaults could adversely affect our business, financial condition, results of operations and/or cash flows.

43. We have significant exposure to the real estate sector and any negative events affecting this sector could adversely affect our business and result of operations.

The primary security for the loan against property and home loans disbursed by us is the underlying property; the value of this security is largely dependent on housing market conditions prevalent at that time. The value of the collateral on the loans disbursed by us may decline due to adverse market conditions including an economic downturn or a downward movement in real estate prices. In the event the real estate sector is adversely affected due to a decline of demand for real estate properties, changes in regulations or other trends or events, which negatively impact the real estate sector, the value of our collaterals may diminish which may affect our business and results of operations. Failure to recover the expected value of collateral could expose us to losses and, in turn, result in a material adverse effect on

our business, results of operations and financial condition.

44. The success of our business operations is dependent on our senior management team and key management personnel as well as our ability to attract, train and retain such employees.

The success of our business operations is attributable to our senior management team and key management personnel. We believe that the experience of our senior management team has enabled us to experience consistent growth and profitability as well as a robust liquidity and capital position. Our ability to sustain our growth depends upon our ability to attract and retain key personnel, developing managerial experience to address emerging business and operating challenges and ensuring a high standard of customer service.

Hiring and retaining personnel qualified and experienced in credit-appraisal and asset valuation, in the vehicle finance sector and affordable housing segment, is particularly difficult. We also face attrition of our existing workforce as a result of increased competition or other factors relating to our businesses. If we cannot hire additional qualified personnel or retain them, our ability to expand our business will be impaired and our revenue could decline. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Any inability to attract and retain talented employees, or the resignation or loss of key management personnel, may have an adverse impact on our business and future financial performance.

45. The loans provided to our customers in the Loan Against Property and New Businesses – SME segment can be used for various purposes and we may not have any control over such use. This may result in a failure by customers to repay the loans in a timely manner or at all and this may have a material adverse effect on our business, its cash flows, results of operations and financial condition.

As part of our Loan Against Property and New Businesses – SME segment, we provide loans against property predominantly to self-employed non-professional customers who are engaged in business activity such as manufacturing, trading or services. The purpose for which the loan is obtained by customers differs from customer to customer. We do not have any direct control over how a customer actually utilizes the loan, after receiving the loan. Although, our credit appraisal system conducts due diligence during our underwriting process and exercises caution in its lending, any use of loan proceeds for various purposes different from what was stated to us and which are outside our control, may impact the repayment capacity by the borrower under that loan. Any failure to repay such loan may have an adverse effect on our business, prospects, financial conditions and cash flows.

46. We have entered into co-lending arrangements with certain other non-banking financial companies We cannot assure that such co-lending arrangements will not be terminated or paused which may impact the growth of our business.

We have entered into co-lending arrangements with certain other non-banking financial companies where such co-lender disburses 80% of the loan and the Company disburses 20% of the loan to certain customers. We cannot assure that such co-lending arrangements will not be terminated or paused which may impact the growth of our business. Further, our ability to co-originate loans also depends on the banks with which we enter to co-lending agreements. In addition, we may earn lesser spreads on our loans through the co-lending model, which may adversely impact our business, financial condition, cash flows and results of operations.

47. Our business may be affected by seasonal trends in the Indian economy. Any significant event or economic slowdowns during this peak season would materially and adversely affect our results of operations, cash flows and growth.

Our business operations and the non-banking financial services industry may be affected by seasonal trends in the Indian economy. Generally, the period from October to March is the peak period in India for retail economic activity. This increased, or seasonal, activity is the result of several holiday periods, improved weather conditions and crop harvests. We generally experience higher volumes of business during this period. During these periods, we may continue to incur operating expenses, but our income from operations may be delayed or reduced.

48. Our operations could be adversely affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees.

We have not experienced any material employee unrest in the recent past, however we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. Such employee actions are difficult or impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

49. We participate in markets with continuously evolving technology needs. If we fail to integrate our artificial intelligence capabilities in our operations, it could adversely affect our business growth and results of operations.

Our continued success will depend, in part, on our ability to respond to technological advances, changing customer needs and emerging industry standards and practices on a cost-effective and timely basis. Technological innovation such as digital wallets, mobile operator banking, payment banks, generative AI, internet banking through smart phones, could disrupt the financial services industry and increase competition as a whole. If we fail to adapt to such technological advances quickly and effectively it could affect the performance and features of our product offerings and services and reduce our attractiveness to existing and potential customers hereby adversely affecting our business, financial condition, results of operations, and cash flows. We are actively undertaking various initiatives to employ the use of artificial intelligence ("**AI**") in our operations, which we believe would help build predictive models across credit, sales, collections and risk functions. Nevertheless, we may face technical challenges that adversely affect our ability to integrate such AI capabilities in our operations. Further, we may face operational difficulties if our AI capabilities malfunction. Failure to develop and integrate AI capabilities into our operations could create operational difficulties and have an adverse effect on our business growth and results of operations.

50. We have in the past entered into related party transactions and may continue to do so in the future, and there can be no assurance that we will achieve more favourable terms if such transactions are not entered into with related parties.

We have entered into various transactions with related parties, each of which have been undertaken on an arms' length basis. We may also, from time to time, enter into related party transactions in the future. To the extent we may extend loans or advances to related parties, or provide guarantees or security, we may face risks in relation to default by such related parties or potential non-recovery. We cannot assure you that we will be able to achieve more favourable terms for such transactions if they are entered into with parties that are not related parties. Set forth below are details of our related party transactions in the corresponding periods/ years:

Fiscal						**Six months ended September 30,**	
2021		**2022**		**2023**		**2023**	
Related party transactions (₹ crores)	**Related party transactions as a % of total income (%)**	**Related party transactions (₹ crores)**	**Related party transactions as a % of total income (%)**	**Related party transactions (₹ crores)**	**Related party transactions as a % of total income (%)**	**Related party transactions (₹ crores)**	**Related party transactions as a % of total income (%)**
372.91	3.89%	311.70	3.07%	1,384.66	10.67%	727.42	8.36%

** Related party transactions refers to the arithmetic aggregated absolute total of transactions during the years ended March 31, 2021, March 31, 2022 and March 31, 2023 and for the period ended September 30, 2023. For details, please see "Related Party Transactions" on page 279.*

Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

51. Our Promoter, certain of our Directors and Key Management Personnel may be interested in us other than in terms of remuneration and reimbursement of expenses, and this may result in conflict of interest with us.

Our Promoter, certain of our Directors and Key Management Personnel are interested in us, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, direct and indirect, and our stock options and benefits arising therefrom. Our Promoters are also interested in us to the extent of his shareholding in us and any benefits arising therefrom. We cannot assure you that our Promoters, certain of our Directors and Key Management Personnel will exercise their rights as shareholders to our benefit and best interest. Further our Promoter and Promoter Group hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses which also allows them to exercise significant influence over us.

52. Certain of our Directors are on the board of directors of companies engaged in a line of business similar to that of ours. Any conflict of interest that may occur as a result could adversely affect our business, financial condition, results of operations and cash flows.

Certain of our Directors are on the board of directors of companies engaged in a line of business similar to ours. These entities may provide comparable services, expand their presence, solicit our employees or acquire interests in competing ventures in the locations or segments in which we operate. A conflict of interest may occur between our business and the business of such entities, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

53. The grant of options in future under any employee stock option scheme by our Company will result in a charge to our profit and loss account and may adversely impact our net income.

Our Company follows Ind AS method of accounting for employee compensation cost on options granted which could result in a charge to our Company's profit and loss account. Under Ind AS, 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 Company are measured at the fair value of the options 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 Company 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 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 Company'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. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. In addition to the effect on the profit and loss account, the exercise of vested stock options will dilute the interests of shareholders (as in the case of any issuance of Equity Shares). For further information on the ESOP 2016 and ESOP 2007, see "*Capital Structure – Employee Stock Option Scheme*" on page 56.

54. We depend on our brand reputation and our failure to maintain our image could have a material adverse effect on our business, financial condition and results of operations.

We believe that the reputation of our brand among our customers has contributed significantly to the growth and success of our business. Maintaining and enhancing the recognition and reputation of our products is, therefore, critical to our business and competitiveness. Many factors, some of which are beyond our control, are important in maintaining and enhancing our product image. These factors include our ability to maintain the reliability and quality of the services we offer and increase product awareness through investment in brand building initiatives, including through education programs and marketing activities. A perception that we do not provide satisfactory products, even if factually incorrect or based on isolated incidents, could damage our reputation, diminish the value of our products, undermine the trust and credibility that we have established and have a negative impact on our ability to attract new customers or retain our current customers.

Additionally, negative news related to the Promoter Group can impact the rating assigned to our Company. While we have a risk management framework to address such issues, we do not have any control over the occurrence of such incidents.

55. Some of the information disclosed in the Shelf Prospectus is based on information from industry sources and publications which may be based on projections, forecasts and assumptions that may prove to be incorrect. Investors should not place undue reliance on, or base their investment decision on this information.

The information disclosed in the section "*Industry Overview*" on page 143 is based on various sources like RBI Bulletin Volume LXXVII Number 10 October 2023, Economic Survey 2022-23 and other industry reports as specifically stated in an "as is where is basis, which has not been verified by us independently and we do not make any representation as to the accuracy of the information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

56. The objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. Any variation in the utilisation of the Net Proceeds or in the terms of the conditions as disclosed in this Tranche IV Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.

We intend to use the Net Proceeds of the Issue for the purpose of onward lending, financing and for repayment of interest and principal of existing debt of the Company, as described in "*Objects of the Issue*" on page 131. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to fund any other expenditure or any exigencies arising out of changes in our competitive environment, business conditions, economic conditions or other factors beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates and current market conditions and have not been appraised by any bank or financial institution or other independent agency. It is subject to amendment due to changes in external circumstances, costs, other financial condition or business strategies. We operate in a highly competitive and dynamic industry and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions,

business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion. For details, see "*Objects of the Issue*" on page 131. Additionally, various risks and uncertainties, including those set forth in this "*Risk Factors*" section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth.

57. We have not entered into any definitive agreements to utilise a substantial portion of the net proceeds of the Issue.

We intend to use the Net Proceeds for the purposes described in "*Objects of the Issue*" on page 131 as approved by the Debenture Committee. Our management will have broad discretion to use the Net Proceeds and you will be relying on the judgment of our management regarding the application of these Net Proceeds. Our funding requirements are based on current conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time. Any such change in our plans may require rescheduling of our current plans or discontinuing existing plans and an increase or decrease in the fund requirements for the objects, at the discretion of the management. Pending utilisation for the purposes described above, we intend to temporarily invest the funds in interest bearing liquid instruments. Such investments would be in accordance with the investment policies approved by our Board from time to time.

58. Our auditors have referred to certain emphasis of matters in their audit report on the Audited Financial Statements.

Our Previous Statutory Auditors have referred to certain emphasis of matters in their audit report on Audited Financial Statements for Fiscal 2021 by drawing attention to a note, which describes the impact of COVID-19 pandemic, and its possible consequential implications on the Company's operations and financial metrics, as set out below:

Fiscal 2021

"The COVID-19 pandemic has affected several countries across the world, including India, Consequent lockdowns and varying restrictions imposed by the government across several jurisdictions in which the Company operates has considerably impacted company's business operations during the year ended March 31, 2021.

In accordance with the Reserve bank of India (RBI) guidelines related to "Covid-19 regulatory package" dated March 27, 2020 and subsequent guidelines on EMI moratorium dated April 17, 2020 and May 23, 2020 the Company has offered moratorium to its customers based the eligibility for EMIs falling due between March 1, 2020 to August 31, 2020. Further, the Company offered resolution plans to its customers pursuant to RBI's guideline 'Resolution framework for Covid-19 related stress' dated August 6, 2020.

The impact of COVID-19 pandemic including the ongoing "second wave", on Company's operations and financial metrics, will depend on the future developments, which are highly uncertain. Management continues to monitor the evolving situation on an ongoing basis and management has considered events up to the date of these financial statements, to determine the financial implications including in respect of Expected Credit Loss (ECL) provisioning, as at March 31, 2021, and has made cumulative expected credit loss provision for loans as on March 31, 2021 which aggregates to ₹ 2,44,441 lakhs (₹ 1,52,297 lakhs for March 31, 2020). The Company holds a management overlay of ₹ 1,10,024 lakhs as at March 31, 2021 (₹ 53,445 lakhs – March 31, 2020) as part of its ECL provision.

Given the dynamic and evolving nature of pandemic, these estimates are subject to uncertainty caused by the ongoing COVID-19 pandemic and related events."

There can be no assurance that any similar emphasis of matters will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

59. Our inability to detect money-laundering and other illegal activities fully and on a timely basis may expose us to additional liability and adversely affect our business and reputation.

We are required to comply with applicable anti-money-laundering ("**AML**"), combatting terrorism financing and anti-terrorism laws and other regulations in India. In the ordinary course of our operations, we run the risk of failing to comply with the prescribed Know Your Customer ("**KYC**") procedures and detect fraud and money laundering by dishonest customers. Although we believe that we have adequate internal policies, processes and controls in place to prevent and detect any AML activity and ensure KYC compliance, we cannot assure you that we will be able to fully control instances of any potential or attempted violation. Any inability on our part to detect such activities fully and on a timely basis, may subject us to regulatory actions including imposition of fines and penalties and adversely affect our business and reputation.

60. We are dependent on government institutions and agencies to register our collateral/ charge. Our inability to register the collateral for the loans we disburse or create a charge on the assets we finance could adversely affect our business and results of operations.

As an investment and credit company, creation of charge on assets that we finance is critical for our operations. For vehicles that we finance, the Road Transport Authority ("**RTO**") is the institution we rely on. In a number of locations at RTOs across India, the processes are yet to be digitized. Similarly, in the Loan Against Property and Home Loans segment, we are dependent on the relevant sub-registrar's office to register the property and create a charge on the property. Processes at such sub-registrar's offices are manual and property documentation is yet to be digitized. Further, we are also required to register any charges created with the Central Registry of Securitisation Asset Reconstruction and Security Interest of India. If customers whose vehicles and properties are yet to be registered, default on their obligations, we face a risk of loan losses and our business, financial condition, results of operations and cash flows could be adversely affected.

61. We do not own all our branch offices. Any termination or failure by us to renew the lease agreements in a favorable and timely manner, or at all, could adversely affect our business and results of operations. Moreover, many of the lease and license agreements entered into by us may not be duly registered or adequately stamped.

We have recently shifted our Registered and Corporate Office to our own premises. Further, our branches are located on either leased or licensed premises. The lease agreements can be terminated, and any such termination could result in any of our branches being shifted or shut down. Some of the lease and license agreements may have expired in the ordinary course of business and we are currently involved in negotiations for the renewal of these lease and license agreements. While we have not faced material issues renewing the leases of our branches in the three preceding Fiscals and have not faced any terminated of lease except in the ordinary course by our lessors, if these lease and license agreements are not renewed or not renewed on terms favorable to us, we may suffer a disruption in our operations or increased costs, or both, which may affect our business and results of operations. Further, our lease and license agreements are required to be adequately stamped and duly registered. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business. For information in relation to our premises, see "*Our Business – Properties*" on page 157.

62. Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon regulatory stipulations, our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements.

The RBI through its circular on 'Declaration of dividends by NBFCs' dated June 24, 2021, prescribed guidelines for declaration of dividend from the profits of the Fiscal ending March 31, 2022 onwards, providing among other things, eligibility criteria on different parameters such as capital adequacy, net NPA ratio and quantum of dividend payable, including prescribed ceilings on dividend payout ratio, among others. Any dividends to be declared and paid in the future are required to be recommended by our Company's Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company's ability to pay dividends in the future will depend upon regulatory restrictions on dividend distribution, our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company's shareholders in future. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time and may be subject to other requirements prescribed by the RBI.

63. Our Promoters and Promoter Group have significant control over us and have the ability to direct our business and affairs; their interests may conflict with the interests of the shareholders.

As of December 31, 2023, our Promoters and Promoter Group beneficially held 50.37% of our issued and outstanding Equity Shares. The Promoters have the ability to control our business, including matters relating to any sale of all or substantially all of our assets, timing and distribution of dividends, election of our officers and directors and change of control transactions. The Promoters' control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in the Company's best interest. The Promoters and members of the Promoter Group may influence the material policies of our Company in a manner that could conflict with the interests of our other shareholders. Further, one of our Promoter Group was declared as a NPA by its lenders prior to it becoming part of the Promoter Group of our Company. However, on completion of the process of settlement under RBI circular on Prudential Framework for Resolution of Stressed Assets dated June 7, 2019 , it was classified as a standard asset and ceased to be a NPA.

64. We have contingent liabilities and our financial condition could be adversely affected if any of these contingent liabilities materialise.

The following table sets forth our Company's contingent liabilities as per IND AS 37 as of March 31, 2023:

(₹ in crore)

Particulars	As of March 31, 2023
Income tax and Interest on Tax issues where the Company has gone on appeal	300
Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	6
Sales Tax issues pending before Appellate Authorities in respect of which the Company is on appeal	20
Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Sales Tax	1
Service Tax & GST issues pending before Appellate Authorities in respect of which the Company is on appeal	200
Disputed claims against the Company lodged by various parties under litigation (to the extent quantifiable)	145

We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. If any of these contingent liabilities materialise, our financial condition and results of operation may be adversely affected.

RISKS RELATING TO THE ISSUE AND THE NCDS

65. Changes in interest rate may affect the price of our NCDs. Any increase in rate of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.

All securities where a fixed rate of interest is offered, such as our NCDs, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.

66. There may be no active market for the NCDs on the retail debt market/capital market segment of the Stock Exchanges. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market for listed debt securities, (iii) general economic conditions, (iv) limited or sporadic trading; and (v) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

67. Credit ratings may not reflect all risks. Any downgrading in credit rating of our NCDs may adversely affect the value of NCDs and thus our ability to raise further debts.

The NCDs proposed to be issued under the Issue have been rated "'IND AA+'/Stable" and [ICRA]AA+ (Positive) by India Ratings and Research Private Limited and ICRA Limited vide their letters dated February 15, 2023 (further revalidated on March 20, 2023, April 13, 2023, July 12, 2023, November 1, 2023 and January 2, 2024) and January 2, 2024 (further revalidated on January 4, 2024), respectively. Credit rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed here, and other factors that may affect the value of the NCDs.

The rating provided by India Ratings may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Please refer to page 394 for rating letters and rationale for the above rating.

68. Security on our NCDs may rank pari passu with our Company's secured indebtedness in the future.

Substantially all of our Company's current assets represented by the receivables are being used to secure our Company's debt. As of December 31, 2023, our Company's secured debt was ₹1,09,204.86 crores. While the security on our NCDs is exclusive as of the date of this Tranche IV Prospectus, the terms of the NCDs do not prevent our Company from incurring additional debt subject to maintenance of minimum security cover. In the event that we incur additional debt in the future which is secured against our assets, the NCDs may rank *pari passu* to the future indebtedness and other secured liabilities and obligations of our Company.

69. You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and the interest thereon in connection with the NCDs. Failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

Our ability to pay interest on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general

economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and the interest thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100.00% security cover for the NCDs at the time of allotment of NCDs, which shall be free from any encumbrances, any decrease in assets provided as security in future might result in Company not meeting the security cover stipulated as per the respective term sheet. This can adversely affect ability of our Company to meet its payment obligations. Further, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and interest thereon in connection with the NCDs.

While the debenture is secured against a charge at least 100.00% of the outstanding principal and interest thereon in favour of debenture trustee, and it is the duty of the debenture trustee to monitor that the security is maintained, however, the possibility of recovery of 100.00% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

70. The rights over the security provided will not be granted directly to holders of the NCDs.

The rights over the security securing the obligations of our Company under the NCDs and the Trust Deed will not be granted directly to the NCD holders, but will be granted only in favour of the Debenture Trustee. As a consequence, NCD holders will not have direct security and will not be entitled to take enforcement action in respect of the security for the NCDs, except through the Debenture Trustee.

71. You may be subject to taxes arising on the sale of the NCDs.

Sale of NCDs by any holder may give rise to tax liability, as discussed in section entitled "*Statement of Possible Tax Benefits Available to the Debenture Holders*" on page 134.

72. Payments to be made on the NCDs will be subordinated to certain tax and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid as per section 327 of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

73. Security provided for the Issue may not be enforceable if the security provided for the Issue is classified as 'Assets' under the IT Act and will be void as against any claim in respect of any tax or any other sum payable by our Company.

Under section 281 of the IT Act and circular bearing number 04/2011 dated July 19, 2011, our Company is not required to obtain prior consent of the assessing officer to create the security provided for the Issue to the extent classified as assets under section 281 of the IT Act, during the pendency of such proceedings. While the Security provided for the Issue is not classified as 'assets' under section 281 of the IT Act, in the event there are any proceedings against our Company prior to the creation of the security, and in the event that such consent is not granted, the security provided for the Issue to the extent classified as 'Assets' under section 281 of the IT Act will be void as against any claim in respect of any tax or any other sum payable by our Company, including as a result of the completion of such proceedings.

74. There may be a delay in making refund/ unblocking of funds to Applicants.

We cannot assure you that the monies refundable to you, on account of (i) withdrawal of your applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (iii) withdrawal of the Issue, or (iv) failure to obtain the final approval from the BSE and NSE for listing of the NCDs, will be refunded to you in a timely manner. We however, shall refund / unblock such monies, with the interest due and payable thereon (in case of any delays) as prescribed under applicable statutory and/or regulatory provisions.

75. There may be delays in receipt of or refusal of request to list in any stock exchange in India or abroad.

While none of our securities or debt instruments have been denied permission to list in any stock exchange in India or abroad during last three years, any such refusal in future might adversely affect tradability as well as price of then existing other listed securities or debt instruments.

RISKS RELATING TO INDIA

76. Changing laws, rules and regulations and legal uncertainties, including adverse application or interpretation of corporate and tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in the countries in which we operate, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

For instance, the Government of India has announced the union budget for the Fiscal 2024, pursuant to which the Finance Bill, 2023 ("**Finance Bill**") has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act, 2023 ("**Finance Act**"). We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. The Government of India introduced new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("**Social Security Code**"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labor legislations, were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

In relation to our digital offerings, we are also subject to Guidelines on Digital Lending issued by the RBI on September 2, 2022, which are applicable to all, *inter alia*, all NBFCs.

The GoI may implement new laws or other regulations and policies that could affect the manufacturing and the pharmaceutical industry, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the GoI and other regulatory bodies, or impose onerous requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Furthermore, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Any changes to such laws, may adversely affect our future business, prospects, financial condition, cash flows and results of operations. For instance, due to the COVID-19 pandemic, the Government of India passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975. Further, the Government of India announced the Union Budget for Fiscal 2023 ("**Budget 2023**"), pursuant to which the Finance Bill 2023 has proposed various amendments. The Finance Bill 2023 has received assent from the President of India on March 30, 2023 and has been enacted as the Finance Act 2023.

The Government has also proposed an alteration in the concessional basic customs duty rate on drugs, medicines, diagnostic kits or equipment and bulk drugs used in the manufacture of drugs and specified goods for use in the pharmaceutical and bio-technology sectors imported for R&D use. On the Goods and Service Tax front, the Government has proposed to restrict the availability of input tax credits if a vendor has been non-compliant. The abovementioned changes may have an adverse effect on our future business, prospects, financial condition, cash flows and results of operations.

We have not fully determined the impact of these recent laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act 2023 will have an adverse effect on our business, financial condition and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial

precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

Scheduled commercial banks and payment banks have been directed not to open and maintain current accounts for customers who have availed credit facilities in the form of cash credit (CC)/overdraft (OD) from the banking system. Implementation of the aforesaid direction without providing alternate mechanism for financial institutions transacting with scheduled commercial banks and payment banks to withdraw and deposit cash may adversely affect our business, results of operations and financial condition.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations and cash flows. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

77. Political, economic or any other factors beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition, cash flows and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

As a result, we are dependent on prevailing economic conditions in India and our results of operations and cash flows are affected by factors influencing the Indian economy. The following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- political instability, resulting from a change in government or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- instability in other countries and adverse changes in geopolitical situations;
- change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- strikes, lock-outs, work stoppages or increased wage demands by employees, suppliers or other service providers;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or war;
- India has experienced epidemics and natural calamities such as earthquakes, tsunamis, floods and drought in recent years, instability in the financial markets and volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- epidemics or any other public health emergency in India or in countries in the region or globally, including in India's various neighboring countries;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins;
- contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. A worsening of the current COVID-19 pandemic or any similar future

outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region;

- downgrading of India's sovereign debt rating by rating agencies; and
- international business practices that may conflict with other customs or legal requirements to which we are subject to, including anti-bribery and anti-corruption laws; being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial conditions. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate. Moreover, we are dependent on the various policies, initiatives and schemes proposed or implemented in India, however, there can be no assurance that such policies, initiatives and schemes will yield the desired results or benefits which we anticipate and rely upon for our growth.

78. It may not be possible for investors to enforce any judgment obtained outside India against us or our management, except by way of a law suit in India.

A majority of our directors and executive officers are residents of India and most of our assets are located in India. As a result, it may not be possible for investors to effect service of process on us or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon civil liabilities on us or such directors and executive officers under laws other than Indian Law.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the Code of Civil Procedure, 1908 (the "**Civil Code**") provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, Singapore, UAE and Hong Kong, among others, have been declared by the Government to be reciprocating territories for the purposes of Section 44 A of the Civil Code; however, no reciprocity has been established with the United States. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Indian Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment. We cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

79. Any volatility in exchange rates may lead to a decline in India's foreign exchange reserves and may affect liquidity and interest rates in the Indian economy, which could adversely impact us.

Foreign inflows into India have remained extremely volatile responding to concerns about the domestic macroeconomic landscape and changes in the global risk environment. The widening current account deficit has been attributed largely to the surge in gold and oil imports. Further, increased volatility in foreign flows may also affect monetary policy decision making.

80. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been volatile in recent years, and such volatility may continue. In recent years, India has experienced consistently high inflation, which has increased interest rates and increased costs to our business, including finance costs as well as costs of salaries and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit demand and growth. Consequently, we may also be affected and fall short of business growth and profitability.

While the Government of India through the RBI has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future. As a result, high inflation in India could have a material adverse effect on our financial condition and results of operations.

81. Any downgrade of India's debt rating by an independent agency may have a negative impact on our business.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business, financial condition and our ability to obtain financing for capital expenditures.

SECTION III: INTRODUCTION

GENERAL INFORMATION

Our Company was originally incorporated as a public limited company under the name of 'Cholamandalam Investment and Finance Company Limited' under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Tamil Nadu at Chennai ("**RoC**") on August 17, 1978. It commenced its business pursuant to a certificate of commencement of business dated November 22, 1978 issued by the RoC. The name of our Company was changed to 'Cholamandalam DBS Finance Limited' pursuant to a fresh certificate of incorporation issued by the RoC on April 12, 2006 and was subsequently changed to 'Cholamandalam Investment and Finance Company Limited' pursuant to a fresh certificate of incorporation issued by the RoC on June 2, 2010. The CIN of our Company is L65993TN1978PLC007576.

Our Company received a license to carry on the business of non-banking financial institution from the RBI on August 21, 1998, pursuant to a certificate of registration bearing no. 07.00306 ("**COR1**"). Subsequently, we received the licence to carry on the business of a non-banking financial institution pursuant to a certificate of registration dated April 24, 2006, bearing registration numbers A-07.00306 ("**COR2**). Thereafter we received another certificate of registration to carry on business of non-banking financial institution without accepting public deposits dated December 11, 2006, bearing registration number B.07-00306 ("**COR3**"), and a certificate of registration to carry on the business of non-banking financial institution without accepting public deposits dated July 8, 2010 bearing registration no. B-07-00306 ("**COR4**"). We have obtained a certificate of registration dated June 9, 2011, bearing number 07-00306 issued by the RBI to commence/ carry on the business of non-banking financial institution under Section 45-IA of the RBI Act, 1934 and another certificate of registration dated December 15, 2022, bearing number N-07-00893, to commence/ carry on the factoring business without accepting public deposits. Further, our Company has also been classified as NBFC-ICC.

Registered Office and Corporate Office

Cholamandalam Investment and Finance Company Limited
Chola Crest, C54-55 and Super B-4
Thiru-Vi-Ka Industrial Estate
Guindy, Chennai 600 032
Tamil Nadu, India
Contact Number: +91 44 4090 7172
Facsimile: +91 44 2534 6464
Email: investors@chola.murugappa.com
Website: www.cholamandalam.com

For further details regarding changes to our Registered Office, see "*History and Certain Corporate Matters*" on page 189.

Registration

CIN: L65993TN1978PLC007576
Legal Entity Identifier: 3358008DNPV45O4EII52
RBI Registration number*:* N-07-00893 and 07-00306
Permanent Account Number: AAACC1226H
Liability of the members of the Company: Limited by shares

Chief Financial Officer

D. Arul Selvan
Chola Crest, C54-55 and Super B-4
Thiru-Vi-Ka Industrial Estate
Guindy, Chennai 600 032
Tamil Nadu, India
Tel: +91 44 4090 7172
Facsimile: +91 44 4090 6464
Email: arulselvand@chola.murugappa.com

Company Secretary and Compliance Officer

P. Sujatha
Chola Crest, C54-55 and Super B-4
Thiru-Vi-Ka Industrial Estate
Guindy, Chennai 600 032
Tamil Nadu, India
Contact Number: +91 44 4090 7172
Facsimile: +91 44 4090 6464
Email: sujathap@chola.murugappa.com

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer in case of any pre- Issue or post Issue related issues such as non-receipt of Allotment cum unblocking advice, demat credit of allotment of NCDs or refund orders.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name of the Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of NCDs applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for, amount blocked on Application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA Applicant.

All grievances related to the UPI process may be addressed to the Stock Exchanges, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchanges Mechanism (app based/wed interface platform) of the Stock Exchanges, or through Trading Members, may be addressed directly to the Stock Exchange, with a copy to the Registrar to the Issue.

Lead Manager

A. K. Capital Services Limited

603, 6th Floor, Windsor, Off CST Road, Kalina
Santacruz East, Mumbai 400 098
Maharashtra, India
Tel: +91 22 6754 6500
Facsimile: +91 22 6610 0594
Email: chola.ncd2023@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Aanchal Wagle/ Milan Soni
Compliance Officer: Tejas Davda
SEBI registration no.: INM000010411
CIN: L74899MH1993PLC274881

Debenture Trustee

IDBI Trusteeship Services Limited

Universal Insurance Building,
Ground Floor, Sir P.M. Road,
Fort, Mumbai - 400001
Tel: +91 022 40807073
Facsimile: +91 022 66311776
Email: itsl@idbitrustee.com / jinal@idbitrustee.com
Investor Grievance Email: response@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Jinal Shah
Compliance Officer: Sneha Jadhav
SEBI Registration No.: IND000000460
CIN: U65991MH2001GOI131154

IDBI Trusteeship Services Limited has, pursuant to Regulation 8 of SEBI NCS Regulations, by its letters dated March 27, 2023 July 25, 2023 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche IV Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Tranche IV Issue. Please see "*Annexure C*" of this Tranche IV Prospectus.

All the rights and remedies of the Debenture Holders under this Tranche IV Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Tranche IV Issue without having it referred to the NCD Holders. All investors under this Tranche IV Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Tranche IV Issue to act as their trustee and for doing such acts, deeds, matters, and things in respect of or relating to the Debenture Holders as the Debenture Trustee may in his absolute direction deem necessary or require to be done in the interest of Debenture Holders and signing such documents to carry out their duty in such capacity. Any payment by our Company to the NCD Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the NCD Holders. For details on the terms of the Debenture Trust Deed see, "*Issue Related Information*" on page 280.

Registrar to the Issue

KFin Technologies Limited (*formerly known as KFIN Technologies Private Limited*)
Selenium, Tower B, Plot No- 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad Rangareddi 500 032,
Telangana, India
Tel: +91 40 6716 2222
Facsimile: +91 40 6716 1563
Email: chola.ncdipo@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221
CIN: L72400TG2017PLC117649

KFin Technologies Limited (*formerly known as KFIN Technologies Private Limited*) has by its letter dated March 29, 2023 given its consent for its appointment as Registrar to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospects, this Tranche IV Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to the Issue.

Applicants or prospective investors may contact the Registrar to the Issue or our Company's Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, demat credit, transfers, etc.

All grievances relating to the Tranche IV Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, Permanent Account Number, number of NCDs applied for, amount paid on application, Depository Participant ("**DP**") name and client identification number, and the collection centre of the Members of the Consortium where the Application was submitted and ASBA Account number (for Bidders other than retail individual investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of retail individual investors bidding through the UPI mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (i) the relevant Designated Branch of the SCSB where the Application Form was submitted by the Applicant, or (ii) the concerned Members of the Consortium and the relevant Designated Branch of the SCSB in the event of an Application submitted by an Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for and amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the online mechanism of the Stock Exchanges or through Trading Members may be addressed directly to the respective Stock Exchanges

Statutory Auditors

M/s. Price Waterhouse LLP, Chartered Accountants
7th and 10th Floor,
Menon Eternity,
165, St. Mary's Road,
Alwarpet, Chennai 600 018

Tel: 91 80 4079 5000
Firm Registration No.: 01112E/E300264
Email: abdul.majeed@pwc.com
Peer Review Certificate No.: 012776
Contact Person: A.J. Shaikh

M/s. Sundaram & Srinivasan, Chartered Accountants
23, CP Ramaswamy Road, Alwarpet,
Chennai 600018,
Tamil Nadu, India
Tel: 044 2498 8762
Firm Registration No.: 004207S
Email: usha@sundaramandsrinivasan.co.in
Peer Review Certificate No.: 013703
Contact Person: S. Usha

M/s Price Waterhouse LLP, Chartered Accountants and M/s Sundaram & Srinivasan, Chartered Accountants have been the Statutory Auditors of our Company since July 30, 2021.

Previous Statutory Auditor

M/s. S. R. Batliboi & Associates LLP
6th Floor – "A" Block Tidel Park
No. 4, Rajiv Gandhi Salai,
Taramani, Chennai – 600 113
Tel: 044-61179000
Firm Registration No.: 101049W/E300004
Email: srba@srb.in
Contact Person: Aravind K

Change in Statutory Auditors for preceding three financial years and current financial year

Name of the Auditor	Address	Date of Appointment	Date of cessation if applicable	Date of Resignation if applicable
M/s Price Waterhouse LLP, Chartered Accountants	252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai, 400 028, Maharashtra, India	July 30, 2021	-	-
M/s Sundaram & Srinivasan, Chartered Accountants	#23, CP Ramaswamy Road, Alwarpet, Chennai 600 018, Tamil Nadu, India			
M/s S.R. Batliboi and Associates LLP, Chartered Accountants	6th Floor – "A" Block Tidel Park No. 4, Rajiv Gandhi Salai, Taramani Chennai – 600 113	July 27, 2017	-	July 30, 2021

Credit Rating Agency

India Ratings & Research
A Fitch Group Company

India Ratings and Research Private Limited
Wockhardt Towers, 4th Floor, West Wing,
Bandra Kurla Complex,
Bandra East, Mumbai 400 051,
Maharashtra, India
Tel: +91 22 4000 1700
Facsimile: + 91 22 4000 1701
Email: infogrp@indiaratings.co.in
Website: www.indiaratings.co.in
Contact Person: Jinay Gala
Compliance Officer: Arunima Basu
SEBI Registration No.: IN/CRA/002/1999
CIN: U67100MH1995FTC140049

ICRA Limited
Building No.8, 2nd Floor, Tower A, DLF Cyber City,
Phase II, Gurgaon 122 002,
Haryana, India
Tel: +91 124 454 5300
Facsimile: +91 124 405 0424
Email: shivakumar@icraindia.com
Website: www.icra.in
Contact Person: L. Shivakumar
SEBI Registration No: IN/CRA/008/15
CIN: L74999DL1991PLC042749

Credit Rating and Rationale

The NCDs proposed to be issued pursuant to this Tranche IV Issue have been rated IND AA+/Stable by India Ratings & Research Pvt Ltd by way of its letter dated February 15, 2023 (further revalidated on March 20, 2023, April 13, 2023, July 12, 2023, November 1, 2023 and January 2, 2024) and [ICRA]AA+ (Positive) by ICRA Limited by way of its letter dated January 2, 2024 (further revalidated on January 4, 2024), respectively. Further, the press release by the rating agencies in relation to the Issue shall not be older than one year from the date of the opening of the Issue. The ratings provided by the Credit Rating Agency may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. For details regarding rating letters and rationale for the aforementioned rating, see "*Annexure B*" beginning on page 414.

There are no unaccepted ratings and any other ratings in relation to the issue, other than as specified in this Tranche IV Prospectus.

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Bengaluru 560 025, Karnataka, India
Tel: +91 80 6792 2000

Banker to our Company

HDFC Bank Limited
Address: 8th Floor, Spencer Plaza, 768 & 769, Anna Salai, Chennai 600 002
Contact Person: Santhosh Kumar Durai
Tel: +91 044-69039288
Email: santhosh.durai@hdfcbank.com
Website: www.hdfcbank.com
CIN No: L65920MH1994PLC080618

Consortium Member

A. K. Stockmart Private Limited

Address: 601-602, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai 400 098
Tel: +91 22 6754 6500
Fax: +91 22 6610 0594
Email: ashit.raja@akgroup.co.in; ranjit.dutta@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akstockmart.com
Contact Person: Ashit Raja/ Ranjit Dutta
Compliance Officer: Ashit Raja
SEBI Registration No.: INZ000240830
CIN: U67120MH2006PTC158932

Bankers to the Issue

Public Issue Account Bank, Sponsor Bank or Refund Bank

HDFC Bank Limited
Address: HDFC Bank Limited, FIG-OPS Department – Lodha, I Think Techno Campus, O-3 Level, next to Kanjurmarg Railway Station, Kanjurmarg (East) Mumbai – 400 042, Maharashtra, India
Tel: +91 22 30752929/+91 22 30752928/+91 22 30752914
Fax: +91 22 25799801
Email: siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com, eric.bacha@hdfcbank.com, tushar.gayankar@hdfcbank.com, pravin.teli2@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Eric Bacha, Sachin Gawade, Pravin Teli, Siddharth Jadhav, Tushar Gavankar
SEBI Registration No.: INBI00000063
CIN: L65920MH1994PLC080618

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

"Any person who —

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹10 lakh or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10 lakh or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakh or with both.

Minimum subscription

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue size (i.e., Rs. 375 crore). If our Company does not receive the minimum subscription of 75% of the Base Issue size (i.e., Rs. 375 crore), prior to the Tranche IV Issue Closing Date, the entire Application Amount shall be unblocked in the ASBA Accounts of the Applicants within eight Working Days from the Tranche IV Issue Closing Date. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Underwriting

This Tranche IV Issue will not be underwritten**.**

Recovery Expense Fund

Our Company has created a recovery expense fund in the manner as specified by SEBI in SEBI Master Circular for Debenture Trustees as amended from time to time and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹2,500,000 at the time of making the application for listing of NCDs and informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Arrangers to the Issue

There are no arrangers to the Tranche IV Issue.

Guarantor to the Issue

There are no guarantors to the Tranche IV Issue.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA and UPI Mechanism process is provided on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 respectively as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned links.

In relation to Applications submitted to a Members of the Consortium, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction. do? doRecognised=yes), or at such other

website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Members of the Consortium at Specified Locations, see the website of the SEBI (www.sebi.gov.in/ sebiweb/other/OtherAction.do? doRecognised =yes) or any such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to ASBA Applications submitted to the Members of the Syndicates or the Trading Members of the Stock Exchanges only in the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Cities named by the respective SCSBs to receive deposits of ASBA Applications from such Members of the Syndicate or the Trading Members of the Stock Exchanges is provided on www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting ASBA Applications from Members of the Syndicate or the Trading Members of the Stock Exchanges only in the Specified Cities, see the above-mentioned web-link.

In relation to Applications submitted under the ASBA process to a Members of the Consortium, the list of branches of the SCSBs at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms and Application Forms where investors have opted for payment via the UPI Mechanism, from the Members of the Consortium is available on the website of SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Consortium at Specified Locations, see the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

Registered Brokers / RTAs / CDPs

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and Master Circular No. SEBI/HO/MIRSD/POD-1/CIR/2023/70 dated May 17, 2023 and the ASBA Circular, applicants can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, *i.e.*, through the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.

The list of the Registered Brokers, RTAs and CDPs, eligible to accept Applications in the Tranche IV Issue, including details such as postal address, telephone number and email address, are provided on the websites of the BSE at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 for Registered Brokers and www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 for RTAs and CDPs, as updated from time to time.

In relation to Applications submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the ASBA Forms from the Registered Brokers is available on the website of the SEBI at www.sebi.gov.in and updated from time to time.

For further details, see "*Issue Procedure*" on page 300.

Utilisation of Issue proceeds

For details on utilisation of Tranche IV Issue proceeds, see "*Objects of the Issue*" on page 131.

Tranche IV Issue Programme

TRANCHE IV ISSUE OPENS ON	January 19, 2024
TRANCHE IV ISSUE CLOSES ON	February 2, 2024
PAY IN DATE	Application Date. The entire Application Amount is payable on Application.
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors/or Debenture Committee approves the Allotment of the NCDs for each Tranche Issue or such date as may be determined by the Board of Directors/ or Debenture Committee and notified to the Stock Exchanges. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the NCD Holders from the Deemed Date of Allotment.

Note: This Tranche IV Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that this Tranche IV Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or a Debenture Committee, subject to compliance with Regulation 33A of the SEBI NCS Regulations and subject to not exceeding thirty days from filing this Tranche IV Prospectus with ROC. In the event of an early closure or extension of the Tranche IV Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche IV Issue have been given on or before such earlier or initial date of Tranche IV Issue closure. Application Forms for this Tranche IV Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Tranche IV Issue Period. On the Tranche IV Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day after the Tranche IV Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 280.

Applications Forms for the Tranche IV Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Tranche IV Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Consortium or the Trading Members of the Stock Exchanges, as the case maybe, at the centres mentioned in Application Form through the ASBA mode, (ii) directly by the Designated Branches of the SCSBs or (iii) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchanges, as the case maybe, only at the selected cities. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchange. It is clarified that the Applications not uploaded in the Stock Exchange platform would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche IV Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche IV Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche IV Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Tranche IV Issue. Application Forms will only be accepted on Working Days during the Tranche IV Issue Period. Neither our Company, nor the Lead Manager, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. As per the SEBI Master Circular, the allotment in this Tranche IV Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

CAPITAL STRUCTURE

Details of share capital

The following table lays down details of our authorised, issued, subscribed and paid-up share capital and securities premium account as on December 31, 2023:

(In ₹, except for share data)

Particulars	Amount in (₹)
AUTHORISED SHARE CAPITAL	
1,20,00,00,000 Equity Shares of face value of ₹ 2 each	2,40,00,00,000
5,00,00,000 Preference Shares of face value of ₹ 100 each	5,00,00,00,000
TOTAL	**7,40,00,00,000**
ISSUED SHARE CAPITAL	
84,03,49,100 Equity Shares of face value of ₹ 2 each	1,68,06,98,200
TOTAL	**1,68,06,98,200**
SUBSCRIBED AND PAID-UP SHARE CAPITAL*	
83,96,65,330 Equity Shares of face value of ₹ 2 each	1,67,93,30,660
TOTAL	**1,67,93,30,660**
Securities Premium Account	49,31,82,85,429

* *The difference in the issued capital and the paid-up capital of our Company is due to forfeiture of certain shares and certain shares being kept in abeyance. Our Company submits reconciliation certificate certified by an independent company secretary with the stock exchanges on a periodical basis, in this regard.*

Note: There will be no change in the capital structure and securities premium account due to the Issue and allotment of the NCDs.

1. Details of change in authorised share capital of our company as on December 31, 2023 for last three financial years and current Financial Year:

There is no change in authorised share capital of our Company as on December 31, 2023 for the last three financial years and current financial year.

2. Share capital history of our Company for the last three financial years and current financial year

a. Details of Equity Share capital

The history of the paid-up Equity Share capital of our Company for the last three financial years and the current Financial Year is set forth below:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
January 31, 2020	2,81,25,000	2	320	Cash	Qualified Institutional Placement [(1)]	81,00,01,105	1,62,00,02,210	25,63,63,88,576
February 5, 2020	18,495	2	37.52	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[(2)]	81,00,19,600	1,62,00,39,200	25,63,70,45,518.40
	275	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[(3)]	81,00,19,875	1,62,00,39,750	25,63,71,17,001.90
	42,160	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[(4)]	81,00,62,035	1,62,01,24,070	25,64,55,49,001.90

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
February 28, 2020	54,100	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[5]	81,01,16,135	1,62,02,32,270	25,65,63,69,001.90
March 7, 2020	93,45,794	2	321	Cash	Preferential Allotment[6]	81,94,61,929	1,63,89,23,858	28,63,76,77,287.90
March 20, 2020	5,500	2	32.51	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[7]	81,94,67,429	1,63,89,34,858	28,63,78,45,092.90
	1,10,330	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[8]	81,95,77,759	1,63,91,55,518	28,65,99,11,092.90
April 15, 2020	5,000	2	37.52	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[9]	81,95,82,759	1,63,91,65,518	28,56,79,41,003.31*
	5,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[10]	81,95,87,759	1,63,91,75,518	28,56,89,41,003.31
May 7, 2020	10,000	2	32.51	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[11]	81,95,97,759	1,63,91,95,518	28,56,92,46,103.31
June 3, 2020	3,000	2	37.52	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[12]	81,96,00,759	1,63,92,01,518	28,56,93,52,663.31
September 8, 2020	4,000	2	37.52	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[13]	81,96,04,759	1,63,92,09,518	28,56,94,94,743.31
	10,000	2	30.91	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[14]	81,96,14,759	1,63,92,29,518	28,56,97,83,843.31

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
	23,400	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[15]	81,96,38,159	1,63,92,76,318	28,57,44,63,843.31
September 21, 2020	9,200	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[16]	81,96,47,359	1,63,92,94,718	28,57,63,03,843.31
October 29, 2020	4,880	2	30.91	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[17]	81,96,52,239	1,63,93,04,478	28,57,64,44,924.11
	5,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[18]	81,96,57,239	1,63,93,14,478	28,57,74,44,924.11
November 24, 2020	10,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[19]	81,96,67,239	1,63,93,34,478	28,57,94,44,924.11
December 17, 2020	3,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[20]	81,96,70,239	1,63,93,40,478	28,58,00,44,924.11
	8,980	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[21]	81,96,79,219	1,63,93,58,438	28,58,25,23,493.91
January 12, 2021	5,000	2	37.52	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[22]	81,96,84,219	1,63,93,68,438	28,58,27,01,093.91
	26,300	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[23]	81,97,10,519	1,63,94,21,038	28,58,79,61,093.91
	4,580	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock	81,97,15,099	1,63,94,30,198	28,58,93,99,213.91

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
					options under ESOP 2016[24]			
February 1, 2021	6,120	2	37.52	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[25]	81,97,21,219	1,63,94,42,438	28,58,96,16,596.31
	1,500	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[26]	81,97,22,719	1,63,94,45,438	28,58,99,16,596.31
February 26, 2021	6,300	2	30.91	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[27]	81,97,29,019	1,63,94,58,038	28,59,00,98,729.31
	10,600	2	317.50	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[28]	81,97,39,619	1,63,94,79,238	28,59,34,43,029.31
	3,000	2	299.46	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[29]	81,97,42,619	1,63,94,85,238	28,59,43,35,409.31
	75,450	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[30]	81,98,18,069	1,63,96,36,138	28,60,94,25,409.31
	34,400	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[31]	81,98,52,469	1,63,97,04,938	28,61,83,67,345.31
March 6, 2021	25,000	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[32]	81,98,77,469	1,63,97,54,938	28,62,46,59,845.31
	20,980	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[33]	81,98,98,449	1,63,97,96,898	28,63,12,47,565.31

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
	2,500	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[34]	81,99,00,949	1,63,98,01,898	28,63,18,97,415.31
	34,700	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[35]	81,99,35,649	1,63,98,71,298	28,63,88,37,415.31
	17,960	2	312.47	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[36]	81,99,53,609	1,63,99,07,218	28,64,44,13,456.51
March 17, 2021	66,600	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[37]	82,00,20,209	1,64,00,40,418	28,65,77,33,456.51
	8,300	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[38]	82,00,28,509	1,64,00,57,018	28,66,00,24,339.51
March 31, 2021	1,620	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[39]	82,00,30,129	1,64,00,60,258	28,66,03,48,339.51
	5,000	2	32.51	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[40]	82,00,35,129	1,64,00,70,258	28,66,05,00,889.51
April 21, 2021	8,980	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[41]	82,00,44,109	1,64,00,88,218	28,66,29,79,459.31
	6,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[42]	82,00,50,109	1,64,01,00,218	28,66,41,79,459.31
	10,240	2	32.51	Cash	Allotment of Equity Shares pursuant to exercise of stock	82,00,60,349	1,64,01,20,698	28,66,44,91,881.71

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
					options under ESOP 2007[43]			
May 18, 2021	980	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[44]	82,00,61,329	1,64,01,22,658	28,66,47,99,601.71
	11,400	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[45]	82,00,72,729	1,64,01,45,458	28,66,70,79,601.71
June 1, 2021	32,900	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[46]	82,01,05,629	1,64,02,11,258	28,67,36,59,601.71
	18,100	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[47]	82,01,23,729	1,64,02,47,458	28,67,82,15,371.71
	2,500	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[48]	82,01,26,229	1,64,02,52,458	28,67,90,00,371.71
June 15, 2021	7,000	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[49]	82,01,33,229	1,64,02,66,458	28,68,07,62,271.71
	92,600	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[50]	82,02,25,829	1,64,04,51,658	28,69,92,82,271.71
	6,940	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[51]	82,02,32,769	1,64,04,65,538	28,70,03,64,217.71
June 30, 2021	4,500	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[52]	82,02,37,269	1,64,04,74,538	28,70,12,64,217.71

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
	1,100	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[53]	82,02,38,369	1,64,04,76,738	28,70,15,41,087.71
	8,980	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[54]	82,02,47,349	1,64,04,94,698	28,70,38,75,348.91
	8,980	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[55]	82,02,56,329	1,64,05,12,658	28,70,63,53,918.71
	8,980	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[56]	82,02,65,309	1,64,05,30,618	28,70,91,73,638.71
August 2, 2021	22,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[57]	82,02,87,309	1,64,05,74,618	28,71,35,73,638.71
August 11, 2021	1,58,575	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[58]	82,04,45,884	1,64,08,91,768	28,74,52,88,638.71
	17,320	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[59]	82,04,63,204	1,64,09,26,408	28,74,96,48,082.71
	1,885	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[60]	82,04,65,089	1,64,09,30,178	28,75,01,38,069.61
	10,000	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[61]	82,04,75,089	1,64,09,50,178	28,75,28,98,169.61
	1,900	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock	82,04,76,989	1,64,09,53,978	28,75,34,94,769.61

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
					options under ESOP 2016[62]			
	1,905	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[63]	82,04,78,894	1,64,09,57,788	28,75,37,91,759.11
	2,000	2	299.46	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[64]	82,04,80,894	1,64,09,61,788	28,75,43,86,679.11
	8,580	2	30.91	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2007[65]	82,04,89,474	1,64,09,78,948	28,75,46,34,726.91
August 31, 2021	1,28,990	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[66]	82,06,18,464	1,64,12,36,928	28,78,04,32,726.91
	27,480	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[67]	82,06,45,944	1,64,12,91,888	28,78,80,17,481.71
	2,500	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[68]	82,06,48,444	1,64,12,96,888	28,78,84,07,231.71
September 22, 2021	35,920	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[69]	82,06,84,364	1,64,13,68,728	28,79,83,21,510.91
	12,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[70]	82,06,96,364	1,64,13,92,728	28,80,07,21,510.91
October 13, 2021	19,440	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[71]	82,07,15,804	1,64,14,31,608	28,80,37,52,206.91

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
	1,250	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[72]	82,07,17,054	1,64,14,34,108	28,80,40,02,206.91
November 12, 2021	24,335	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[73]	82,07,41,389	1,64,14,82,778	28,80,88,69,206.91
	17,960	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[74]	82,07,59,349	1,64,15,18,698	28,81,38,26,346.51
	6,480	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[75]	82,07,65,829	1,64,15,31,658	28,81,55,10,757.71
December 4, 2021	64,590	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[76]	82,08,30,419	1,64,16,60,838	28,82,84,28,757.71
	24,930	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[77]	82,08,55,349	1,64,17,10,698	28,83,49,09,061.91
	11,000	2	248.20	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[78]	82,08,66,349	1,64,17,32,698	28,83,76,17,261.91
	9,650	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[79]	82,08,75,999	1,64,17,51,998	28,84,00,46,166.91
	30,400	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[80]	82,09,06,399	1,64,18,12,798	28,84,95,91,766.91
December 21, 2021	10,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock	82,09,16,399	1,64,18,32,798	28,85,15,91,766.91

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
					options under ESOP 2016[81]			
	8,500	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[82]	82,09,24,899	1,64,18,49,798	28,85,37,31,216.91
	4,980	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[83]	82,09,29,879	1,64,18,59,758	28,85,52,94,936.91
	15,772	2	248.20	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[84]	82,09,45,651	1,64,18,91,302	28,85,91,78,003.31
December 30, 2021	8,200	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[85]	82,09,53,851	1,64,19,07,702	28,86,08,18,003.31
	2,000	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[86]	82,09,55,851	1,64,19,11,702	28,86,13,21,403.31
	2,000	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[87]	82,09,57,851	1,64,19,15,702	28,86,19,49,403.31
	13,500	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[88]	82,09,71,351	1,64,19,42,702	28,86,40,54,053.31
February 1, 2022	500	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[89]	82,09,71,851	1,64,19,43,702	28,86,41,54,053.31
February 21, 2022	6,430	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[90]	82,09,78,281	1,64,19,56,562	28,86,57,72,484.31

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
March 7, 2022	17,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[91]	82,09,95,281	1,64,19,90,562	28,86,91,72,484.31
March 19, 2022	42,400	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[92]	82,10,37,681	1,64,20,75,362	28,88,01,93,940.31
	2,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[93]	82,10,39,681	1,64,20,79,362	28,88,05,93,940.31
	1,000	2	299.46	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[94]	82,10,40,681	1,64,20,81,362	28,88,08,91,400.31
March 31, 2022	26,940	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[95]	82,10,67,621	1,64,21,35,242	28,88,83,27,109.71
	4,200	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[96]	82,10,71,821	1,64,21,43,642	28,88,91,67,109.71
May 20, 2022	13,470	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[97]	82,10,85,291	1,64,21,70,582	28,89,28,84,964.41
	74,030	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[98]	82,11,59,321	1,64,23,18,642	28,90,76,90,964.41
	30,000	2	299.46	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[99]	82,11,89,321	1,64,23,78,642	28,91,66,14,764.41
	8,480	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock	82,11,97,801	1,64,23,95,602	28,91,88,19,055.61

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
					options under ESOP 2016[100]			
	5,000	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[101]	82,12,02,801	1,64,24,05,602	28,92,00,77,555.61
June 10, 2022	11,450	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[102]	82,12,14,251	1,64,24,28,502	28,92,30,53,868.61
	55,350	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[103]	82,12,69,601	1,64,25,39,202	28,93,41,23,868.61
	5,000	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[104]	82,12,74,601	1,64,25,49,202	28,93,53,82,368.61
	18,430	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[105]	82,12,93,031	1,64,25,86,062	28,94,04,69,232.91
	28,500	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[106]	82,13,21,531	1,64,26,43,062	28,94,49,12,382.91
June 20, 2022	1,03,320	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[107]	82,14,24,851	1,64,28,49,702	28,96,55,76,382.91
	30,000	2	299.46	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[108]	82,14,54,851	1,64,29,09,702	28,97,45,00,182.91
	8,600	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[109]	82,14,63,451	1,64,29,26,902	28,97,67,35,666.91

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
June 23, 2022	33,500	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[110]	82,14,96,951	1,64,29,93,902	28,98,34,35,666.91
July 21, 2022	7,400	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[111]	82,15,04,351	1,64,30,08,702	28,98,49,15,666.91
	4,500	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[112]	82,15,08,851	1,64,30,17,702	28,98,56,17,216.91
August 12, 2022	7,350	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[113]	82,15,16,201	1,64,30,32,402	28,98,70,87,216.91
	30,000	2	299.46	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[114]	82,15,46,201	1,64,30,92,402	28,99,60,11,016.91
	1,630	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[115]	82,15,47,831	1,64,30,95,662	28,99,64,34,719.11
August 31, 2022	39,550	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[116]	82,15,87,381	1,64,31,74,762	29,00,43,44,719.11
	4,940	2	580.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[117]	82,15,92,321	1,64,31,84,642	29,00,72,01,521.11
September 20, 2022	16,000	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[118]	82,16,08,321	1,64,32,16,642	29,01,12,28,721.11
	1,250	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock	82,16,09,571	1,64,32,19,142	29,01,14,78,721.11

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
					options under ESOP 2016[119]			
October 22, 2022	2,440	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[120]	82,16,12,011	1,64,32,24,022	29,01,18,59,117.11
	5,000	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[121]	82,16,17,011	1,64,32,34,022	29,01,31,58,817.11
	27,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[122]	82,16,44,011	1,64,32,88,022	29,01,85,58,817.11
	4,050	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[123]	82,16,48,061	1,64,32,96,122	29,01,95,78,202.11
	1,900	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[124]	82,16,49,961	1,64,32,99,922	29,02,01,02,621.11
November 24, 2022	13,100	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[125]	82,16,63,061	1,64,33,26,122	29,02,35,07,835.11
	13,825	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[126]	82,16,76,886	1,64,33,53,772	29,02,62,72,835.11
	6,940	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[127]	82,16,83,826	1,64,33,67,652	29,02,73,54,781.11
	2,380	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[128]	82,16,86,206	1,64,33,72,412	29,02,81,02,101.11

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
December 14, 2022	7,900	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[129]	82,16,94,106	1,64,33,88,212	29,02,96,82,101.11
	26,940	2	312.47	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[130]	82,17,21,046	1,64,34,42,092	29,03,80,46,162.91
	38,030	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[131]	82,17,59,076	1,64,35,18,152	29,04,85,42,823.21
	4,840	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[132]	82,17,63,916	1,64,35,27,832	29,05,00,62,583.21
December 21, 2022	30,300	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[133]	82,17,94,216	1,64,35,88,432	29,05,61,22,583.21
	12,000	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[134]	82,18,06,216	1,64,36,12,432	29,05,91,42,983.21
January 13, 2023	49,301	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[135]	82,18,55,517	1,64,37,11,034	29,06,90,03,183.21
	6,570	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[136]	82,18,62,087	164,37,24,174	29,07,07,10,989.01
	5,650	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[137]	82,18,67,737	1,64,37,35,474	29,07,22,70,445.51
	10,500	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock	82,18,78,237	1,64,37,56,474	29,07,55,67,445.51

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
					options under ESOP 2016[138]			
	6,519	2	609	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[139]	82,18,84,756	1,64,37,69,512	29,07,95,24,478.51
January 31, 2023	42,800	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[140]	82,19,27,556	1,64,38,55,112	29,08,80,84,478.51
	5,000	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[141]	82,19,32,556	1,64,38,65,112	29,08,94,64,528.51
	1,100	2	609	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[142]	82,19,33,656	1,64,38,67,312	29,09,01,32,228.51
February 15, 2023	2,000	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[143]	82,19,35,656	1,64,38,71,312	29,09,05,32,228.51
	5,700	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[144]	82,19,41,356	1,64,38,82,712	29,09,19,66,918.51
	21,430	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[145]	82,19,62,786	1,64,39,25,572	29,09,78,81,812.81
	1,000	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[146]	82,19,63,786	1,64,39,27,572	29,09,81,95,812.81
	500	2	609	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[147]	82,19,64,286	1,64,39,28,572	29,09,84,99,312.81

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
March 3, 2023	26,939	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[148]	82,19,91,225	1,64,39,82,450	29,10,38,87,112.81
	24,700	2	580.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[149]	82,20,15,925	1,64,40,31,850	29,11,81,71,122.81
	13,581	2	609	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[150]	82,20,29,506	1,64,40,59,012	29,12,64,14,789.81
March 31, 2023	7,600	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[151]	82,20,37,106	1,64,40,74,212	29,12,83,27,709.81
	1,500	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[152]	82,20,38,606	1,64,40,77,212	29,12,87,98,709.81
	1,750	2	609	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[153]	82,20,40,356	1,64,40,80,712	29,12,98,60,959.81
May 23, 2023	4,000	2.00	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[154]	82,20,44,356	1,64,40,88,712	29,13,09,00,719.81
	15,000	2.00	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[155]	82,20,59,356	1,64,41,18,712	29,13,50,10,869.81
	4,100	2.00	629.50	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[156]	82,20,63,456	1,64,41,26,912	29,13,75,75,419.81
June 9, 2023	27,800	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock	82,20,91,256	1,64,41,82,512	29,14,48,39,952.81

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
					options under ESOP 2016[157]			
	8,700	2	202.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[158]	82,20,99,956	1,64,41,99,912	29,14,65,79,951.81
	13,470	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[159]	82,21,13,426	1,64,42,26,852	29,15,02,97,806.51
	1,100	2	609.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[160]	82,21,14,526	1,64,42,29,052	29,15,09,65,506.51
June 23, 2023	90,000	2	202.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[161]	82,22,04,526	1,64,44,09,052	29,16,89,65,506.51
	5,650	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[162]	82,22,10,176	1,64,44,20,352	29,17,05,24,963.01
	1,600	2	609.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[163]	82,22,11,776	1,64,44,23,552	29,17,14,96,163.01
	4,410	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[164]	82,22,16,186	1,64,44,32,372	29,17,21,83,682.01
	3,500	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[165]	82,22,19,686	1,64,44,39,372	29,17,30,93,472.01
July 13, 2023	16,000	2	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[166]	82,22,35,686	1,64,44,71,372	29,17,75,09,632.01

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
	13,470	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[167]	82,22,49,156	1,64,44,98,312	29,18,09,00,031.01
	4,521	2	609.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[168]	82,22,53,677	1,64,45,07,354	29,18,36,44,278.00
	4400	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[169]	82,22,58,077	1,64,45,16,154	29,18,47,88,014.00
	6000	2	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[170]	82,22,64,077	1,64,45,28,154	29,18,57,23,414.00
	23,300	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[171]	82,22,87,377	1,64,45,74,754	29,19,30,39,614
	16,700	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[172]	82,23,04,077	1,64,46,08,154	29,19,63,79,614
August 11, 2023	9,500	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[173]	82,23,13,577	1,64,46,27,154	29,19,88,49,044
	6,480	2	299.46	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[174]	82,23,20,057	1,64,46,40,114	29,20,07,76,584
	1,200	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[175]	82,23,21,257	1,64,46,42,514	29,20,10,78,624
	57,350	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock	82,23,78,607	1,64,47,57,214	29,21,25,48,624

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
					options under ESOP 2016[176]			
	10,600	2	580.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[177]	82,23,89,207	1,64,47,78,414	29,21,86,78,604
	3,800	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[178]	82,23,93,007	1,64,47,86,014	29,21,98,71,804
	12,150	2	609	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[179]	82,24,05,157	1,64,48,10,314	29,22,72,46,854
September 6, 2023	11,600	2	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[180]	82,24,16,757	1,64,48,33,514	29,23,02,62,158
	28,115	2	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[181]	82,24,44,872	1,64,48,89,744	29,23,58,85,158
	10,000	2	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[182]	82,24,54,872	1,64,49,09,744	29,23,84,02,158
	22,000	2	580.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[183]	82,24,76,872	1,64,49,53,744	29,25,11,24,758
	10,000	2	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[184]	82,24,86,872	1,64,49,73,744	29,25,42,64,758
	17,320	2	609	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[185]	82,25,04,192	1,64,50,08,384	29,26,47,77,998

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
October 5, 2023	1,69,49,152	2.00	1,180.00	Cash	Qualified Institutions Placement[186]	83,94,53,344	1,67,89,06,688	49,23,08,79,054
October 12, 2023	7,000	2.00	580.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[187]	83,94,60,344	1,67,89,20,688	49,23,49,27,154
	1,980	2.00	690.10	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[188]	83,94,62,324	1,67,89,24,648	49,23,62,89,592
	4,050	2.00	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[189]	83,94,66,374	1,67,89,32,748	49,23,73,42,349
	26,700	2.00	202.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[190]	83,94,93,074	1,67,89,86,148	49,24,26,82,349
	1,370	2.00	316.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[191]	83,94,94,444	1,67,89,88,888	49,24,31,12,529
	12,000	2.00	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016([192]	83,95,06,444	1,67,90,12,888	49,24,61,32,929
	8,820	2.00	629.50	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[193]	83,95,15,264	1,67,90,30,528	49,25,16,67,479
	4,100	2.00	738.50	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[194]	83,95,19,364	1,67,90,38,728	49,25,46,87,129
	7,100	2.00	609.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[195]	83,95,26,464	1,67,90,52,928	49,25,89,96,829

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
	1,796	2.00	278.01	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[196]	83,95,28,260	1,67,90,56,520	49,25,94,92,543
November 11, 2023	1,500	2.00	580.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[197]	83,95,29,760	1,67,90,59,520	49,26,03,59,993
	3,400	2.00	202	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[198]	83,95,33,160	1,67,90,66,320	49,26,10,39,993
	10,400	2.00	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[199]	83,95,43,560	1,67,90,87,120	49,26,37,43,369
	8,000	2.00	316	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[200]	83,95,51,560	1,67,91,03,120	49,26,62,55,369
	5,340	2.00	690.10	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[201]	83,95,56,900	1,67,91,13,800	49,26,99,29,823
	4,340	2.00	609	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[202]	83,95,61,240	1,67,91,22,480	49,27,25,64,203
November 28, 2023	10,000	2.00	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[203]	83,95,71,240	1,67,91,42,480	49,27,50,81,203
	5,000	2.00	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[204]	83,95,76,240	1,67,91,52,480	49,27,63,80,903
	8,000	2.00	316.00	Cash	Allotment of Equity Shares pursuant to exercise of stock	83,95,84,240	1,67,91,68,480	49,27,88,92,903

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
					options under ESOP 2016[205]			
	5,000	2.00	202.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[206]	83,95,89,240	1,67,91,78,480	49,27,98,92,903
	21,120	2.00	609.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[207]	83,96,10,360	1,67,92,20,720	49,29,27,12,743
	2,500	2.00	709.35	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[208]	83,96,12,860	1,67,92,25,720	49,29,44,81,118
December 11, 2023	6,600	2.00	261.94	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[209]	83,96,19,460	1,67,92,38,920	49,29,61,96,722
	2,000	2.00	580.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[210]	83,96,21,460	1,67,92,42,920	49,29,73,53,322
	400	2.00	609.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[211]	83,96,21,860	1,67,92,43,720	49,29,75,96,122
	1,600	2.00	709.35	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[212]	83,96,23,460	1,67,92,46,920	49,29,87,27,882
	10,600	2.00	253.70	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[213]	83,96,34,060	1,67,92,68,120	49,30,13,95,902
December 26, 2023	9,050	2.00	609.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[214]	83,96,43,110	1,67,92,86,220	49,30,68,89,252

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
	16,720	2.00	580.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[215]	83,96,59,830	1,67,93,19,660	49,31,65,58,428
	5,500	2.00	316.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[216]	83,96,65,330	1,67,93,30,660	49,31,82,85,428
January 12, 2024	10,410	2.00	157.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[217]	83,96,75,740	1,67,93,51,480	49,31,99,08,347
	2,000	2.00	629.50	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[218]	83,96,77,740	1,67,93,55,480	49,32,11,63,347
	30,000	2.00	202.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[219]	83,97,07,740	1,67,94,15,480	49,32,71,63,347
	3,350	2.00	609.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[220]	83,97,11,090	1,67,94,22,180	49,32,91,96,797
	1,500	2.00	580.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP 2016[221]	83,97,12,590	1,67,94,25,180	49,33,00,64,247

* *Sum of ₹ 9,21,47,689.59 was utilized for qualified institutional placement and preferential issue in the Financial Year 2020.*

1. *Allotment of 68,59,687 Equity Shares to Government of Singapore; 15,77,813 Equity Shares to Monetary Authority of Singapore; 10,93,750 Equity Shares to HDFC Life Insurance Company Limited; 7,81,250 Equity Shares to Kuwait Investment Authority Fund F239; 9,37,500 Equity Shares to Morgan Stanley Asia (Singapore) PTI-ODI; 6,25,000 Equity Shares to Motilal Oswal Midcap 30 Fund; 1,14,094 Equity Shares to Key Square Master Fund II LP; 3,54,656 Equity Shares to Key Square Master Fund LP; 4,68,750 Equity Shares to Kuwait Investment Authority Fund 223; 62,500 Equity Shares to Sundaram Mutual Fund A/C Sundaram Financial Services Opportunities Fund; 4,06,250 Equity Shares to Sundaram Mutual Fund A/c Sundaram Large and Mid Cap Fund; 4,68,750 Equity Shares to ICICI Prudential Life Insurance Company Limited; 1,56,250 Equity Shares to Aurigin Master Fund Limited; 1,56,250 Equity Shares to Edelweiss Trusteeship Co Ltd AC-Edelweiss MF AC-Edelweiss Balance Advantage Fund; 3,75,016 Equity Shares to DSP Midcap Fund; 99,994 Equity Shares to DSP Core Fund; 1,49,990 Equity Shares to DSP High Conviction Fund; 16,40,625 Equity Shares to Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Focused; 9,37,500 Equity Shares to Aditya Birla Sun Life Trustee Private Limited A/c Aditya Birla Sun Life Midcap; 6,25,000 Equity Shares to Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Banking; 93,750 Equity Shares to Birla Sun Life Trustee Company Private Limited A/C India Advantage (Offshore) Fund; 3,75,000 Equity Shares to Birla Sun Life Trustee Company Private Limited A/C India Excel (Offshore) Fund; 1,56,250 Equity Shares to Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life India Gennext Fund; 5,46,875 Equity Shares to Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Fund; 13,67,188 Equity Shares to ICICI Prudential Balanced Advantage Fund; 9,57,030 Equity Shares to ICICI Prudential Large & Mid Cap Fund; 13,67,188 Equity Shares to ICICI Prudential Long Term Equity Fund Tax Savings; 6,83,594 Equity Shares to ICICI Prudential Midcap Fund; 5,46,875 Equity Shares to Axis Mutual Fund Trustee Limited A/C Axis Midcap Fund; 5,46,875 Equity Shares to Axis Mutual Fund Trustee Limited A/C Axis Small Cap Fund; 3,12,500 Equity Shares to Janchor Partners PAN-Asian Master Fund; 28,12,500 Equity Shares to Janchor Partners Opportunities Master Fund-II; 1,11,761 Equity Shares to Principal Funds, Inc. - International Emerging Markets Fund; 86,066*

Equity Shares to American Airlines Inc Master Fixed Benefit Pension Trust- Principal Global Inves; 2,40,924 Equity Shares to Principal Life - International Emerging Markets Separate Account; and 29,999 Equity Shares to Principal Variable Contracts Funds, Inc. - International Emerging Markets Account.

2. *Allotment of 18,495 Equity Shares to Krishnakumar K.P.*
3. *Allotment of 275 Equity Shares to Aman Sharma*
4. *Allotment of 8,000 Equity Shares to Kannan. K; 14,200 Equity Shares to Vishal Ahuja; 2,000 Equity Shares to Ajay Bhatia; and 17,960 Equity Shares to Ravindra P Nankar*
5. *Allotment of 13,470 Equity Shares to Ravindra P Nankar, 9,200 Equity Shares to Vishal Ahuja; and 31,430 Equity Shares to Akshay Puranik*
6. *Allotment to Cholamandalam Financial Holdings Limited*
7. *Allotment of Equity Shares to Anup Pillai*
8. *Allotment of 4,200 Equity Shares to Pankaj Murpani; 3,600 Equity Shares to Ajay Bhatia; 86,900 Equity Shares to Rohit Gangadhar Phadke; 2,500 Equity Shares to Prashant Kumar; 3,000 Equity Shares to Balaraj Menon C; 10,000 Equity Shares to Kannan K; and 130 Equity Shares to Aman Sharma*
9. *Allotment of Equity Shares to Krishna Kumar K P*
10. *Allotment of Equity Shares to Dhanarajan P*
11. *Allotment of Equity Shares to Sanjiv Kumar Sharma*
12. *Allotment of Equity Shares to Krishna Kumar K P*
13. *Allotment of Equity Shares to A. Kavitha*
14. *Allotment of Equity Shares to Paul Vimal Devi*
15. *Allotment of Equity Shares to Ravindra Kundu*
16. *Allotment of Equity Shares to D Arul Selvan*
17. *Allotment of Equity Shares to Paul Vimal Devi*
18. *Allotment of Equity Shares to Ravindra Kundu*
19. *Allotment of 2,500 Equity Shares to Balraj Menon; 5,000 Equity Shares to Ajay Bhatia; and 2,500 Equity Shares to Pankaj Murpani*
20. *Allotment of 1,500 Equity Shares to Ajay Bhatia; and 1,500 Equity Shares to Pankaj Murpani.*
21. *Allotment of Equity Shares to Aman Saini*
22. *Allotment of Equity Shares to Krishnakumar K P*
23. *Allotment of Equity Shares to Mahesh Madhukar Waikar*
24. *Allotment of Equity Shares to Charles Stanis*
25. *Allotment of 2,680 Equity Shares to A. Kavitha; and 3,440 Equity Shares to Krishnakumar K P*
26. *Allotment of Equity Shares to Pankaj Murpani*
27. *Allotment of Equity Shares to Paul Vimal Devi*
28. *Allotment of Equity Shares to Babu G*
29. *Allotment of Equity Shares to Shankar Subramanian*
30. *Allotment of 22,450 Equity Shares to Vivek Nirmal; and 53,000 Equity Shares to Ravi Kumar B*
31. *Allotment of Equity Shares to Ravi Kumar B*
32. *Allotment of 12,000 Equity Shares to Jeyanth; and 13,000 Equity Shares to Anup Pillai*
33. *Allotment of 8,980 Equity Shares to Samir Modi; and 12,000 Equity Shares to Ganesh Vasudevan*
34. *Allotment of Equity Shares to Pradeep Kumar Menon*
35. *Allotment of 13,700 Equity Shares to Balraj Menon; and 21,000 Equity Shares to Ashish Prakash Potulwar*
36. *Allotment of Equity Shares to Makarand*
37. *Allotment of 13,000 Equity Shares to Nishim T D; 21,000 Equity Shares to Prashanth Kumar; 13,000 Equity Shares to Bibhu Prasad Padhi; 12,000 Equity Shares to Venkata Ratnam R; and 7,600 Equity Shares to Vijay Kini.*
38. *Allotment of Equity Shares to Anil Kumar Rawat*
39. *Allotment of Equity Shares to Ajay Bhatia*
40. *Allotment of Equity Shares to Sanjiv Kumar Sharma*
41. *Allotment of Equity Shares to Jeetendra Singh Kshatriya*
42. *Allotment of Equity Shares to Ajay Bhatia*
43. *Allotment of Equity Shares to Sanjiv Kumar Sharma*
44. *Allotment of Equity Shares to Lokesh Nahar*
45. *Allotment of 1,400 Equity Shares to Pankaj Murpani; and 10,000 Equity Shares to Ravindra Kumar Kundu*
46. *Allotment of 6,600 Equity Shares to D Arul Selvan; 26,300 Equity Shares to P Sujatha*
47. *Allotment of 10,600 Equity Shares to Ramanan R V; and 7,500 Equity Shares to Amandeep Singh Sandhu*
48. *Allotment of Equity Shares to Charles Stanis*
49. *Allotment of Equity Shares to Reji Abraham*
50. *Allotment of 90,000 Equity Shares to R Chandrasekar; and 2,600 Equity Shares to Dhanarajan P*
51. *Allotment of Equity Shares to Ashish Khanpurkar*
52. *Allotment of Equity Shares to Ajay Bhatia*
53. *Allotment of Equity Shares to Jeyanth Benjamin P*
54. *Allotment of Equity Shares to Abhista Tiwari*
55. *Allotment of Equity Shares to Jeetendra Singh Kshatriya*
56. *Allotment of Equity Shares to Kannan K*
57. *Allotment of 2,500 Equity Shares to Pankaj Murpani 4,000 Equity Shares to Ajay Bhatia; 10,000 Equity Shares to Mahesh Waikar; and 5,500 Equity Shares to K P Krishnakumar*
58. *Allotment of 32,900 Equity Shares to Venkata Ratnam R; 10,000 Equity Shares to Mahesh Madhukar Waikar; 1,925 Equity Shares to Aman Sharma; 5,400 Equity Shares to Prashant Kumar; 20,000 Equity Shares to Ravindra Kumar Kundu; 3,000 Equity Shares to Pankaj Murpani; 3,650 Equity Shares to Dhanarajan P; 26,300 Equity Shares to Sujatha P; 31,900 Equity Shares to Nishim T D; 10,000 Equity Shares to Vijay Kini K M; 12,000 Equity Shares to Balraj Menon C; and 1,500 Equity Shares to Ajay Bhatia*
59. *Allotment of 2,000 Equity Shares to Anup Pillai; 8,980 Equity Shares to Madhusudanan C P; 1,480 Equity Shares to Amandeep Singh Sandhu; and 4,860 Equity Shares to Jeyanth Benjamin P*
60. *Allotment of Equity Shares to Aman Sharma*
61. *Allotment of Equity Shares to Vinay Kumar M.*
62. *Allotment of Equity Shares to Charles Stanis*
63. *Allotment of Equity Shares to Nishim T D*
64. *Allotment of Equity Shares to Shankar Subramanian*
65. *Allotment of Equity Shares to Paul Vimal Dev S.*
66. *Allotment of 20,000 Equity Shares to Vijay Kini K M; 17,400 Equity Shares to Ashish Potulwar; 16,460 Equity Shares to Paul Vaseekaran E E; 19,200 Equity Shares to Manickam S; 18,430 Equity Shares to Bibhu Prasad Padhi; 35,000 Equity Shares to Arul Selvan D; 1,000 Equity Shares to Krishnakumar K P; and 1,500 Equity Shares to Pankaj Murpani*
67. *Allotment of 13,000 Equity Shares to Joy Sequeria; 5,500 Equity Shares to Prakash J; and 8,980 Equity Shares to Aman Saini*
68. *Allotment of Equity Shares to Arindam Dasgupta*
69. *Allotment of 17,960 Equity Shares to Shyam Shankar; and 17,960 Equity Shares to Ravinder Dhillon*

70. *Allotment of Equity Shares to Paul Vaseekaran*
71. *Allotment of 4,440 Equity Shares to Arindam Dasgupta; and 15,000 Equity Shares to Shaji Varghese*
72. *Allotment of Equity Shares to Ajay Bhatia*
73. *Allotment of 4,375 Equity Shares to Suresh Kumar S; 2,000 Equity Shares to Ajay Bhatia; and 17,960 Equity Shares to Siddharth Shrinivasan*
74. *Allotment of Equity Shares to Rohit Gaur*
75. *Allotment of Equity Shares to Siddharth Shrinivasan*
76. *Allotment of 4,500 Equity Shares to Ajay Bhatia; 8,940 Equity Shares to Paul Vaseekaran; 1,000 Equity Shares to Krishnakumar K P; 1,000 Equity Shares to Mahesh Madhukar Waikar; 2,000 Equity Shares to Pankaj Murpani; 2,100 Equity Shares to Prashant Kumar; 20,050 Equity Shares to Ravindra Kumar Kundu; and 25,000 Equity Shares to Arul Selvan D.*
77. *Allotment of 6,480 Equity Shares to Paul Vaseekaran; and 18,450 Equity Shares to Abhista Tiwari;*
78. *Allotment of Equity Shares to Paul Vaseekaran*
79. *Allotment of 9,200 Equity Shares to Reji Abraham; and 450 Equity Shares to Narendra Kumar K*
80. *Allotment of 26,400 Equity Shares to Ganesh Vasudevan; and 4,000 Equity Shares to Samir Modi*
81. *Allotment of 1,000 Equity Shares to Ajay Bhatia; 3,000 Equity Shares to Mahesh Madhukar Waikar; and 6,000 Equity Shares to Akshay Puranik*
82. *Allotment of Equity Shares to Madhusudanan C P*
83. *Allotment of Equity Shares to Samir Modi*
84. *Allotment of Equity Shares to Paul Vaseekaran*
85. *Allotment of 4,100 Equity Shares to Krishnakumar K P; 1,000 Equity Shares to Pankaj Murpani; 1,100 Equity Shares to Prashant Kumar; and 2,000 Equity Shares to Ajay Bhatia*
86. *Allotment of Equity Shares to Amandeep Singh Sandhu*
87. *Allotment of Equity Shares to Lokesh Nahar*
88. *Allotment of Equity Shares to Shaji Varghese*
89. *Allotment of Equity Shares to Ajay Bhatia*
90. *Allotment of Equity Shares to Anup Pillai*
91. *Allotment of Equity Shares to P Sujatha*
92. *Allotment of Equity Shares to Pradeep Kumar Menon*
93. *Allotment of Equity Shares to Ajay Bhatia*
94. *Allotment of Equity Shares to Shankar Subramanian*
95. *Allotment of 13,470 Equity Shares to Rohit Gaur; and 13,470 Equity Shares to Aman Saini*
96. *Allotment of Equity Shares to Mariam Mathew*
97. *Allotment of Equity Shares to Ravinder Dhillon*
98. *Allotment of 5,600 Equity Shares to Ashish Potulwar; 5,000 Equity Shares to Mahesh Madhukar Waiker; 1,900 Equity Shares to Prashant Kumar; 9,600 Equity Shares to Krishnakumar K P; 2,000 Equity Shares to Pankaj Murpani; 44,900 Equity Shares to Babu V; and 5,030 Equity Shares to Ajay Bhatia*
99. *Allotment of Equity Shares to Shankar Subramanian*
100. *Allotment of 6,480 Equity Shares to Babu V; and 2,000 Equity Shares to Ajay Bhatia*
101. *Allotment of Equity Shares to Anup Pillai*
102. *Allotment of 4,970 Equity Shares to Ajay Bhatia; and 6,480 Equity Shares to Sankar Annamalai*
103. *Allotment of 44,900 Equity Shares to Sankar Annamalai; and 10,450 Equity Shares to Mahesh Madhukar Waikar*
104. *Allotment of Equity Shares to Anup Pillai*
105. *Allotment of Equity Shares to Joy Sequeria*
106. *Allotment of Equity Shares to Shaji Varghese*
107. *Allotment of 2,000 Equity Shares to Pankaj Murpani; 50,000 Equity Shares to P Sujatha; 15,400 Equity Shares to Vijay Kini K M; and 35,920 Equity Shares to Veeralatha Mahendran*
108. *Allotment of Equity Shares to Shankar Subramanian*
109. *Allotment of Equity Shares to Vijay Kini K M*
110. *Allotment of Equity Shares to D Arul Selvan*
111. *Allotment of 5,000 Equity Shares to Ashish Prakash Potulwar; and 2,400 Equity Shares to Pankaj Murpani*
112. *Allotment of Equity Shares to Arindam Das Gupta*
113. *Allotment of 1,350 Equity Shares to Aman Sharma; 1,000 Equity Shares to Pankaj Murpani; and 5,000 Equity Shares to Ashish Prakash Potulwar*
114. *Allotment of Equity Shares to Shankar Subramanian*
115. *Allotment of Equity Shares to Ajay Bhatia*
116. *Allotment of 30,000 Equity Shares to Balraj Menon; and 9,550 Equity Shares to Mahesh Madhukar Waikar*
117. *Allotment of Equity Shares to Sankar Annamalai*
118. *Allotment of 5,000 Equity Shares to Madhusudanan C P; and 11,000 Equity Shares to Reji Abraham*
119. *Allotment of Equity Shares to Aman Sharma*
120. *Allotment of Equity Shares to Arindam Das Gupta*
121. *Allotment of Equity Shares to Ajay Bhatia*
122. *Allotment of 19,000 Equity Shares to Chandrasekar C; 5,000 Equity Shares to Ashish Potulwar; and 3,000 Equity Shares to Mahesh Madhukar Waikar*
123. *Allotment of Equity Shares to Narendra Kumar N.*
124. *Allotment of Equity Shares to Prakash. J*
125. *Allotment of 7,500 Equity Shares to Ajay Bhatia; 1,600 Equity Shares to Pankaj Murpani; and 4,000 Equity Shares to Abhista Tiwari*
126. *Allotment of 3,500 Equity Shares to Pankaj Murpani; 2,125 Equity Shares to Dhanarajan P; 6,200 Equity Shares to Ashish Potulwar; and 2,000 Equity Shares to Mahesh Madhukar Waikar*
127. *Allotment of Equity Shares to Ashish Khanapurkar*
128. *Allotment of Equity Shares to Charles Stanis*
129. *Allotment of 1,900 Equity Shares to Prashant Kumar; and 6,000 Equity Shares to Mahesh Madhukar Waikar*
130. *Allotment of Equity Shares to Makarand Gajanan Gokhale*
131. *Allotment of 14,000 Equity Shares to Anil Kumar Rawat; and 24,030 Equity Shares to Prakash. J*
132. *Allotment of 3,470 Equity Shares to Samir Modi; and 1,370 Equity Shares to Charles Stanis*
133. *Allotment of 11,800 Equity Shares to Ashish Prakash Potulwar; 5,500 Equity Shares to Mariam Mathew; and 13,000 Equity Shares to Suresh Kumar S.*
134. *Allotment of Equity Shares to Reji Abraham*
135. *Allotment of 5,900 Equity Shares to Krishnakumar K P; 5,000 Equity Shares to Pankaj Murpani; 16,000 Equity Shares to Mahesh Madhukar Waikar; 3000 Equity Shares to Balraj Menon C; 10,000 Equity Shares to Ashish Potulwar; 3000 Equity Shares to Prashant Kumar; 600 Equity Shares to Aman Sharma; 5000 Equity Shares to Sujatha P; 800 Equity Shares to Dhanarajan P; and 1 Equity Share to Reetika Shrinivasan (Legal heir of Late Shri. Siddharth Shrinivasan, employee)*
136. *Allotment of 1,370 Equity Shares to Ajay Bhatia; and 5,200 Equity Shares to Ravindra Kumar Kundu.*
137. *Allotment of Equity Shares to Ashish Potulwar.*

138. *Allotment of Equity Shares to Ganesh Vasudevan*
139. *Allotment of 500 Equity Shares to Deepak Cherukuri, 5,819 Equity Shares to Reetika Shrinivasan (Legal heir of Late Shri. Siddharth Shrinivasan, employee); and 200 Equity Shares to Sridhar R.*
140. *Allotment of 2,900 Equity Shares to Mahesh Madhukar Waikar; 3,000 Equity Shares to Pankaj Murpani; 10,600 Equity Shares to Ganesh N; and 26,300 Equity Shares to Durgaprasad Swaminathan*
141. *Allotment of Equity Shares to Ashish Potulwar.*
142. *Allotment of 300 Equity Shares to Sridhar R; and 800 Equity Shares to A Kavitha*
143. *Allotment of Equity Shares to Pankaj Murpani*
144. *Allotment of Equity Shares to Reji Abraham*
145. *Allotment of Equity Shares to Vinay Kumar M.*
146. *Allotment of Equity Shares to Lokesh Nahar*
147. *Allotment of Equity Shares to Sridhar R*
148. *Allotment of Equity Shares to Reetika Shrinivasan (Legal heir of Late Shri. Siddharth Shrinivasan, employee)*
149. *Allotment of Equity Shares to Reetika Shrinivasan (Legal heir of Late Shri. Siddharth Shrinivasan, employee)*
150. *Allotment of Equity Shares to Reetika Shrinivasan (Legal heir of Late Shri. Siddharth Shrinivasan, employee)*
151. *Allotment of 5,500 Equity Shares to Jeyanth Benjamin P; and 2,100 equity shares to Narendra Kumar N.*
152. *Allotment of Equity Shares to Samir Modi*
153. *Allotment of 150 Equity Shares to Ganesh J; and 1,600 Equity Shares to Ananthagopal E.*
154. *Allotment of 4,000 Equity Shares to Ajay Bhatia*
155. *Allotment of 15,000 Equity Shares to Srivatsava Rangarajan*
156. *Allotment of 4,100 Equity Shares to Pradeep Kumar Menon*
157. *Allotment of 25,800 Equity Shares to Vijay Kini K M, Allotment of 2,000 Equity Shares to Pankaj Murpani*
158. *Allotment of 1,200 Equity Shares to Aman Sharma, Allotment of 500 Equity Shares to Pankaj Murpani and Allotment of 7,000 Equity Shares to Suresh Kumar S*
159. *Allotment of 13,470 Equity Shares to Joy Sequeira*
160. *Allotment of 1,100 Equity Shares to Ganesh J*
161. *Allotment of 9,000 Equity Shares to Ashish Potulwar, Allotment of 2,200 Equity Shares to Prashant Kumar, Allotment of 2,000 Equity Shares to Aman Sharma and Allotment of 76,800 Equity Shares to Manickam S*
162. *Allotment of 5,650 Equity Shares to Ashish Potulwar*
163. *Allotment of 1,600 Equity Shares to Ananthagopal E*
164. *Allotment of 4,410 Equity Shares to Arindam Dasgupta*
165. *Allotment of 3,500 Equity Shares to Pankaj Murpani*
166. *Allotment of 11,000 Equity Shares to Prakash J and 5,000 Equity Shares to Ashish Potulwar*
167. *Allotment of 13,470 Equity Shares to Anup Pillai*
168. *Allotment of 251 Equity Shares to Rajesh Kumar, Allotment of 900 Equity Shares to Ananthagopal E, 2,850 Equity Shares to Ganesh J and 520 Equity Shares to Kavitha A.*
169. *Allotment of 4,400 Equity Shares to Pankaj Murpani*
170. *Allotment of 6,000 Equity Shares to Arindam Dasgupta*
171. *Allotment of 5,000 Equity Shares to Kannan and 18,300 Equity Shares to Ganesh Vasudevan*
172. *Allotment of 2,700 Equity Shares to Dhanarajan, 4,700 Equity Shares to Prashant Kumar, 5,300 Equity Shares to Bibhu Prasad Padhi and 4,000 Equity Shares to Sujatha P*
173. *Allotment of 7,500 Equity Shares to Pankaj Murpani and 2,000 Equity Shares to Ajay Bhatia*
174. *Allotment of 6,480 Equity Shares to Venkata Ratnam R*
175. *Allotment of 1,200 Equity Shares to Jeyanth Benjamin P.*
176. *Allotment of 2,900 Equity Shares to Sujatha P, 4,000 Equity Shares to Balraj Menon C, 7,000 Equity Shares to Prashant Kumar, 3,400 Equity Shares to Krishnakumar K P, and 40,050 Equity Shares to Ravindra Kumar Kundu*
177. *Allotment of 8,000 Equity Shares to Mahesh Madhukar Waikar, and 2,600 Equity Shares to Ashish Potulwar*
178. *Allotment of 3,800 Equity Shares to Charles Stanis*
179. *Allotment of 1,100 Equity Shares to Praveen Sanghi, 3,600 Equity Shares to Deepak Cherukuri, 4,100 Equity Shares to Vallabh S Rao, 2,100 Equity Shares to Srinivasan R, and 1,250 Equity Shares to Rajesh Kumar*
180. *Allotment of 5,670 Equity Shares to Abhista Tiwari and 5,930 Equity Shares to Ajay Bhatia*
181. *Allotment of 4,100 Equity Shares to Bibhu Prasad Padhi, 15,800 Equity Shares to Balraj Menon C, 3,000 Equity Shares to S Suresh Kumar, 1,800 Equity Shares to Prashant Kumar, 415 Equity Shares to Aman Sharma and 3,000 Equity Shares to Krishna Kumar K P*
182. *Allotment of 10,000 Equity Shares to Amandeep Singh Sandhu*
183. *Allotment of 15,000 Equity Shares to R Chandrasekar, 2,000 Equity Shares to P Sujatha and 5,000 Equity Shares to Mahesh Waikar*
184. *Allotment of 5,000 Equity Shares to Lokesh Nahar, and 5,000 Equity Shares to Samir Modi*
185. *Allotment of 300 Equity Shares to Sridhar R.,4,100 Equity Shares to Sivasankara Pillai Pradeep, 8,820 Equity Shares to Sriram K, and 4,100 Equity Shares to Swapnil Bhasme*
186. *Allotment of 1,69,49,152 Equity shares to 106 qualified institutional buyers*
187. *Allotment of 5,000 Equity Shares to Mahesh Madhukar Waikar and 2,000 Equity Shares to Ajay Bhatia*
188. *Allotment of 1,980 Equity Shares to Mahesh Madhukar Waikar*
189. *Allotment of 4,050 Equity Shares to Mariam Mathew*
190. *Allotment of 25,200 Equity Shares to Mariam Mathew and 1,500 Equity Shares to Prashant Kumar*
191. *Allotment of 1,370 Equity Shares to Charles Stanis*
192. *Allotment of 12,000 Equity Shares to Jeyanth Benjamin*
193. *Allotment of 8,820 Equity Shares to G Subramanyam*
194. *Allotment of 4,100 Equity Shares to Manish Gupta*
195. *Allotment of 3,000 Equity Shares to Praveen Sanghi and 4,100 Equity Shares to Rajalakshmi Sriram*
196. *Allotment of 1,796 Equity Shares to Anil Kumar Rawat*
197. *Allotment of 1,500 Equity Shares to Ajay Bhatia*
198. *Allotment of 3,400 Equity Shares to Prashant Kumar*
199. *Allotment of 5,400 Equity Shares to Pankaj Murpani and 5,000 Equity Shares to Ravindra Kumar Kundu*
200. *Allotment of 8,000 Equity Shares to Ganesh Vasudevan*
201. *Allotment of 5,340 Equity Shares to Ganesh Vasudevan*
202. *Allotment of 4,100 Equity Shares to Rajalakshmi Sriram and 240 Equity shares to Phaneendra Durgam*
203. *Allotment of 10,000 Equity Shares to Madhusudanan C P*
204. *Allotment of 5,000 Equity Shares to Ravindra Kumar Kundu*
205. *Allotment of 8,000 Equity Shares to Ganesh Vasudevan*
206. *Allotment of 5,000 Equity Shares to Prashant Kumar*
207. *Allotment of 8,200 Equity Shares to Sarbjit Singh Gill, 4,100 Equity Shares to Sivasankara Pillai Pradeep, and 8,820 Equity Shares to Sriram K*
208. *Allotment of 2,500 Equity Shares to Anup Pillai*

209. *Allotment of 1,000 Equity Shares to Pankaj Murpani and 5,600 Equity Shares to Ravindra Kumar Kundu*
210. *Allotment of 2,000 Equity Shares to P Sujatha*
211. *Allotment of 400 Equity Shares to Kavitha A*
212. *Allotment of 1,600 Equity Shares to Anup Pillai*
213. *Allotment of 10,600 Equity Shares to Ramanan R V*
214. *Allotment of 350 Equity Shares to Rajesh Kumar, 7,500 Equity Shares to Mohan Manjith and 1,200 Equity Shares to Ananthagopal E*
215. *Allotment of 3,000 Equity Shares to Ajay Bhatia and 13,720 quity Shares to Chandrasekar R*
216. *Allotment of 1,000 Equity Shares to Lokesh Nahar and 4,500 Equity Shares to Carles Stanis*
217. *Allotment of 10, 410 Equity Shares to Ashish Khanapurkar*
218. *Allotment of 2,000 Equity Shares to Abhishek Challa*
219. *Allotment of 28,000 Equity Shares to Durgaprasad Swaminathan and 2,000 Equity Shares to Dhanarajan P.*
220. *Allotment of 2,650 Equity Shares to Ananthagopal E and 700 Equity Shares to Mohan Manjith*
221. *Allotment of 1,500 Equity Shares to Ajay Bhatia*

b. Details of Preference Share Capital

The Company has not issued/ allotted any preference shares as on in the last three financial years and the current financial year.

3. Shareholding pattern of our Company as on the last quarter end

The table below presents the shareholding pattern of our Company as on December 31, 2023.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total shares held (b)	Number (a)	As a % of total Shares held (b)	Number (a)
								Class: Equity Shares	Class: Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter and Promoter Group	65	42,29,66,595	-	-	42,29,66,595	50.37	42,29,66,595	-	42,29,66,595	50.37	-	-	-	-	-	-	42,29,66,595
(B)	Public*	1,40,571	41,66,98,735	-	-	41,66,98,735	49.63	41,66,98,735	-	41,66,98,735	49.63	-	-	-	-	-	-	41,59,46,125
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	**1,40,636**	**83,96,65,330**	**-**	**-**	**83,96,65,330**	**100**	**83,96,65,330**	**-**	**83,96,65,330**	**100**	**-**	**-**	**-**	**-**	**-**	**-**	**83,89,12,720**

4. Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	Sub-categorization of shares		
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		Shareholding (No. of shares) under		
									Class: Equity Shares	Class Y	Total									Sub-category (i)	Sub-category (ii)	Sub-category (iii)
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)			
(1)	**Indian**																					
(a)	Individuals/ Hindu undivided Family		34	84,60,730	-	-	84,60,730	1.01	84,60,730	-	84,60,730	1.01	-	1.01	-	-	-	-	84,60,730			
(b)	Central Government/State Government(s)	-			-	-				-			-		-	-	-	-				
©	Financial Institutions/ Banks	-			-	-				-			-		-	-	-	-				
(d)	Any Other	-	29	41,33,02,392	-	-	41,33,02,392	49.22	41,33,02,392.00	-	41,33,02,392.00	49.22	-	49.22	-	-	-	-	41,33,02,392			
	Sub-Total (A)(1)	-	**63**	**42,17,63,122**	-	-	**421,763,122**	**50.23**	**42,17,63,122**	-	**421,763,122**	**50.23**	-	**50.23**	-	-	-	-	**42,17,63,122**			

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	Sub-categorization of shares		
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		Shareholding (No. of shares) under		
(2)	**Foreign**																					
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	2	12,03,473	-	-	12,03,473	0.14	12,03,473	-	12,03,473	0.14	-	0.14	-	-	-	-	12,03,473			
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	**Any Other**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	2	12,03,473	-	-	12,03,473	0.14	12,03,473	-	12,03,473	0.14	-	0.14	-	-	-	-	12,03,473	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	-	**65**	**42,29,66,595**	-	-	**42,29,66,595**	**50.37**	**42,29,66,595**	-	**42,29,66,595**	**50.37**	-	**50.37**	-	-	-	-	**42,29,66,595**	-	-	-

Promoter and Promoter Group - Individuals/Hindu undivided Family – Indian

Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(Xi)(a) As a % of (A+B+C2)	Number of Locked in shares (XII)	Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
					No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
					Class eg: X	Total							
M.A.Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	AABFK9112E	3,55,850	3,55,850	0.04	3,55,850.00	0.04	0.04	0.04	0	0.00	0	0.00	3,55,850
Valli Annamalai	AABPA4514E	12,500	12,500	0.00	12,500.00	0.00	0.00	0.00	0	0.00	0	0.00	12,500
M Vellachi	AABPV9423B	1160427	11,60,427	0.14	11,60,427.00	0.14	0.14	0.14	0	0.00	0	0.00	11,60,427
Valli Subbiah	AABPV9457B	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M A M Arunachalam	AACPA9626N	1,65,752	1,65,752	0.02	1,65,752	0.02	0.02	0.02	0	0.00	0	0.00	1,65,752
Arun Alagappan	AACPA9627P	9,50,000	9,50,000	0.11	9,50,000.00	0.11	0.11	0.11	0	0.00	0	0.00	9,50,000
M.A.Alagappan	AACPA9628C	24,88,760	24,88,760	0.30	24,88,760.00	0.30	0.30	0.30	0	0.00	0	0.00	24,88,760
Lakshmi Chockalingam	AACPC6577A	1,32,625	1,32,625	0.02	1,32,625	0.02	0.02	0.02	0	0.00	0	0.00	1,32,625
A Vellayan	AACPV2231L	1,35,785	1,35,785	0.02	1,35,785.00	0.02	0.02	0.02	0	0.00	0	0.00	1,35,785
M M Venkatachalam	AACPV2232K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
Lakshmi Venkatachalam	AACPV4167D	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
Lalitha Vellayan	AACPV6713H	1,39,630	1,39,630	0.02	1,39,630.00	0.02	0.02	0.02	0	0.00	0	0.00	1,39,630

Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(Xi)(a) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
					No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
					Class eg: X	Total							
Meyyammai Venkatachalam	AACPV6714A	50,255	50,255	0.01	50,255.00	0.01	0.01	0.01	0	0.00	0	0.00	50,255
S Vellayan	AADPV8920B	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M M Murugappan	AAGPM1775L	21,035	21,035	0.00	21,035.00	0.00	0.00	0.00	0	0.00	0	0.00	21,035
A M Meyyammai	AAJPM9297L	25,188	25,188	0.00	25,188	0.00	0.00	0.00	0	0.00	0	0.00	25,188
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	AALHS2276M	10,000	10,000	0.00	10,000.00	0.00	0.00	0.00	0	0.00	0	0.00	10,000
Meenakshi Murugappan	AAMPM5419M	245	245	0.00	245.00	0.00	0.00	0.00	0	0.00	0	0.00	245
M V Seetha Subbiah	AAQPS8522F	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M V Subbiah	ABBPS0231K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
Valli Alagappan	ACDPV7481R	5,200	5,200	0.00	5,200.00	0.00	0.00	0.00	0	0.00	0	0.00	5,200
A Venkatachalam	ACFPV9601D	2,09,605	2,09,605	0.03	2,09,605.00	0.03	0.03	0.03	0	0.00	0	0.00	2,09,605
V Narayanan	ADPPN2527F	2,54,000	2,54,000	0.03	2,54,000.00	0.03	0.03	0.03	0	0.00	0	0.00	2,54,000
V Arunachalam	ADWPA5110C	2,42,515	2,42,515	0.03	2,42,515.00	0.03	0.03	0.03	0	0.00	0	0.00	2,42,515
Arun Venkatachalam	AGIPV4181B	4,03,750	4,03,750	0.05	4,03,750.00	0.05	0.05	0.05	0	0.00	0	0.00	4,03,750
Solachi Ramanathan	AGOPR3093G	20,000	20,000	0.00	20,000.00	0.00	0.00	0.00	0	0.00	0	0.00	20,000

Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(Xi)(a) As a % of (A+B+C2)	Number of Locked in shares (XII)	Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
					No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
					Class eg: X	Total							
Vedika Meyyammai Arunachalam	AGZPV9614J	1,08,280	1,08,280	0.01	1,08,280.00	0.01	0.01	0.01	0	0.00	0	0.00	1,08,280
A V Nagalakshmi	AHBPN0146N	15,960	15,960	0.00	15,960.00	0.00	0.00	0.00	0	0.00	0	0.00	15,960
M V AR Meenakshi	AIYPM0088Q	8,53,155	8,53,155	0.10	8,53,155.00	0.10	0.10	0.10	0	0.00	0	0.00	8,53,155
A. Keertika Unnamalai	AJFPK2649M	1,13,381	1,13,381	0.01	1,13,381	0.01	0.01	0.01	0	0.00	0	0.00	1,13,381
Sigapi Arunachalam	AJUPS2082F	74,255	74,255	0.01	74,255.00	0.01	0.01	0.01	0	0.00	0	0.00	74,255
Uma Ramanathan	AKDPR8269F	23,500	23,500	0.00	23,500.00	0.00	0.00	0.00	0	0.00	0	0.00	23,500
V Vasantha	AMRPV4196R	1,250	1,250	0.00	1,250.00	0.00	0.00	0.00	0	0.00	0	0.00	1,250
Dhruv M Arunachalam	ANYPD9467D	50,000	50,000	0.01	50,000.00	0.01	0.01	0.01	0	0.00	0	0.00	50,000
Kanika Subbiah	BDLPK3466K	67,000	67,000	0.01	67,000.00	0.01	0.01	0.01	0	0.00	0	0.00	67,000
Pranav Alagappan	BESPP0113C	3,11,440	3,11,440	0.04	3,11,440.00	0.04	0.04	0.04	0	0.00	0	0.00	3,11,440
A M M Arunachalam HUF	AAJHA4238H	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M A Alagappan HUF	AADHA5809A	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
A Vellayan HUF	AAAHV2590Q	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
A Venkatachalam HUF	AABHA5481L	7,000	7,000	0.00	7,000.00	0.00	0.00	0.00	0	0.00	0	0.00	7,000

Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(Xi)(a) As a % of (A+B+C2)	Number of Locked in shares (XII)	Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
					No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
					Class eg: X	Total							
Baby Anannya Lalitha Arunachalam	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M M Murugappan	AAAHM1999J	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M M Murugappan HUF	AAAHM2016G	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M M Seethalakshmi	AUXPS5627A	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M A M Arunachalam HUF	AAAHM1997G	38	38	0.00	38.00	0.00	0.00	0.00	0	0.00	0	0.00	38
Niranthara Alamelu Jawahar	AQWPJ7507R	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
Sivagami Natesan	AABPN8120B	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
MASTER Kabir Subbiah	BDTPK3588C	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
MASTER Karthik Subbiah	BDTPK3589D	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M V Murugappan HUF	AAFHM9112E	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
Lakshmi Ramaswamy	AADPR0109A	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
A A Alagammai	AAHPA3643E	2,894	2,894	0.00	2,894.00	0.00	0.00	0.00	0	0.00	0	0.00	2,894
M M Muthiah	AHEPM0936C	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M V Muthiah	ANPPM1691K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(Xi)(a) As a % of (A+B+C2)	Number of Locked in shares (XII)	Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
					No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
					Class eg: X	Total							
M V Subramanian	BKMPS7421J	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
Bollampallay Rishika Reddy	AOJPB9531N	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
Baby Ahana Lalitha Narayanan	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
Umayal R	AAAPU3781C	49,455	49,455	0.01	49,455.00	0.01	0.01	0.01	0	0.00	0	0.00	49,455
Master Krishna Murugappan Muthiah	KPVPK9265M	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
M M Venkatachalam HUF	AAAHM1996H	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
Nila Lakshmi Muthiah	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
Dev Subramanian	ZZZZZ9999Z	0	0	0.00	0.00	0	0.00	0.00	0	0.00	0	0.00	0
Arjun Vellayan Arunachalam	ZZZZZ9999Z	0	0	0.00	0.00	0	0.00	0.00	0	0.00	0	0.00	0
TOTAL		**84,60,730**	**84,60,730**	**1.01**	**84,60,730**	**84,60,730**	**1.01**	**1.01**	**0.00**	**0.00**	**0**	**0.00**	**84,60,730**

Promoter and Promoter Group - Any Other – Indian

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
1	Bodies Corporate	Ambadi Enterprises Ltd	AAACA6374J	2,91,380	2,91,380	0.04	2,91,380.00	2,91,380.00	0.04	0.04	0	0.00	0	0.00	2,91,380
2	Bodies Corporate	A M M Vellayan Sons P Ltd	AAACA7452P	26,725	26,725	0.00	26,725.00	26,725.00	0.00	0.00	0	0.00	0	0.00	26,725
3	Bodies Corporate	Carborundum Universal Limited	AAACC2474P	500	500	0.00	500.00	500.00	0.00	0.00	0	0.00	0	0.00	500
4	Bodies Corporate	E.I.D. Parry (India) Ltd.	AAACE0702C	1965	1965	0.00	1965.00	1965.00	0.00	0.00	0	0.00	0	0.00	1965
5	Bodies Corporate	M.M.Muthiah Research Foundation	AAACM6259N	141750	141750	0.02	141750.00	141750.00	0.02	0.02	0	0.00	0	0.00	141750
6	Bodies Corporate	Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	AAACN1078J	33721870	33721870	4.02	33721870.00	33721870.00	4.02	4.02	0	0.00	0	0.00	33721870

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
7	Bodies Corporate	Parry Enterprises India Ltd	AAACP3643D	1965	1965	0.00	1965.00	1965.00	0.00	0.00	0	0.00	0	0.00	1965
8	Bodies Corporate	Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	AAACT1249H	372885889	372885889	44.41	372885889.00	372885889.00	44.41	44.41	0	0.00	0	0.00	372885889
10	Bodies Corporate	AR Lakshmi Achi Trust	AAFCA4194H	477145	477145	0.06	477145.00	477145.00	0.06	0.06	0	0.00	0	0.00	477145
11	Bodies Corporate	M A Alagappan Holdings Private Limited	AABCU0206C	112700	112700	0.01	112700.00	112700.00	0.01	0.01	0	0.00	0	0.00	112700
12	Bodies Corporate	Murugappa Educational and Medical Foundation	AAFCA0141E	1965	1965	0.00	1965.00	1965.00	0.00	0.00	0	0.00	0	0.00	1965
13	Partnership Firms	MA Murugappan Holdings LLP (M A Murugappan	ABJFM6083F	75000	75000	0.01	75000.00	75000.00	0.01	0.01	0	0.00	0	0.00	75000

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
		Holdings Private Ltd was converted its status to LLP)													
14	Trusts	Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	AABTL5012E	550630	550630	0.07	550630.00	550630.00	0.07	0.07	0	0.00	0	0	550630
15	Trusts	Murugappan Arunachalam Children Trust(Sigappi Arunachalam,MAM Arunachalam, AM	AABTM0546Q	74405	74405	0.01	74405.00	74405.00	0.01	0.01	0	0.00	0	0.00	74405

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
		Meyammai are Trustees													
16	Trusts	Valli Subbiah Benefit Trust (Subbiah Vellayan & M.V.Subbiah, Trustees holds shares for Trust)	AABTV3206G	199278	199278	0.02	199278.00	199278.00	0.02	0.02	0	0.00	0	0.00	199278
17	Trusts	V S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees holds shares for Trust)	AABTV7087P	192246	192246	0.02	192246.00	192246.00	0.02	0.02	0	0.00	0	0.00	192246
18	Trusts	Arun Murugappan ChildrenTrust(MAM Arunachalam & Sigappi Arunachalam	AACAA6536E	141160	141160	0.02	141160.00	141160.00	0.02	0.02	0	0.00	0	0.00	141160

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
		Trustees holds shares for Trust													
19	Trusts	MA.Alagappan Grand Children Trust (Arun Alagappan & AA Alagammai, Trustees holds shares for Trust)	AACAM5585B	157250	157250	0.02	157250.00	157250.00	0.02	0.02	0	0.00	0	0.00	157250
20	Trusts	K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	AACTK2160R	158765	158765	0.02	158765.00	158765.00	0.02	0.02	0	0.00	0	0.00	158765
21	Trusts	M V Seetha Subbiah Benefit Trust (M V Subbiah & S Vellayan, Trustees	AACTM6846L	264000	264000	0.03	264000.00	264000.00	0.03	0.03	0	0.00	0	0.00	264000

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							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
		holds shares for Trust)													
22	Other	Parry America Inc	AAFCP7238K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
24	Bodies Corporate	Parry Infrastructure Company Private Limited	AADCP7827J	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
27	Other	Parry International DMCC	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
28	Bodies Corporate	Coromandel International Ltd (Earlier known as Coromandel Fertilisers Ltd.)	AAACC7852K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
29	Other	Alimtec S.A.	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
30	Bodies Corporate	Coromandel Chemicals Limited (Formerly Parry Chemicals Limited)	AABCP8855G	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

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							Class eg: X	Total							
31	Other	CFL Mauritius Limited	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
32	Other	Coromandel Australia Pty Limited	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
33	Other	Sabero Organics America SA	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
34	Other	Sabero Argentina SA	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
35	Other	Sabero Organics Philippines Asia Inc.	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
36	Other	Coromandel Agronegocios De Mexico S.A. DE C.V. (Formerly Sabero Organics	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

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							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
		Mexico S.A. de C.V.)													
37	Other	Coromandel Brasil Ltda (Limited Liability Company)	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
38	Bodies Corporate	Yanmar Coromandel Agrisolutions Pvt. Ltd.	AAACY6849A	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
39	Other	Coromandel International (Nigeria) Limited	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
40	Other	Tunisian Indian Fertilizer S.A., Tunisia	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
41	Other	Foskor (Pty) Limited, South Africa	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

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							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
42	Other	US Nutraceuticals, INC	AABCU2313C	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
43	Bodies Corporate	Parry Sugars Refinery India Pvt. Ltd. (Formerly known as Silkroad Sugar Private Ltd)	AADCP7828H	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
44	Bodies Corporate	Algavista Greentech Private Limited	AAQCA6055Q	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
45	Other	La Bella Botanics LLC	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
46	Bodies Corporate	Dare Ventures Limited (Formerly Dare Investments Limited)	AAECD2064L	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
47	Other	Coromandel Mali SASU, West Africa	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

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							Class eg: X	Total							
48	Bodies Corporate	New Ambadi Estates Pvt. Ltd.	AACCN7098Q	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
49	Bodies Corporate	Parry Agro Industries Ltd. (Formerly Parry Estates Limited)	AAFCP9414M	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
50	Bodies Corporate	Murugappa Management Services Private Ltd.	AAACT1164F	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
51	Other	Parry Murray and Company Limited	AADCP9024B	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
52	Bodies Corporate	Tube Investments of India Ltd. (Formerly, TI Financial Holdings Ltd.)	AADCT1398N	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
53	Other	Financiere C 10	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

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							Class eg: X	Total							
54	Other	Sedis, SAS	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
55	Other	Sedis Company Ltd.	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
56	Other	Sedis GmbH	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
57	Other	Great Cycles (Private) Limited	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
58	Other	Creative Cycles (Private) Limited	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
59	Bodies Corporate	Shanthi Gears Ltd.	AADCS0692L	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
60	Bodies Corporate	Cholamandalam Securities Ltd.	AABCC5958R	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
61	Bodies Corporate	Cholamandalam Home Finance Limited (formely Cholamandalam Distribution Services Limited)	AABCC4868J	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

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							Class eg: X	Total							
62	Bodies Corporate	Chola Insurance Distribution Services Pvt. Ltd. (Formerly Chola Insurance Services Pvt. Ltd.)	AAACB2345L	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
63	Bodies Corporate	Chola Business Services Ltd.	AACCC5400D	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
64	Bodies Corporate	Kartik Investments Trust Limited	AAACK1832B	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
65	Bodies Corporate	CherryTin Online Private Limited	AAFCC5182M	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
66	Bodies Corporate	Cholamandalam MS General Insurance Company Ltd.	AABCC6633K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

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							Class eg: X	Total							
67	Bodies Corporate	Cholamandalam MS Risk Services Ltd.	AABCC6610Q	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
68	Bodies Corporate	Chola People and Marketing Services Private Limited (Formerly Chola People Services Private Ltd.)	AAGCC5481J	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
69	Other	CUMI America Inc.	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
70	Bodies Corporate	Net Access (India) limited	AABCN2037Q	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
71	Bodies Corporate	Southern Energy Development Corporation Ltd.	AAECS3210R	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
72	Bodies Corporate	Sterling Abrasives Ltd.	AACCS1266P	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

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							Class eg: X	Total							
73	Other	CUMI (Australia) Pty Ltd	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
74	Other	CUMI Middle East FZE	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
75	Other	CUMI International Ltd	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
76	Other	Volszhsky Abrasives Works	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
77	Other	Foskor Zirconia Pty Limited, South Africa	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
78	Other	CUMI Abrasives and Ceramics Company Ltd, China	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
79	Other	CUMI Europe s.r.o	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

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							Class eg: X	Total							
80	Bodies Corporate	Wendt (India) Ltd.	AAACW1410D	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
81	Bodies Corporate	Murugappa Morgan Thermal Ceramics Ltd.	AAACM4385M	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
82	Bodies Corporate	CIRIA India Ltd.	AAACC4997K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
83	Bodies Corporate	MM Muthiah Sons P Ltd.	AAACM5345D	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
84	Partnership Firms	Yelnoorkhan Group Estates	AAAFY4038L	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
85	Partnership Firms	Murugappa & Sons (M.V.Subbiah M.A. Alagappan & M M Murugappan hold shares on behalf of the Firm)	AAAFM6931A	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
86	Trusts	AMM Foundation	AAATA0509N	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

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							Class eg: X	Total							
87	Trusts	M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	AAETM9179Q	46620	46620	0.01	46620.00	46620.00	0.01	0.01	0	0.00	0	0.00	46620
88	Trusts	M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	AAETM9148D	46055	46055	0.01	46055.00	46055.00	0.01	0.01	0	0.00	0	0.00	46055
89	Trusts	M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah,	AAETM9146P	474130	474130	0.06	474130.00	474130.00	0.06	0.06	0	0.00	0	0.00	474130

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							Class eg: X	Total							
		Trustees holds shares for Trust)													
90	Trusts	M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	AAETM9151C	474130	474130	0.06	474130.00	474130.00	0.06	0.06	0	0.00	0	0.00	474130
91	Bodies Corporate	TI Absolute Concepts Private Limited	AAFCT6095G	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
92	Trusts	M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares forTrust	AAETM9150D	333000	333000	0.04	333000.00	333000.00	0.04	0.04	0	0.00	0	0.00	333000

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
93	Trusts	Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	AAETM9147N	25000	25000	0.00	25000.00	25000.00	0.00	0.00	0	0.00	0	0.00	25000
94	Trusts	M M Venkatachalam Family Trust(M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	AAETM9149C	122550	122550	0.01	122550.00	122550.00	0.01	0.01	0	0.00	0	0.00	122550
95	Trusts	Lakshmi Venkatachalam Family Trust(M M Venkatachalam &	AABTL4950F	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
		Lakshmi Venkatachalam, Trustees for Trust)													
96	Trusts	Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	AASTS6295F	779785	779785	0.09	779785.00	779785.00	0.09	0.09	0	0.00	0	0.00	779785
97	Trusts	Shambho Trust (M V Subbiah & S Vellayan,Trustees holds shares for Trust)	AASTS6296G	1524534	1524534	0.19	1524534.00	1524534.00	0.19	0.19	0	0.00	0	0.00	1524534
98	Bodies Corporate	CG Power and Industrial Solutions Limited	AAACC3840K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
99	Other	CUMI AWUKO Abrasives GmbH, Germany (Formerly,CUMI GmbH)	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
100	Bodies Corporate	Pluss Advanced Technologies Private Limited	AAACP0792K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
101	Other	Pluss Advanced Technologies B.V., Netherlands	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
102	Bodies Corporate	Murugappa Water Technology and Solutions Private Limited	AACCP3796K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
103	Bodies Corporate	Payswiff Technologies Private Limited	AAGCR5745L	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
104	Bodies Corporate	Payswiff PTE Limited, Singapore	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
105	Bodies Corporate	TI Clean Mobility Private Limited	AAJCT1836F	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
108	Bodies Corporate	RHODIUS Abrasives GmbH, Germany (Formerly CUMI Abrasives GmbH)	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
109	Bodies Corporate	Kan and More Private Limited	AAJCK5100H	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
110	Other	RHODIUS Nederland B.V.,	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
111	Other	RHODIUS S.A.R.L., France	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
112	Other	RHODIUS Korea INC., South Korea	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
113	Other	RHODIUS SOUTH AMERICA Ltda, Brazil	ZZZZZ9999Z	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
114	Bodies Corporate	IPLTech Electric Private LImited	AAFCI3629B	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
115	Bodies Corporate	Moshine Electronics Private Limited	AAMCM5997K	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
116	Bodies Corporate	TI Medicals Private Limited (formerly Lotus Surgicals Private Limited)	AABCL1217G	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
117	Bodies Corporate	3XPER INNOVENTURE LIMITED	AACCZ1929L	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
118	Bodies Corporate	Coromandel Technology Limited	AAKCC7917P	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0

Serial No.	Category	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
							No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Total							
119	Bodies Corporate	MAVCO Investments Private Limited	AAQCM9770Q	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
120	Bodies Corporate	TIVOLT Electric Vehicles Private Limited	AAKCT2994H	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
121	Bodies Corporate	Jayem Automotives Private Limited	AAACJ8290J	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
122	Bodies Corporate	Coromandel Solutions Limited	AALCC4189L	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
				41,33,02,392	**41,33,02,392**	**49.22**	**41,33,02,392**	**41,33,02,392**	**49.22**	**49.22**	**0**	**0.00**	**0**	**0.00**	**41,33,02,392.00**

Promoter and Promoter Group - Individuals (Non-Resident Individuals/Foreign Individuals)

Serial No.	Name of the Shareholders (I)	PAN	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
						No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
						Class eg: X	Total							
1	M M Veerappan	ADZPV6217A	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0
2	VALLIAMMAI MURUGAPPAN	AUEPV1880H	12,890	12,890	0.00	12,890.00	12,890.00	0.00	0.00	0	0.00	0	0.00	12,890
3	Valli Arunachalam	AAAPA6566D	11,90,583	11,90,583	0.14	11,90,583.00	11,90,583.00	0.14	0.14	0	0.00	0	0.00	11,90,583
	TOTAL		**12,03,473**	**12,03,473**	**0.14**	**12,03,473.00**	**12,03,473.00**	**0.14**	**0.14**	**0**	**0.00**	**0**	**0.00**	**12,03,473**

5. Statement showing shareholding pattern of public Shareholders

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
	(I)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Institutional																	
(a)	Mutua Funds	34	126108077	-	-	126108077	15.02	126108077	-	126108077	15.02	-	15.02	-	-	-	-	126107577
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	40	76,07,462	-	-	76,07,462	0.91	76,07,462	-	76,07,462	0.91	-	0.91	-	-	-	-	76,07,462
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	726	20,75,86,498	-	-	20,75,86,498	24.72	20,75,86,498	-	20,75,86,498	24.72	-	24.72	-	-	-	-	20,75,86,498
(f)	Financial Institutions/Banks	3	25,515			25,515	0.00	25,515		25,515	0.00	-	0.00	-	-	-	-	25,515
(g)	Insurance Companies	17	1,45,78,817	-	-	1,45,78,817	2.45	1,45,78,817	-	1,45,78,817	2.45	-	2.45	-	-	-	-	1,45,78,817
(h)	Provident Funds/Pension Funds	1	60,11,407	-	-	60,11,407	0.72	60,11,407	-	60,11,407	0.72	-	0.72	-	-	-	-	60,11,407
(i)	Any Other													-	-	-	-	
	Foreign Institutional Investor	1	55,901	-	-	55,901	0.01	55,901	-	55,901	0.01	-	0.01	-	-	-	-	55,901
	Bank - Foreign	1	500			500	0.00	500	-	500	0.00	-	0.00	-	-	-	-	500
	Sub Total (B)(1)	822	36,19,73,677			36,19,73,677	43.11	36,19,73,677		36,19,73,677	43.11		43.11	-	-	-	-	36,19,73,177

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
(2)	Central Government/State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non-Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individual shareholders holding nominal share capital up to Rs.2 lakhs*	1,30,853	3,86,03,604	-	-	3,86,03,604	4.60	3,86,03,604	-	3,86,03,604	4.60	0	4.60	-	-	-	-	3,78,75,239
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	27	54,29,973	-	-	54,29,973	0.65	54,29,973	-	54,29,973	0.65	0	0.65	-	-	-	-	54,29,973
		-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs Registered with RBI	1	6,375	-	-	6,375	0	6,375	-	6,375	0.00	-	0.00	-	-	-	-	6,375
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (Holding DRs) (Balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other																	
	Clearing Members	14	33175	-	-	33175	0.00	33175	0.00	33175	0.00	-	0.01		-	-	-	33,175
	HUF	1748	984200	0	0	984200	0.12	984200	0.12	984200	0.12	-	0.12		-	-	-	9,84,200

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
	Trusts	14	109927	0	0	109927	0.01	109927	0.01	109927	0.01	-	0.01		-	-	-	1,09,927
	Non Resident Indians	5457	33,57,645	0	0	33,57,645	0.40	33,57,645	0.40	33,57,645	0.40	-	0.40	-	-	-	-	33,40,885
	Non Resident Indian Non Repatriable	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Bodies Corporates	1635	6200159	0	0	6200159	0.74	6200159	0.74	6200159	0.74	0	0.74	-	-	-	-	61,93,174
	Sub Total (B)(3)	**1,39,749**	**5,47,25,058**	**0**	**0**	**5,47,25,058**	**6.52**	**5,47,25,058**	**6.52**	**5,47,25,058**	**6.52**	**-**	**6.52**	**0**	**0**	**0**	**0**	**5,39,72,948**
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)	**1,40,571**	**41,66,98,735**	**0**	**0**	**41,66,98,735**	**49.63**	**41,66,98,735**	**49.63**	**41,66,98,735**	**49.63**	**0**	**49.63**	**0**	**0**	**0**	**0**	**41,59,46,125**

Public Shareholding - Institutions (Domestic)-Mutual Funds

Name of the Shareholders (I)	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form (XIV)
				No of Voting (XIV) Rights		Total as a % of Total Voting rights		
				Class eg: X	Total			
Aditya Birla Sun Life Trustee Private Limited A/C	99,26,665	99,26,665	1.18	99,26,665	99,26,665	1.18	1.18	99,26,665
Hdfc Mutual Fund - Hdfc S&P Bse 500 ETF	1,10,27,176	1,10,27,176	1.31	1,10,27,176	1,10,27,176	1.31	1.31	1,10,27,176

Name of the Shareholders (I)	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form (XIV)
				No of Voting (XIV) Rights		Total as a % of Total Voting rights		
				Class eg: X	Total			
SBI Blue Chip Fund	1,24,89,733	1,24,89,733	1.49	1,24,89,733	1,24,89,733	1.49	1.49	1,24,89,733
Axis Mutual Fund Trustee Limited A/C Axis Mutual F	3,92,37,708	3,92,37,708	4.67	3,92,37,708	3,92,37,708	4.67	4.67	3,92,37,708
Motilal Oswal Nifty 500 Index Fund	92,17,249	92,17,249	1.10	92,17,249	92,17,249	1.10	1.10	92,17,249
TOTAL	**8,18,98,531**	**8,18,98,531**	**9.75**	**8,18,98,531**	**8,18,98,531**	**9.75**	**9.75**	**8,18,98,531**

Public Shareholding - Foreign Portfolio Investors

Serial No.	Name of the Shareholders (I)	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form (XIV)
					No of Voting (XIV) Rights		Total as a % of Total Voting rights		
					Class eg: X	Total			
1	NEW WORLD FUND INC	11483288	11483288	1.37	11483288.00	11483288.00	1.37	1.37	11483288
2	SMALLCAP WORLD FUND, INC	12992432	12992432	1.55	12992432.00	12992432.00	1.55	1.55	12992432
3	GOVERNMENT PENSION FUND GLOBAL	9961124	9961124	1.19	9961124.00	9961124.00	1.19	1.19	9961124
	TOTAL	**34436844**	**34436844**	**4.10**	**34436844.00**	**34436844.00**	**4.10**	**4.10**	**34436844**

6. Statement showing shareholding pattern of non-Promoter – non-public Shareholders

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Custodian/ DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter-Non Public Shareholding = C(1)+(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)		1,40,636	83,96,65,330	0	0	83,96,65,330	100.00	83,96,65,330	0	83,96,65,330	83,96,65,330	0	100.00	0	0	0	0	83,96,65,330

7. List of top ten holders of Equity Shares as on December 31, 2023

Sr. No.	Name of the Shareholders	Total No. of Equity Shares	No. of Shares in Demat Form	Total Shareholding As % of total no. of Equity Shares
1	Cholamandalam Financial Holdings Limited / Promoter	37,28,85,889	37,28,85,889	44.41
2	Axis Mutual Fund Trustee Limited A/C / Mutual Fund	3,92,37,708	3,92,37,708	4.67
3	Ambadi Investments Limited / Promoter	3,37,21,870	3,37,21,870	4.02
4	Smallcap World Fund, Inc / Foreign Portfolio Investors	1,29,92,432	1,29,92,432	1.55
5	Sbi Magnum Equity ESG Fund/ Mutual Fund	1,24,89,733	1,24,89,733	1.49
6	New World Fund Inc / Foreign Portfolio Investors	1,14,83,288	1,14,83,288	1.37
7	Hdfc Trustee Company Ltd - A/C Hdfc Capital Buildervalue Fund / Mutual Fund	1,10,27,176	1,10,27,176	1.31
8	Government Pension Fund Global / Foreign Portfolio Investors	99,61,124	99,61,124	1.19
9	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE EQUITY HYBRID '95 FUND / Mutual Fund	99,26,665	99,26,665	1.18
10	Motilal Oswal Midcap Fund / Mutual Fund	92,17,249	92,17,249	1.10

8. List of top ten holders of non-convertible securities as on beneficiary position data of our Company as on December 31, 2023 (on cumulative basis)

(₹ in crores)

Sr. No	Name of holder of Non-convertible Securities	Category of Holder	Amount (in cr.)	% of total non-convertible securities outstanding
1.	State Bank of India	BNK	1,470.00	6.98%
2.	Aditya Birla Sun Life Mutual Fund	MUT	730.00	3.46%
3.	SBI Mutual Fund	MUT	705.00	3.35%
4.	HDFC Life Insurance Company Limited	INS	675.00	3.20%
5.	ICICI Prudential Life Insurance Company Limited	INS	597.00	2.83%
6.	ICICI Lombard General Insurance Company Limited	INS	572.24	2.72%
7.	Kotak Mutual Fund	MUT	550.00	2.61%
8.	Cholamandalam MS General Insurance Company Limited	INS	540.00	2.56%
9.	SBI Life Insurance Company Limited	INS	533.16	2.53%
10.	Wipro Enterprises	LTD	460.00	2.18%
	TOTAL		**6,832.40**	**32.42%**

9. Shareholding of the Promoter and Promoter Group in our Company as on December 31, 2023:

Sr. No.	Name of the Promoter/ Promoter Group	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
1.	M A Alagappan* (Holds shares on behalf of Kadamane Estates)	3,55,850	3,55,850	0.04
2.	M A M Arunachalam	1,65,752	1,65,752	0.02
3.	Arun Alagappan	9,50,000	9,50,000	0.11
4.	M A Alagappan	24,88,760	24,88,760	0.30
5.	A Vellayan	1,35,785	1,35,785	0.02
6.	M M Murugappan	21,035	21,035	0.00
7.	M V Subbiah HUF	10,000	10,000	0.00
8.	A Venkatachalam	2,09,605	2,09,605	0.02
9.	V Narayanan	2,54,000	2,54,000	0.03
10.	V Arunachalam	2,42,515	2,42,515	0.03
11.	Arun Venkatachalam	4,03,750	4,03,750	0.05
12.	M M Venkatachalam	0	0	0.00
13.	M V Subbiah	0	0	0.00
14.	S Vellayan	0	0	0.00
15.	M A Alagappan HUF	0	0	0.00
16.	A M M Arunachalam HUF	0	0	0.00
17.	A Vellayan HUF	0	0	0.00
18.	M M Muthiah HUF	0	0	0.00
19.	M M Murugappan HUF	0	0	0.00
20.	M A M Arunachalam HUF	38	38	0.00

Sr. No.	Name of the Promoter/ Promoter Group	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
21.	M V Murugappan HUF	0	0	0.00
22.	M M Muthiah	0	0	0.00
23.	M V Subramanian	0	0	0.00
24.	M V Muthiah	0	0	0.00
25.	M M Venkatachalam HUF	0	0	0.00
26.	M M Veerappan	0	0	0.00
27.	Murugappa & Sons (M V Subbiah, M A Alagappan & M M Murugappan hold shares of our Company on behalf of the firm)	0	0	0.00
28.	Tube Investments of India Limited	0	0	0.00
29.	New Ambadi Estates Private Limited	0	0	0.00
30.	Coromandel International Limited	0	0	0.00
31.	A Venkatachalam HUF	7,000	7,000	0.00
32.	Ambadi Enterprises Limited	2,91,380	2,91,380	0.03
33.	Carborundum Universal Limited	500	500	0.00
34.	E.I.D. Parry (India) Limited	1,965	1,965	0.00
35.	Ambadi Investments Limited	3,37,21,870	3,37,21,870	4.02
36.	Cholamandalam Financial Holdings Limited	37,28,85,889	37,28,85,889	44.41
Promoter Group				
37.	Valli Annamalai	12,500	12,500	0.00
38.	M Vellachi	11,60,427	11,60,427	0.14
39.	Valli Subbiah	0	0	0.00
40.	Lakshmi Chockalingam	1,32,625	1,32,625	0.00
41.	Lakshmi Venkatachalam	0	0	0.00
42.	Lalitha Vellayan	1,39,630	1,39,630	0.02
43.	Meyyammai Venkatachalam	50,255	50,255	0.01
44.	A M Meyyammai	25,188	25,188	0.00
45.	Meenakshi Murugappan	245	245	0.00
46.	M V Seetha Subbiah	0	0	0.00
47.	Valli Alagappan	5,200	5,200	0.00
48.	Solachi Ramanathan	20,000	20,000	0.00
49.	Vedika Meyyammai Arunachalam	1,08,280	1,08,280	0.01
50.	A V Nagalakshmi	15,960	15,960	0.00
51.	M V AR Meenakshi	8,53,155	8,53,155	0.10
52.	A. Keertika Unnamalai	113,381	113,381	0.01
53.	Sigapi Arunachalam	74,255	74,255	0.01
54.	Uma Ramanathan	23,500	23,500	0.00
55.	V Vasantha	1,250	1,250	0.00
56.	Dhruv M Arunachalam	50,000	50,000	0.01
57.	Kanika Subbiah	67,000	67,000	0.01
58.	Pranav Alagappan	3,11,440	3,11,440	0.04
59.	Anannya Lalitha Arunachalam	0	0	0.00
60.	M M Seethalakshmi	0	0	0.00
61.	Niranthara Alamelu Jawahar	0	0	0.00
62.	Sivagami Natesan	0	0	0.00
63.	MASTER Kabir Subbiah	0	0	0.00
64.	MASTER Karthik Subbiah	0	0	0.00
65.	Lakshmi Ramaswamy	0	0	0.00
66.	A A Alagammai	2,894	2,894	0.00
67.	Bollampallay Rishika Reddy	0	0	0.00
68.	Ahana Lalitha Narayanan	0	0	0.00
69.	Umayal R	49,455	49,455	0.01
70.	Master Krishna Murugappan Muthiah	0	0	0.00
71.	Nila Lakshmi Muthiah	0	0	0.00
72.	Dev Subramanian	0	0	0.00
73.	Arjun Vellayan Arunachalam	0	0	0.00
74.	Valliammai Murugappan	12,890	12,890	0.00
75.	Valli Arunachalam	11,90,583	11,90,583	0.14
76.	A M M Vellayan Sons P Ltd	26,725	26,725	0.00
77.	M.M.Muthiah Research Foundation	1,41,750	1,41,750	0.02
78.	Parry Enterprises India Ltd	1,965	1,965	0.00
79.	AR Lakshmi Achi Trust	4,77,145	4,77,145	0.06
80.	M A Alagappan Holdings Private Limited	1,12,700	1,12,700	0.01
81.	Murugappa Educational and Medical Foundation	1,965	1,965	0.00
82.	MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	75,000	0.01

Sr. No.	Name of the Promoter/ Promoter Group	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
83.	Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,50,630	5,50,630	0.07
84.	Murugappan Arunachalam Children Trust(Sigappi Arunachalam,MAM Arunachalam, AM Meyammai are Trustees	74,405	74,405	0.01
85.	Valli Subbiah Benefit Trust (Subbiah Vellayan & M.V.Subbiah, Trustees holds shares for Trust)	1,99,278	1,99,278	0.02
86.	V S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees holds shares for Trust)	1,92,246	1,92,246	0.02
87.	Arun Murugappan ChildrenTrust(MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust	1,41,160	1,41,160	0.02
88.	MA.Alagappan Grand Children Trust (Arun Alagappan & AA Alagammai, Trustees holds shares for Trust)	1,57,250	1,57,250	0.02
89.	K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,58,765	1,58,765	0.03
90.	M V Seetha Subbiah Benefit Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	2,64,000	2,64,000	0.00
91.	Parry America Inc	0	0	0.00
92.	Parry Infrastructure Company Private Limited	0	0	0.00
93.	Parry International DMCC	0	0	0.00
94.	Alimtec S.A.	0	0	0.00
95.	Coromandel Chemicals Limited (Formerly Parry Chemicals Limited)	0	0	0.00
96.	CFL Mauritius Limited	0	0	0.00
97.	Coromandel Australia Pty Limited	0	0	0.00
98.	Sabero Organics America SA	0	0	0.00
99.	Sabero Argentina SA	0	0	0.00
100.	Sabero Organics Philippines Asia Inc.	0	0	0.00
101.	Coromandel Agronegocios De Mexico S.A. DE C.V. (Formerly Sabero Organics Mexico S.A. de C.V.)	0	0	0.00
102.	Coromandel Brasil Ltda (Limited Liability Company)	0	0	0.00
103.	Yanmar Coromandel Agrisolutions Pvt. Ltd.	0	0	0.00
104.	Coromandel International (Nigeria) Limited	0	0	0.00
105.	Tunisian Indian Fertilizer S.A., Tunisia	0	0	0.00
106.	Foskor (Pty) Limited, South Africa	0	0	0.00
107.	US Nutraceuticals LLC	0	0	0.00
108.	Parry Sugars Refinery India PVt. Ltd. (Formerly known as Silkroad Sugar Private Ltd)	0	0	0.00
109.	Algavista Greentech Private Limited	0	0	0.00
110.	La Bella Botanics LLC	0	0	0.00
111.	Dare Ventures Limited (Formerly Dare Investments Limited)	0	0	0.00
112.	Coromandel Mali SASU, West Africa	0	0	0.00
113.	Parry Agro Industries Ltd. (Formerly Parry Estates Limited)	0	0	0.00
114.	Murugappa Management Services Private Ltd.	0	0	0.00
115.	Parry Murray and Company Limited	0	0	0.00
116.	Financiere C 10	0	0	0.00
117.	Sedis, SAS	0	0	0.00
118.	Sedis Company Ltd.	0	0	0.00
119.	Sedis GmbH	0	0	0.00
120.	Great Cycles (Private) Limited	0	0	0.00
121.	Creative Cycles (Private) Limited	0	0	0.00
122.	Shanthi Gears Ltd.	0	0	0.00
123.	Cholamandalam Securities Ltd.	0	0	0.00
124.	Cholamandalam Home Finance Limited (formerly Cholamandalam Distribution Services Limited)	0	0	0.00

Sr. No.	Name of the Promoter/ Promoter Group	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
125.	Chola Insurance Distribution Services Pvt. Ltd. (Formerly Chola Insurance Services Pvt. Ltd.)	0	0	0.00
126.	Chola Business Services Ltd.	0	0	0.00
127.	Kartik Investments Trust Limited	0	0	0.00
128.	CherryTin Online Private Limited	0	0	0.00
129.	Cholamandalam MS General Insurance Company Ltd.	0	0	0.00
130.	Cholamandalam MS Risk Services Ltd.	0	0	0.00
131.	Chola People and Marketing Services Private Limited (Formerly Chola People Services Private Ltd.)	0	0	0.00
132.	CUMI America Inc.	0	0	0.00
133.	Net Access (India) Limited	0	0	0.00
134.	Southern Energy Development Corporation Ltd.	0	0	0.00
135.	Sterling Abrasives Ltd.	0	0	0.00
136.	CUMI (Australia) Pty Ltd	0	0	0.00
137.	CUMI Middle East FZE	0	0	0.00
138.	CUMI International Ltd	0	0	0.00
139.	Volszhsky Abrasives Works	0	0	0.00
140.	Foskor Zirconia Pty Limited, South Africa	0	0	0.00
141.	CUMI Abrasives and Ceramics Company Ltd, China	0	0	0.00
142.	CUMI Europe s.r.o	0	0	0.00
143.	Wendt (India) Ltd.	0	0	0.00
144.	Murugappa Morgan Thermal Ceramics Ltd.	0	0	0.00
145.	CIRIA India Ltd.	0	0	0.00
146.	MM Muthiah Sons P Ltd.	0	0	0.00
147.	Yelnoorkhan Group Estates	0	0	0.00
148.	AMM Foundation	0	0	0.00
149.	M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	46,620	0.01
150.	M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	46,055	46,055	0.01
151.	M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	4,74,130	0.06
152.	M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	4,74,130	0.06
153.	TI Absolute Concepts Private Limited	0	0	0.00
154.	M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares forTrust	3,33,000	3,33,000	0.04
155.	Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	25,000	0.00
156.	M M Venkatachalam Family Trust(M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	1,22,550	0.01
157.	Lakshmi Venkatachalam Family Trust(M M Venkatachalam & Lakshmi Venkatachalam, Trustees for Trust)	0	0	0.00
158.	Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	7,79,785	7,79,785	0.09
159.	Shambho Trust (M V Subbiah & S Vellayan,Trustees holds shares for Trust)	15,24,534	15,24,534	0.18
160.	CG Power and Industrial Solutions Limited	0	0	0.00
161.	CUMI AWUKO Abrasives GmbH, Germany (Formerly,CUMI GmbH)	0	0	0.00
162.	Pluss Advanced Technologies Private Limited	0	0	0.00
163.	Pluss Advanced Technologies B.V., Netherlands	0	0	0.00

Sr. No.	Name of the Promoter/ Promoter Group	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
164.	Murugappa Water Technology and Solutions Private Limited	0	0	0.00
165.	Payswiff Technologies Private Limited	0	0	0.00
166.	Payswiff PTE Limited, Singapore	0	0	0.00
167.	TI Clean Mobility Private Limited	0	0	0.00
168.	RHODIUS Abrasives GmbH, Germany (Formerly CUMI Abrasives GmbH)	0	0	0.00
169.	Kan and More Private Limited	0	0	0.00
170.	RHODIUS Nederland B.V.,	0	0	0.00
171.	RHODIUS S.A.R.L., France	0	0	0.00
172.	RHODIUS Korea INC., South Korea	0	0	0.00
173.	RHODIUS SOUTH AMERICA Ltda, Brazil	0	0	0.00
174.	IPLTech Electric Private LImited	0	0	0.00
175.	Moshine Electronics Private Limited	0	0	0.00
176.	TI Medicals Private Limited (formerly Lotus Surgicals Private Limited)	0	0	0.00
177.	3XPER Innoventure Limited	0	0	0.00
178.	Coromandel Technology Limited	0	0	0.00
179.	MAVCO Investments Private Limited	0	0	0.00
180.	TIVOLT Electric Vehicles Private Limited	0	0	0.00
181.	Jayem Automotives Private Limited	0	0	0.00
182.	Coromandel Solutions Limited	0	0	0.00

10. Details of the Directors' shareholding in our Company, as on date of this Tranche IV Prospectus:

As on the date of this Tranche IV Prospectus, except the following, none of the Directors hold any Equity Shares, qualification shares or any outstanding options in our Company:

Sr. No	Name of the Directors	Designation	Total number of Equity Shares	Total shareholding as a % of total number of Equity Shares
1.	M.A.M. Arunachalam	Non-Executive - Director	1,65,752	0.02
2.	Ravindra Kumar Kundu	Executive - Director	2,27,555	0.03

11. Details of shareholding of Directors in subsidiaries, associates and joint ventures as of the date of this Tranche IV Prospectus

Nil

12. Statement of the aggregate number of securities of our Company and our Subsidiaries purchased or sold by our Promoters, Promoter Group, our Directors and the directors of our Promoters and/or their relatives within six months immediately preceding the date of filing of this Tranche IV Prospectus.

Except for the details as set out in the table below, no securities of our Company and Subsidiaries have been purchased or sold by our Promoters, Promoter group, our Directors, directors of our Promoter and/or their relatives within six months immediately preceding the date of filing of this Tranche IV Prospectus:

Name of promoter	Promoter/ Promoter Group / Director	Nature of transaction	Date of Transaction	Number of equity shares purchased/sold/transferred	Shareholding as on September 30, 2023	Shareholding as on December 31, 2023	Shareholding as on the date of Tranche IV Prospectus
M A Alagappan Holding Private Limited	Promoter Group	Sale of Shares	May 8, 2023	(58,000)	1,12,700	1,12,700	1,12,700
Valli Subbiah Benefit Trust (Subbiah Vellayan & M.V.Subbiah, Trustees Holds shares for Trust)	Promoter Group	Purchase of Shares	May 24, 2023	5,903	1,99,278	1,99,278	1,99,278

Name of promoter	Promoter/ Promoter Group / Director	Nature of transaction	Date of Transaction	Number of equity shares purchased/sold/transferred	Shareholding as on September 30, 2023	Shareholding as on December 31, 2023	Shareholding as on the date of Tranche IV Prospectus
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	Purchase of Shares	May 24, 2023	2,810	1,58,765	1,58,765	1,58,765
S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees Holds shares for Trust)	Promoter Group	Purchase of Shares	May 24, 2023	3,371	1,92,246	1,92,246	1,92,246
M A M Arunachalam HUF	Promoter	Purchase of Shares	June 16, 2023 - July 17, 2023	38	38	38	38
M A M Arunachalam	Promoter	By way of Gift (purchase)	November 27, 2023	1,00,752	65,000	1,65,752	1,65,752
A. Keertika Unnamalai	Promoter Group	Sale of Shares	August 17, 2023 – September 1, 2023	89,559	1,37,881	1,13,381	1,13,381
		Sale of Shares	December 13, 2023 and December 18, 2023	24,500			
M A M Arunachalam	Promoter	By way of Gift (Purchase)	November 27, 2023	1,00,752	65,000	1,65,752	1,65,752
Lakshmi Chockalingam	Promoter Group	By way of Gift (Purchase)	November 27, 2023	1,25,940	6,685	1,32,625	1,32,625
A M Meyyammai	Promoter Group	Transferred by way of Gift (Sale)	November 27, 2023	2,26,692	2,51,880	25,188	25,188
Ravindra Kumar Kundu	Executive Director	Exercise of ESOP	August 11, 2023	40,050	2,11,935	2,27,555	2,27,555
		Exercise of ESOP	November 11, 2023	5,000			
		Market Purchase	November 12, 2023	10			
		Market Purchase	December 8, 2023	10			
		Exercise of ESOP	November 28, 2023	5,000			
		Exercise of ESOP	December 11, 2023	5,600			

13. (a) Statement of capitalization (Debt to Equity Ratio) of our Company – Consolidated

(₹ in crore, except debt/ equity ratio)

Particulars	Pre-Issue as at March 31, 2023	Post Issue as Adjusted	Pre-Issue as at September 30, 2023	Post Issue as Adjusted
Debt				
Debt Securities & Subordinated Liabilities	24,171.31	31,171.31	30,202.48	34,747.30
Borrowings (Other than Debt Securities)	73,186.19	73,186.19	89,268.42	89,268.42
Total Debt (A)	97,357.50	1,04,357.50	1,19,470.90	1,24,015.72

(₹ in crore, except debt/ equity ratio)

Particulars	Pre-Issue as at March 31, 2023	Post Issue as Adjusted	Pre-Issue as at September 30, 2023	Post Issue as Adjusted
Equity				
Equity Share Capital	164.48	167.87	164.57	167.96
Other Equity	14,181.62	16,178.23	15,642.68	17,639.29
Non- Controlling Interests	-	-	0	0
Total Equity (B)	14,346.10	16346.10	15,807.25	17,807.25
Debt/ Equity (C= A/B)	6.79	6.38	7.56	6.96^

** The debt-equity ratio post Issue is indicative on account of the indicative inflow of ₹ 5000 crores from the proposed Issue and Rs.4000 Crores raised by way of a qualified institutional placement on October 5,2023. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equityon the Deemed Date of Allotment.*

^ The debt-equity ratio post Issue is after considering the inflow of Rs. 881.79 crores arising from issue of debentures from Tranche III allotted on December 7, 2023, an indicative inflow of ₹ 1,663.03 crores from the proposed Issue in Tranche IV and Rs.4000 crores raised by way of a qualified institutional placement on October 5,2023. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

(b) Statement of capitalization (Debt to Equity Ratio) of our Company – Standalone

(*₹ in crore, except debt/ equity ratio*)

Particulars	Pre-Issue as at March 31, 2023	Post Issue as Adjusted	Pre-Issue as at September 30, 2023	Post Issue as Adjusted
Debt				
Debt Securities & Subordinated Liabilities	24,169.87	31,169.87	30,201.11	34,745.93
Borrowings (Other than Debt Securities)	73,186.19	73,186.19	89,268.42	89,268.42
Total Debt (A)	97,356.06	1,04,356.06	1,19,469.53	1,24,014.35
Equity				
Equity Share Capital	164.48	167.87	164.57	167.96
Other Equity	14,131.57	16,128.18	15,608.85	17605.46
Total Equity (B)	14,296.05	16,296.05	15,773.42	17,773.42
Debt/ Equity (C= A/B)*	6.81	6.40*	7.57	6.98^

** The debt-equity ratio post Issue is indicative on account of the indicative inflow of ₹ 5,000 crores from the proposed Issue and ₹ 4,000 crores raised by way of a qualified institutional placement on October 5, 2023. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.*

^ The debt-equity ratio post Issue is after considering the inflow of Rs. 881.79 crores arising from issue of debentures from Tranche III allotted on December 7, 2023, an indicative inflow of ₹ 1,663.03 crores from the proposed Issue in Tranche IV and Rs.4,000 crores raised by way of a qualified institutional placement on October 5,2023. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

For details regarding total outstanding debt of our Company, see "*Disclosures on Existing Financial Indebtedness*" on page 222.

14. Details of Promoter's shareholding in our Company's Subsidiaries

As on the date of this Tranche IV Prospectus, the following are the details of our Promoter's shareholding in our Company's subsidiaries:

Cholamandalam Home Finance Limited		
Name of the Shareholder	**No. of Equity Shares of Rs.10/- each**	**% to Paid-up shares**
M A Alagappan*	2	0.00
M M Venkatachalam*	1	0.00
A Vellayan*	1	0.00
M M Murugappan*	1	0.00
Arun Alagappan*	1	0.00

***** *Beneficial interest in the shares is held by Cholamandalam Investment and Finance Company Limited.*

Cholamandalam Securities Limited		
Name of the Shareholder	**No. of Equity Shares of Rs. 10/- each**	**% to Paid-up shares**
M A Alagappan*	9	0.00
M. M. Venkatachalam*	1	0.00
A. Vellayan*	1	0.00
M M. Murugappan*	1	0.00
Arun Alagappan*	1	0.00

* *Beneficial interest in the shares is held by Cholamandalam Investment and Finance Company Limited*

15. Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash; whether (i) in whole or part; (ii) at a premium or discount, or (iii) in pursuance of an option or not

ISIN	Type of debt	Discount/ premium	Amount raised	Face value	Issue date	Maturity date	(Discount)/ premium outstanding as of December 31, 2023
INE121A08OG9	Sub debt	Premium	280,00,00,000	10,00,000	26-Mar-18	24-Mar-28	74,59,648
INE121A07OI7	MTD	Premium	70,00,00,000	10,00,000	12-Apr-18	11-Apr-24	18,78,097
INE121A07PN4	MTD	Premium	100,00,00,000	10,00,000	31-Jul-20	31-Jul-24	7,98,000
INE121A07PP9	MTD	Discount	200,00,00,000	10,00,000	26-Oct-21	25-Oct-24	-2,89,50,000
INE121A07QH4	MTD	Discount	500,00,00,000	10,00,000	29-Dec-21	27-Dec-24	-19,60,50,000
INE121A07QJ0	MTD	Premium	97,40,00,000	10,00,000	11-Feb-22	11-Mar-25	1,67,49,878
INE121A07OI7	MTD	Premium	1000,00,00,000	10,00,000	12-Apr-22	11-Apr-24	3,18,74,848
INE121A07QP7	MTD	Discount	105,00,00,000	10,00,000	18-May-22	18-May-27	-99,16,200
INE121A07PN4	MTD	Discount	1000,00,00,000	10,00,000	31-Jul-22	31-Jul-24	-5,04,10,000
INE121A07QV5	MTD	Premium	50,00,00,000	1,00,000	23-Feb-23	27-Mar-26	2,50,000
INE121A07RC3	MTD	Premium	46,50,00,000	1,00,000	15-May-23	15-May-26	1,51,500

16. Details of any acquisition or amalgamation in the last one year

Our Company has not made any acquisition or amalgamation in the last one year prior to the date of this Tranche IV Prospectus.

17. Details of any reorganization or reconstruction in the last one year

Our Company has not made any reorganisation or reconstruction in the last one year prior to the date of this Tranche IV Prospectus.

18. Details of change in the promoter holding in our Company during the last financial year beyond 26 % (as prescribed by RBI)

There has been no change in the promoter holding in our Company during the last financial year beyond 26%.

19. Details of pledge or encumbrance of equity shares held by Promoter and Promoter Group

Nil

20. Employee Stock Option Scheme

The details of our ESOP Schemes in force as on the date of this Tranche IV Prospectus are set forth below:

(i) Employee Stock Option Scheme, 2007

Our Company instituted the Employee Stock Option Scheme, 2007 ("**ESOP 2007**") pursuant to a special resolution dated July 30, 2007. Under ESOP 2007, our Company can grant employee stock options exercisable into not more than 5% of the issued equity share capital of the Company as on July 30, 2007, i.e. 19,04,162 equity shares of ₹ 10 each. Pursuant to the sub-division of equity shares on June 17, 2019, the aggregate number of equity shares which may be allotted under the ESOP 2007 increased to 25,97,215 Equity Shares The eligibility and number of options to be granted to an employee would be determined by 'Compensation and Nomination Committee' in accordance with ESOP 2007 and the Applicable Law. The options granted shall vest on the eligible employees of our Company or subsidiaries, as determined in accordance with ESOP 2007 and the vesting schedule specified in the document given to a grantee at the time of grant of options and can be exercised within a period of three years from the date of vesting.

Please refer below for the details of ESOP 2007 as on December 31, 2023:

Sr. No.	Particulars	Number of Equity Shares
1	Stock options granted	25,97,215
2	Stock options vested	-
3	Stock options exercised	11,28,528
4	Stock options Cancelled	13,81,886
5	Total number of shares arising out of exercise of stock options	11,28,528
6	Stock options lapsed	86,801
7	Exercise price (in ₹)	Between 7.54 and 52.44

(ii) Cholamandalam Investment and Finance Company Limited Employee Stock Option Plan 2016

Our Company instituted the Cholamandalam Investment and Finance Company Limited Employee Stock Option Plan 2016 ("**ESOP 2016**") pursuant to special resolution dated January 3, 2017. Under ESOP 2016, our Company can grant employee stock options not exceeding 31,25,102 exercisable into 31,25,102 equity shares of face value of ₹ 10 each. The eligibility and number of options to be granted to an employee would be determined by 'Compensation and Nomination Committee' in accordance with ESOP 2016 and the Applicable Law. The options granted shall vest not earlier than one year and not later than four years from the date of grant, as may be decided by the Nomination and Remuneration Committee. Pursuant to the sub-division of equity shares on June 17, 2019, the aggregate number of equity shares which may be allotted under the ESOP Scheme 2016 increased to 1,56,25,510 Equity Shares.

Please refer below for the details of ESOP 2016 as on December 31, 2023:

Sr. No.	Particulars	Number of Equity Shares
1	Stock options granted	95,37,105
2	Stock options vested	15,24,443*
3	Stock options exercised	33,29,742
4	Stock options cancelled	8,32,630

Sr. No.	Particulars	Number of Equity Shares
5	Total number of shares arising out of exercise of stock options	33,29,742
6	Stock options lapsed	-
7	Exercise price (in ₹)	Between 157.90 and 1,149

** includes 40,510 options pending for allotment as on December 31, 2023*

OBJECTS OF THE ISSUE

Tranche IV Issue proceeds

Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 for an amount of ₹ 500 crore ("**Base Issue Size**") with an option to retain oversubscription up to ₹1,163 crore, aggregating up to ₹ 1,663 crore which is within the Shelf Limit of ₹ 5,000 crore, being offered by way of this Tranche IV Prospectus, which should be read together with the Shelf Prospectus filed with the RoC, Stock Exchanges and SEBI.

The Tranche IV Issue is being made pursuant to the provisions of the SEBI NCS Regulations and the Companies Act and the rules made there under. Our Company proposes to utilize the proceeds raised through the Tranche IV Issue, after deducting the Tranche IV Issue related expenses to the extent payable by our Company ("**Net Proceeds**") towards funding the objects listed under this section.

The details of the proceeds of the Tranche IV Issue are summarized below:

Particulars	Estimated amount (in ₹ crores)
Gross proceeds of this Tranche IV Issue	1,663*
Less: Tranche IV Issue related expenses**	13.76
Net Proceeds	1,649.24

* *Assuming the Tranche IV Issue is fully subscribed.*

** *The above Tranche IV Issue related expenses are indicative and are subject to change depending on the actual level of subscription to the Issue, the number of allottees, market conditions and other relevant factors.*

Requirement of Funds and Utilization of Net Proceeds

The following table details the objects of the Tranche IV Issue (collectively, referred to herein as the "**Objects**") and the amount proposed to be financed from the Net Proceeds:

S. No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of onward lending, financing and for repayment of interest and principal of existing debt of the Company*	At least 75%
2.	General corporate purposes**	Maximum up to 25%
Total		**100%**

* *Our Company shall not utilise the proceeds of this Tranche IV Issue towards payment of prepayment penalty, if any.*

** *The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised and allotted in the Tranche IV Issue, in compliance with the SEBI NCS Regulations.*

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through this Tranche IV Issue.

Tranche IV Issue related expenses

The expenses for this Tranche IV Issue include, *inter alia*, lead management fees and selling commission to the Lead Manager, Consortium Members and intermediaries as provided for in the SEBI Master Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, fees payable to sponsor bank, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Tranche IV Issue. The Tranche IV Issue expenses and listing fees will be paid by our Company.

The estimated breakdown of the total expenses for this Tranche IV Issue are as follows*:

Particulars	Amount (in ₹ crores)	As a percentage of the Issue proceeds (in %)	As a percentage of the total expended of the Issue (in%)
Lead Manager Fee, Selling and Brokerage Commission, SCSB Processing Fee, UPI processing fees to Sponsor Banks	12.98	0.78%	94.38%
Fee payable to intermediaries, Legal Counsel Fee, Registrar to the Issue, Debenture Trustees, regulatory bodies, rating agencies etc and payment towards stamp duty	0.59	0.04%	4.28%
Advertising, printing and stationery costs	0.14	0.01%	0.98%
Other miscellaneous expenses	0.05	0.00%	0.36%
Grand Total	13.76	0.83%	100.00%

* *Assuming the Tranche IV Issue is fully subscribed.*

The expenses are indicative and are subject to change depending on the actual level of subscription to the Tranche IV Issue and the numbers of Allottees, market conditions and other relevant factors.

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Manager/ Members of the Consortium/ Brokers / Trading Members and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of ₹10 per Application Form procured (inclusive of GST and other applicable taxes). However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee. Further, our Company shall pay the Sponsor Bank ₹1 for every valid Application that is blocked. The payment will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by the Company with the Designated Intermediaries/Sponsor Bank.

Purpose for which there is a requirement of funds

As stated in this section.

Funding plan

Our Company confirms that for the purpose of this Tranche IV Issue, funding plan will not be applicable.

Summary of the project appraisal report

Our Company confirms that for the purpose of this Tranche IV Issue, summary of the project appraisal report will not be applicable.

Schedule of implementation of the project

Our Company confirms that for the purpose of this Tranche IV Issue, schedule of implementation of the project will not be applicable

Monitoring and reporting of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of this Tranche IV Issue. Our Company will disclose in our Company's financial statements for the relevant Financial Year commencing from Fiscal 2024, the utilisation of the proceeds of this Tranche IV Issue under a separate head along with details, if any, in relation to all such proceeds of this Tranche IV Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Tranche IV Issue. Our Company shall utilize the proceeds of this Tranche IV Issue only upon receipt of minimum subscription, i.e. 75% of base issue relating to Tranche IV Issue, the execution of the documents for creation of security and the Debenture Trust Deed and receipt of final listing and trading approval from the Stock Exchanges. Our Company shall within forty-five days from the end of every quarter submit to the stock exchange, a statement indicating the utilization of issue proceeds of non-convertible securities, which shall be continued to be given till such time the issue proceeds have been fully utilised or the purpose for which these proceeds were raised has been achieved.

Interim use of proceeds

The management of our Company, in accordance with the policies formulated by it from time to time, will have the flexibility in deploying the proceeds received from this Tranche IV Issue. Pending utilisation of the proceeds out of this Tranche IV Issue for the purposes described above, our Company intends to temporarily invest funds as may be approved by our Board of Directors or a committee thereof, in accordance with applicable law. Such investment would be in accordance with the investment policy of our Company approved by our Board of Directors or any committee thereof from time to time and applicable law.

General Corporate Purposes

Our Company intends to deploy up to 25% of the amount raised and allotted in the Tranche IV Issue for general corporate purposes, including but not restricted to routine capital expenditure, renovations, strategic initiatives, meeting any expenditure in relation to our Company as well as meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by our Board of Directors or duly authorized committee thereof.

Variation in terms of contract or objects in this Tranche IV Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, at any time, vary the terms of the objects for which this Tranche IV Prospectus is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act. Further, in accordance with the SEBI Listing Regulations, in case of any material deviation in the use of proceeds as compared to the objects of the issue, the same shall be indicated in the format as specified by SEBI from time to time.

Other confirmations

In accordance with the SEBI NCS Regulations, our Company will not utilize the proceeds of the Issue for providing loans to or acquisition of shares of any person or company who is a part of the Promoter Group or Group Companies.

Proceeds from the Tranche IV Issue shall not be utilised towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property. No part of the proceeds from the Tranche IV Issue will be paid by us as consideration to our Promoter, the Directors, Key Managerial Personnel, or companies promoted by our Promoter except in ordinary course of business.

No part of the proceeds from this Tranche IV Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further our Company undertakes that Tranche IV Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI Regulations.

Our Company confirms that it will not use the proceeds from the Tranche IV Issue, directly or indirectly, for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to an interest in either the capital or profit or losses or both in such business exceeding 50% thereof, the purchase or acquisition of any immovable property (direct or indirect) or acquisition of securities of any other body corporate.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

There is no contribution being made or intended to be made by the Directors as part of the Tranche IV Issue or separately in furtherance of the Objects of the Issue.

Benefit / interest accruing to our Promoter/Directors out of the object of the Tranche IV Issue

Neither our Promoter nor our Directors of our Company are interested in the Objects of this Tranche IV Issue.

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

To,

The Board of Directors,
Cholamandalam Investment and Finance Company Limited
Super B, C54 & C55, 4,
Thiru Vi Ka Industrial Estate,
Guindy, Chennai,
Tamil Nadu 600032

Dear Sirs,

Sub: Proposed public issue by Cholamandalam Investment and Finance Company Limited (the "Company" or the "Issuer") of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each (the "NCDs") for an amount aggregating up to ₹ 5,000 Crores (the "Shelf Limit") (the "Issue"). The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in separate Tranche Prospectus(es) for each Tranche Issue

We, Sundaram and Srinivasan Chartered Accountants, hereby confirm that the accompanying statement of possible tax benefits available to the debenture holder(s) (hereinafter referred to as the "**Statement**") states the possible tax benefits available to the debenture holders of the Company under the Income-tax Act, 1961 (the "**IT Act**"), as amended by the Finance Act, 2023, i.e. applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25 respectively, presently in force in India (hereinafter referred to as the "**Indian Income Tax Regulations**") for the purpose of inclusion in the relevant Tranche Prospectus, in connection with the Issue, has been prepared by the management of the Company, which we have initiated for identification purposes. We are informed that such debentures raised in the Issue will be listed on a National Stock Exchange of India Limited and BSE Limited ("**Stock Exchanges**") and the Statement has been prepared by the Company's management on such basis.

We have performed the following procedures:

i. Read the statement of tax benefits as given in **Annexure I**, and
ii. Evaluated with reference to the provisions of the IT Act to confirm that statements made are correct in all material respect.

We confirm that the Statement as set out in **Annexure I** materially covers all the provisions of the Indian Income Tax Regulations with respect to debenture holders of the Company. Several of these benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws.

The benefits discussed in the enclosed **Annexure I** are not exhaustive. The statement is only intended to provide general information and is neither designed nor intended to be a substitute for the professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation.

The contents of the enclosed **Annexure I** are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

We hereby consent to inclusion of this report and the accompanying Statement in the relevant Tranche Prospectus(es) and/or any other document in relation to the Issue to be filed by the Company with the Stock Exchanges, the Securities and Exchange Board of India, and the Registrar of Companies, and any other regulatory authority in relation to the Issue and such other documents as may be prepared in connection with the Issue. Further we consent the inclusion of our name as "Expert" as defined under section 2 (38) Companies Act, 2013 to the extent to which it relates to the Statement of Tax Benefits.

This report has been issued at the request of the Company for use in connection with the Issue and may accordingly be furnished as required to SEBI, the National Stock Exchange of India Limited, BSE Limited or any other regulatory authorities, as required, and shared with and relied on as necessary by the Company's advisors and intermediaries duly appointed in this regard.

For Sundaram and Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

S. Usha
Partner

Membership No.: 211785
UDIN: 24211785BKCPNK3934

Place: Chennai

Date: January 16, 2024

Annexure A

STATEMENT OF POSSIBLE TAX BENEFITS UNDER THE INCOME TAX ACT, 1961 ("IT ACT") AVAILABLE TO THE DEBENTURE HOLDERS UNDER THE APPLICABLE INCOME-TAX LAWS IN INDIA.

The following tax benefits will be available to the debenture holders of the Company ("**Debenture Holder**") as per the existing provisions of law. The tax benefits are given as per the prevailing tax laws under the provisions of the IT Act, as on date, taking into account the amendments made by the Finance Act, 2023, and may vary from time to time in accordance with amendments to the law or enactments thereto. The Debenture Holder is advised to consider the tax implications in respect of subscription to the Debentures after consulting his tax advisor as alternate views are possible.

IMPLICATIONS UNDER THE IT ACT

I. TO THE RESIDENT DEBENTURE HOLDER ("RESIDENT" AS DEFINED UNDER SECTION 6 OF THE IT ACT)

A. <u>In Respect of Interest on Debentures (NCDs)</u>

1. Interest on NCD received by Debenture Holders would be subject to income tax at the normal rates of tax in accordance with and subject to the provisions of the IT Act. Interest will be assessed to Income tax on receipt basis or mercantile basis (accrual basis) depending on the method of accounting regularly employed by the NCD holder under Section 145 of the IT Act.

2. Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act(in case where interest is paid to Individual or HUF, no TDS will be deducted where interest paid is less than 5,000 and interest is paid by way of account payee cheque).
   Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

   a) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest;

   b) When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

   c) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be NIL; and

   d) In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. Please find below the class of resident investors and respective documents that would be required for granting TDS exemption:

Sl. No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
1	Resident Individual or resident HUF	Claiming non-deduction or lower deduction of tax at source under section 193 of the IT Act,	Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals

Sl. No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
			who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (iii) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13.
2	Life insurance Corporation of India	Clause vi of Proviso to Section 193	Copy of Registration certificate
3	a. General Insurance Corporation of India, b. 4 companies formed under section 16(1) of General Insurance Business Act, 1972 and c. any company in which GIC and aforesaid 4 companies has full beneficial interest (100% shareholding)	Clause vii of Proviso to Section 193	a. Copy of Registration certificate b. Copy of Registration certificate c. Copy of shareholding pattern
4	Any Insurer (like SBI Life Insurance, Max Life Insurance etc.)	Clause viii of Proviso to Section 193	Copy of Registration certificate issued by IRDA
5	Mutual Funds	Section 196(iv) read with Section 10(23D)	Copy of Registration certificate issued by SEBI / RBI and notification issued by Central Government
6	Government, RBI and corporation established under Central / State Act whose income is exempt from tax	Section 196(i),(ii) and (iii)	In case of Corporation, Declaration that their income is exempt from tax with applicable provisions
7	Recognized Provident Funds, Recognized Gratuity Funds, Approved Superannuation Funds,Employees' State Insurance Fund etc.	Section 10(25) and 10(25A) and CBDT Circular - 18/2017	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income-tax authorities and Declaration from the funds that there income is exempt u/s 10(25) and 10(25A)
8	New Pension System Trust	Section 10(44) read with Section 196(iii) and CBDT Circular - 18/2017	Relevant Registration certificate issued to NPS Trust under section Indian Trusts Act, 1882
9	Other entities like Local authority, Regimental Funds, IRDA etc.	Section 10(20) etc. read with CBDT Circular - 18/2017	Declaration that they fall within the relevant income-tax section and eligible for income-tax exemption on their income
10	Alternative Investment Funds (Category I and II)	Section 197A(1F)	Copy of Registration certificate issued by SEBI

B. <u>In respect of Capital Gains</u>

1. **Long Term Capital Gain**

Under Section 2(29AA) read with section 2(42A) of the IT Act, listed Debentures held as Capital Asset as defined under section 2(14) of the IT Act is treated as long term capital asset if it is held for more than 12 Months. Debentures held as capital asset for a period of 12 Months or less will be treated as short term capital asset.

Long Term Capital Gain will be chargeable to tax under Section 112 of the IT Act at the rate of 20% (plus applicable surcharge and education cess). However, in the case of listed debentures, as per first proviso to section 112(1) of the IT Act, tax payable is only 10% (plus applicable surcharge and education cess). No indexation benefit is available for debentures. Hence, the tax payable on long term capital gains on transfer of NCD will be 10%(plus applicable surcharge and education cess) and the capital gains have to be computed without indexation.

In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

2. **Short Term Capital Gains**

Listed Debentures held as capital asset under Section 2(14) of the IT Act for a period of not more than 12 months would be treated as Short term capital asset under Section 2(42A) of the IT Act. Short Term Capital Gains on transfer of NCD will be taxed at the normal rates of tax in accordance with the provisions of the IT Act. The provisions relating to maximum amount not chargeable to tax would apply to short term capital gains.

3. **Capital Loss on transfer of Debentures.**

As per Section 74 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

4. **Exemption available for Individuals and HUF for Long Term Capital gains U/s 54F of the IT Act.**

As per the provisions of Section 54F of the IT Act, any long-term capital gains on transfer of a long term capital asset arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house in India, or for construction of residential house in India within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions stated therein.

Under section 54EE of the IT Act, long term capital gains arising to the Debenture Holder(s) on transfer of debentures in the company shall not be chargeable to tax to the extent such capital gains are invested in long term specified asset (a unit or units issued before 01.04.2019) as notified by Central Government within six months after the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified bonds are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money. However, the exemption is subject to a limit of investment of INR 50 lacs during any financial year in the notified bonds. Where the benefit of Section 54EE of the IT Act has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

As per provisions of section 54EE of the IT Act, capital gain on the transfer of a long-term capital asset, arising to a debenture holder is exempt from tax, if the assessee / debenture holder invested the whole or any part of capital gains in the long-term specified asset at any time within a period of six months. If the cost of the long-term specified asset is less than the capital gain arising from the transfer of the original asset, then such gains would be chargeable to tax on a

proportionate basis. This exemption is available, subject to the condition that the investment in the long-term specified asset by an assessee during any financial year does not exceed fifty lakh rupees: If the long term specified asset in which the investment has been made is transferred within a period of three years from the date of its acquisition, the amount of capital gains tax claimed earlier would became chargeable to tax as capital gains in the year in which such long term specified asset is transferred. Specified Asset means a unit or units, issued before the 1st day of April, 2019, of such fund as may be notified by the Central Government in this behalf.

C. <u>In respect of Business Income</u>

In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as Income from Business. Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII, which is notified by the Ministry of Finance, Government of India under Section 145(2) of the IT Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank and Public Financial Institutions, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

D. <u>Debentures received as gift without consideration or inadequate consideration.</u>

As per section 56(2)(x) of the IT Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds Rs. 50,000/- the aggregate market value of the debentures shall be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will be treated as income of the recipient subject to the provisions contained in section 56(2)(x) of the IT Act. There is no gift tax for the Donor of the Debentures.

II. TO THE NON-RESIDENT DEBENTURE HOLDER.

1. A Non – Resident Indian has an option to be governed by Chapter XII – A of the IT Act, subject to the provisions contained therein which are given in brief as under:

a. As per Section 115E of the IT Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas long term capital gains on transfer of such Debentures will be taxable at 10% of such capital gains without indexation of cost of acquisition. Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.

b. As per Section 115G of the IT Act, it shall not be necessary for a non-resident Indian to file a return of income under Section 139(1) of the IT Act, if his total income consists only of investment income as defined under Section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII- B of the IT Act in accordance with and subject to the provisions contained therein.

c. As per Section 115D (1) of the IT Act no deduction in respect of any expenditure or allowance shall be allowed under any provisions of the IT Act in the computation of income of a non-resident Indian under Chapter XII – A of the IT Act.

d. In accordance with and subject to the provisions of Section 115-I of the IT Act, a Non-Resident Indian may opt not to be governed by the provisions of Chapter XII – A of the IT Act.

e. Long Term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.

f. Interest income and Short – term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the IT Act.

g. Where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the IT Act.

h. Under Section 195 of the IT Act, the applicable rate of tax deduction at source is 20% on investment income and 10% on any long-term capital gains as per Section 115E, and 30% for Short Term Capital Gains if the payee debenture Holder is a Non Resident Indian.

i. The income tax deducted shall be increased by applicable surcharge and health and education cess.

As per Section 74 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

As per Section 90(2) of the IT Act read with the Circular No. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate (TRC), is a mandatory condition for availing benefits under any DTAA. If the tax residency certificate does not contain the prescribed particulars as per CBDT Notification 57/2013 dated August 1, 2013, a self-declaration in Form 10F would need to be provided by the assessee along with TRC.

j. Alternatively, to avail non deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under Section 195(2) and 195(3) of the IT Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.

k. In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as Income from Business. Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII which is notified by the Ministry of Finance, Government of India under Section 145(2) of the IT Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

l. As per section 56(2)(x) of the IT Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds Rs. 50,000/- the aggregate market value of the debentures shall be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will be treated as income of the recipient subject to the provisions contained in section 56(2)(x) of the IT Act. There is no gift tax for the Donor of the Debentures.

m. As per the provisions of Section 54F of the IT Act, any long-term capital gains on transfer of a long term capital asset arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house in India, or for construction of residential house in India within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions stated therein.

III. TO THE FOREIGN INSTITUTIONAL INVESTORS/ FOREIGN PORTFOLIO INVESTORS (FIIs/ FPIs)

1. As per Section 2(14)(b) of the IT Act, any securities held by FIIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.

2. In accordance with and subject to the provisions of Section 115AD of the IT Act, long term capital gains on transfer of debentures by FIIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of Section 48 of the IT Act will not apply.

3. Interest on NCD may be eligible for concessional tax rate of 5% (plus applicable surcharge and health and education cess) for interest referred under Section 194LD.

4. Further, in case where section 194LD is not applicable, the interest income earned by FIIs/FPIs should be chargeable to tax at the rate of 20% under section 115AD of the IT Act. Tax shall be deducted u/s. 196D of the IT Act on such income

at 20%. Where DTAA is applicable to the payee, the rate of tax deduction shall be lower of rate as per DTAA or 20%, subject to the conditions prescribed therein.

5. Section 194LD in the IT Act provides for lower rate of withholding tax at the rate of 5% on payment by way of interest paid by an Indian Company to FIIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian Company between June 1, 2013 and July 1, 2023 provided such rate does not exceed the rate as may be notified by the Government.

6. The income tax deducted shall be increased by applicable surcharge and health and education cess.

7. In accordance with and subject to the provisions of Section 196D(2) of the IT Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FIIs referred to in section 115AD.

8. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the IT Act.

IV. TO MUTUAL FUNDS

All mutual funds registered under Securities and Exchange Board of India or set up by public sector banks or public financial institutions or authorized by the Reserve Bank of India are exempt from tax on all their income, including income from investment in Debentures under the provisions of Section 10 (23D) of the IT Act in accordance with the provisions contained therein. Further, as per the provisions of section 196 of the IT Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the IT Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

V. TO SPECIFIED FUNDS ("SPECIFIED FUND" AS DEFINED UNDER SECTION 10(4D) OF THE IT ACT)

The income of Specified Funds is taxable for the year beginning April 1, 2020, to the extent attributable to units held by non-resident (not being a permanent establishment of a non-resident in India), and in accordance with and subject to the provisions of Section 115AD of the IT Act, as under:

a) The interest income earned are chargeable to tax at the rate of 10%;

b) long term capital gains on transfer of debentures to the specified extent are taxable at 10% (benefit of provisions of the first proviso of section 48 of the IT Act will not apply); and

c) Short-term capital gains are taxable at 30%.

Further, where any income in respect of NCD is payable to Specified Funds, tax shall be deducted at the rate of 10% on the income other than exempt under section 10(4D) with effect from November 1, 2020 as per Section 196D of the IT Act.

The income tax deducted shall be increased by applicable surcharge and health and education cess.

VI. REQUIREMENTS TO FURNISH PAN/FILING OF RETURNS UNDER THE IT ACT

1. SEC. 139A (5A):

Section 139A (5A) requires every person from whom income tax has been deducted at source under chapter XVII – B of the IT Act to furnish his PAN to the person responsible for deduction of tax at source.

2. SEC. 206AA:

a) Section 206AA of the IT Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB ('deductee') to furnish his PAN to the deductor, failing which tax shall be deducted at the higher of the following rates:

(i) at the rate specified in the relevant provision of the IT Act; or

(ii) at the rate or rates in force; or

(iii) at the rate of twenty per cent.

b) A declaration under Section 197A (1) or 197A (1A) or 197A (1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per Para (a) above in such a case.

c) Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (a) above will apply.

d) As per Rule 37BC, the higher rate under section 206AA shall not apply to a non resident, not being a company, or to a foreign company, in respect of payment of interest, if the non-resident deductee furnishes the prescribed details inter alia TRC and Tax Identification Number (TIN).

3. SEC. 206AB

Further, the Finance Act, 2021 inserted new section for punitive withholding tax rate for non-filers of return of income with effect from 1 July 2021 as per which payments made to the specified persons will be subject to TDS at higher of twice the applicable rate or 5% in respect of all TDS/TCS provisions except for specific exclusions.

NOTES FORMING PART OF STATEMENT OF TAX BENEFITS

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debenture/bonds.

2. The above statement covers only certain relevant benefits under the IT Act and does not cover benefits under any other law.

3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2024-2025 (Financial year 2023-24) and taking into account the amendments made by the Finance Act, 2022.

4. This statement is intended only to provide general information to the Debenture Holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each debenture Holder is advised to consult his/her/its own tax advisor with respect to specific consequences of his/her/its holding in the debentures of the Company.

5. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to Chapter X and Chapter XA of the IT Act.

6. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.

7. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the non-resident has fiscal domicile.

8. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty and applicable domestic tax law.

9. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV: ABOUT THE ISSUER AND INDUSTRY OVERVIEW

INDUSTRY OVERVIEW

All the information contained in this section is derived from the various sources like RBI Bulletin volume LXXVII Number 12 December 2023, RBI Bulletin volume LXXVII Number 10 October 2023, Economic Survey 2022-23, other industry reports as specifically stated in an "as is where is basis". Neither we, nor any other person connected with the Issue has independently verified this third party and industry related information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. This section contains industry related data and statistics taken from the above mentioned reports. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transactions.

State of the Economy:

The pace of global growth may slow further in 2024 while disinflation at varying pace in different geographies may pave the way for interest rate reductions. In India, the broad-based strengthening of economic activity that is under way will likely be sustained by easing input costs and corporate profitability. CPI inflation rose to 5.6 per cent in November as the recurrence of food price spikes punctured a brief respite in September and October, but it is expected to ease to 4.6 per cent in the first three quarters of 2024-25. Domestic financial markets have been lifted by the abiding strength of the real economy.

Equity markets are posting relief rallies and futures markets are pricing in a near 100 per cent probability of rate cuts as early as May 2024. Rejuvenated risk appetite is being mirrored in corporate debt markets which are experiencing a flood of issuances, a boost to bond valuations and a driving down of borrowing costs and spreads for even the riskiest entities. The fear gauge – (volatility index) VIX – is hovering around its lowest levels since the pandemic, signaling overall investor optimism. Real gross domestic product (GDP) growth is projected in a 0.7-1.7 per cent range for 2024, and around 4 per cent for emerging economies (OECD Economic Outlook). Global trade may recover gradually, aided by the cyclical improvement in demand.

In a latest show of strength and poise, India left sceptics gasping and woefully behind the curve as real GDP clocked a growth of 7.7 per cent in the first half of 2023-24. The key value of these numbers lies in what they tell about the future. There is a distinct shift in the momentum of the economy from a contraction in the first quarter to not just positive territory but also to well above trend in the second quarter. High frequency indicators suggest that this build-up in momentum will sustain over the rest of the year. A silver lining is that hitherto tepid rural demand is on the mend. A major driver of growth has been the public policy thrust on infrastructure which has propelled gross fixed capital formation into double digit growth. This boost is also likely to be sustained as the quality of public spending improves on an ongoing basis. Merchandise exports recorded a positive momentum and incoming data will indicate if this is a turnaround from a long contraction. Meanwhile, services exports go from strength to strength, especially with global IT spending expected to surge in 2024 after remaining lukewarm in the preceding three years. Indian global capability centres (GCCs) are increasingly emerging as a hub for leaders with global roles. India is currently home to 1580 GCCs employing close to 2 million people, a testimony to talent, growing capital markets and maturity of services competencies. Indian GCCs are evolving into a sandbox for global organisations driving large-scale transformation in skills like artificial intelligence, generative technologies, internet of things, quantum computing and blockchain. Increasingly, they are taking end-to-end product ownership, building niche competencies and challenging untapped frontiers.

The biggest upside surprise is stemming from the broad-based strengthening of industrial value added, especially manufacturing. The surge in profitability, aided by easing input costs, is expected to sustain this dynamism. As inflation eases, a revival of topline growth will support the manufacturing expansion. Among services, construction activity remains robust, boosted by housing demand. Other categories of services are normalizing from the post-pandemic revenge spending, but underlying momentum remains resilient.

Core inflation has been steadily disinflating, attesting to the efficacy of monetary policy actions and stance. Domestic financial markets have been lifted by the abiding strength of the real economy. The primary segment of the equity markets has been set afire by a blitz of oversubscribed – some of them massively initial public offerings (IPOs) by more than 40 companies and more than 60 having filed for more. It coincides with an ebullient bullish sentiment, the ongoing rally in mid-cap and small-cap stocks in the secondary market and the strength of the underlying macro-fundamentals. It has been a broad-based rebound spanning diverse sectors ranging across small finance banks, jewellery, supply chain management, infrastructure, hospitality and biotechnology. The reduction in the timeline for listing shares on the stock exchanges after closure of IPOs from T+6 to T+3 in August 2023 has also given investors the opportunity to participate in more IPOs, obtain faster access to capital and do business better.

Another important indicator of the innate strength of the economy is the stability of the Indian rupee (INR). On a trade-weighted basis, the nominal value of the INR has undergone an appreciation by 1.6 per cent during 2023-24 (April-December 8, 2023).

Adjusted for inflation differentials, the INR's appreciation is even higher at 4.5 per cent. Over this period, the US dollar has appreciated by 1.5 per cent against a broad index of currencies. The strength of the INR reflects no less to the active hands-on management by the RBI in allowing the currency to find its level in a market determined manner.

Corporate bond issuances have rebounded in November, with fund-raising assessed to be the third highest in any month in the current financial year. Issuances in December are widely expected to surpass these levels in a clear reflection of positive market sentiment and the sense of stability that has followed in the wake of expectations that interest rates have peaked and are slated to ease.
(Source: RBI Bulletin December 2023)

Global Setting

In Q3:2023, growth accelerated in the US, buoyed by households' spending; and in China, it was propelled by a slew of policy stimuli, whereas GDP contracted in the Euro area and Japan, and stagnated in the UK. The Organization for Economic Cooperation and Development (OECD) in its Economic Outlook of November 2023 projected the global economy to grow by 2.9 per cent in 2023 and by 2.7 per cent in 2024 as much of the headwinds for global growth are expected to continue in the next year as well

Table II.1: GDP Growth Projections

(Per cent)

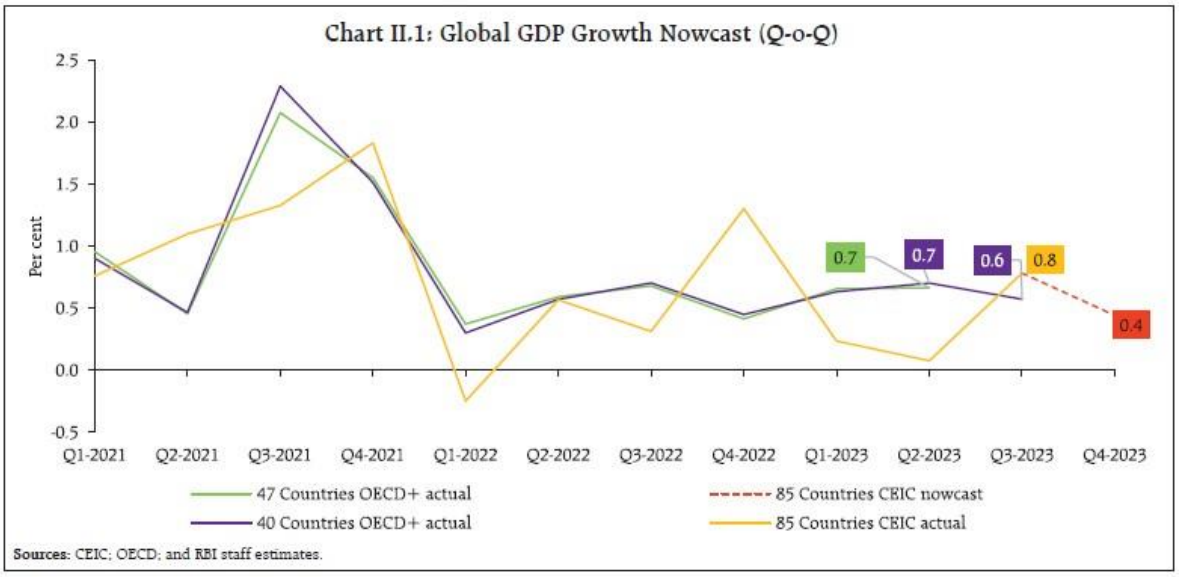
Month of Projection →	2023		2024	
Region/Country ↓	November 2023	September 2023	November 2023	September 2023
World	2.9	3.0	2.7	2.7
AEs				
US	2.4	2.2	1.5	1.3
UK	0.5	0.3	0.7	0.8
Euro area	0.6	0.6	0.9	1.1
Japan	1.7	1.8	1.0	1.0
Emerging Market Economies (EMEs)				
Brazil	3.0	3.2	1.8	1.7
India	6.3	6.3	6.1	6.0
China	5.2	5.1	4.7	4.6
South Africa	0.7	0.6	1.0	1.1

Source: OECD.

(Source: RBI Bulletin December 2023)

Looking ahead, the global growth divergence is expected to continue in 2024 and 2025 as well, but with India remaining the fastest growing major economy (Chart II.2).

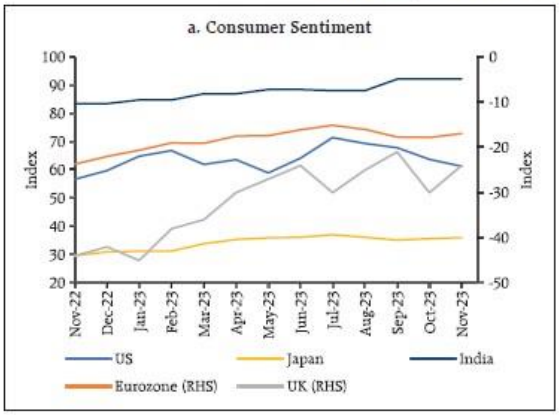
Chart II.1: Global GDP Growth Nowcast (Q-o-Q)

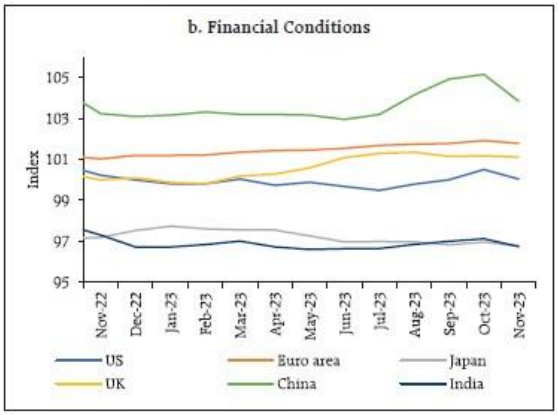


Sources: CEIC; OECD; and RBI staff estimates.

The global composite purchasing managers' index (PMI) returned to the expansionary zone at 50.4 in November as stabilisation of new orders supported an uptick in output (Chart II.5). The global manufacturing PMI rose to a six-month high of 49.3 in November 2023, although declines in production, new orders and slowdown in export business kept it in the contractionary zone. The services PMI remained in expansion, buoyed by a sequential improvement in new businesses. At a sectoral level, output increases were recorded in the services sector, notably in software and related services, pharmaceuticals and biotechnology, and insurance.

Chart II.4: Sentiment and Financial Conditions





Notes: 1. Japan: A score above 50 indicates consumer optimism, below 50 shows lack of consumer confidence and 50 indicates neutrality.
2. Eurozone and UK: (-)100 indicates extreme lack of confidence, 0 neutrality and 100 extreme confidence.
3. India and US: Higher the value, higher is the consumer confidence.
Source: Bloomberg.

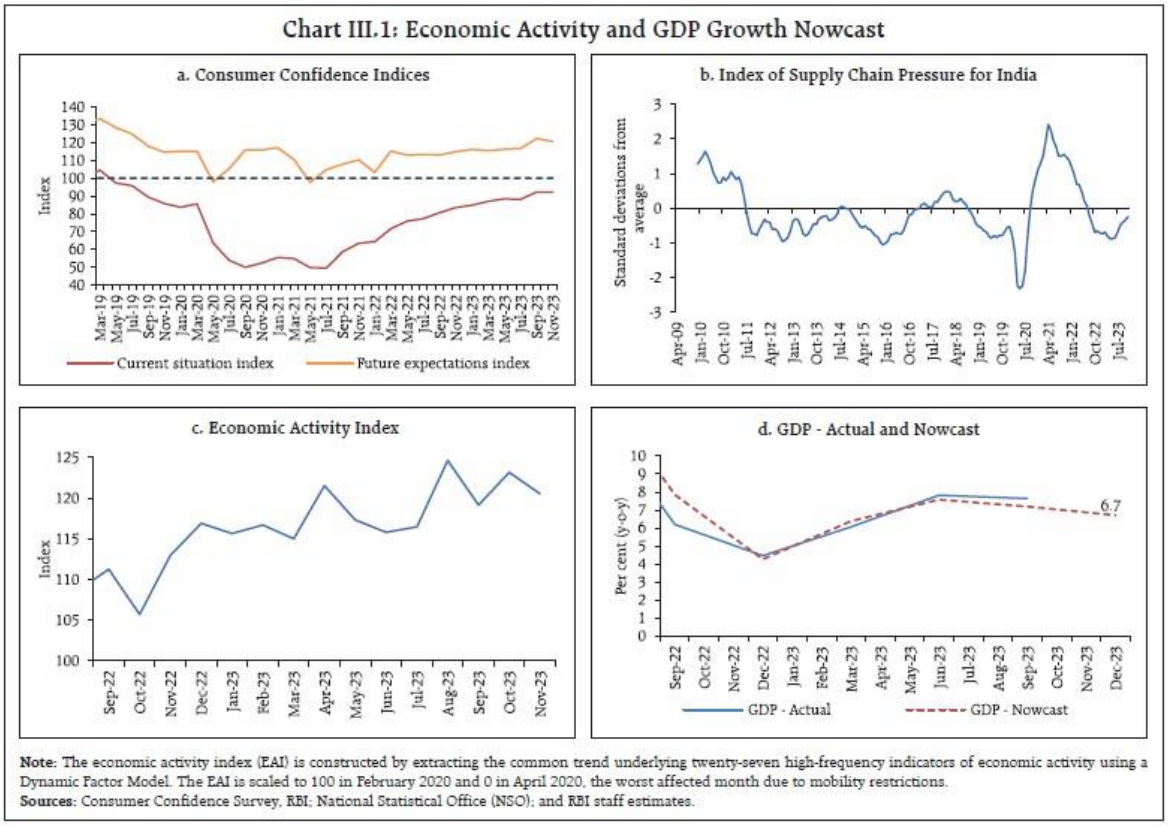
(Source: RBI Bulletin December 2023)

Global equity markets registered gains in November, tracking the fall in US Treasury yields from their October 2023 highs after the announcement of a slower pace of debt issuance in the US. Equity markets have remained buoyant in December so far and recorded robust momentum after the US Federal Reserve (Fed) signaled end of its rate hiking cycle and possible rate cuts next year.

Domestic Developments

Despite significant global headwinds, the Indian economy remained the fastest growing major economy in 2023. The outlook is one of cautious optimism as consumer confidence remains positive and perceptions about current income turned up in the RBI's latest survey of households in November 2023 (Chart III.1a).

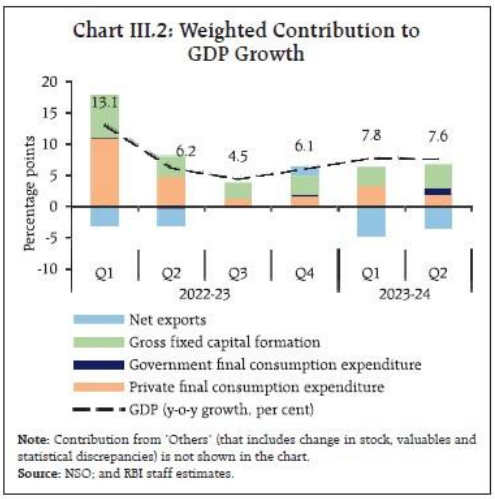
Supply chain pressures in India remain below historical average levels, although they have edged up in recent months (Chart III.1b). Our economic activity index (EAI) nowcasts GDP growth for Q3:2023-24 at 6.7 per cent (Chart III.1c and III.1d). Looking ahead, projections from our Dynamic Stochastic General Equilibrium (DSGE) model for the Indian economy, which captures the dynamic interactions between various agents in the economy as well as their response to shocks, show that the growth is likely to be sustained in H2:2023-24 and 2024-25 despite some moderation (Box 1).



Source: RBI Bulletin December 2023)

Aggregate Demand

Real GDP registered a growth of 7.6 per cent in Q2:2023-24, up from 6.2 per cent in Q2:2022-23 (7.8 per cent in Q1:2023-24) and exceeding market expectations. The robust expansion of activity in Q2:2023-24 was primarily led by domestic drivers – government consumption and fixed investment (Chart III.2).



Source: RBI Bulletin December 2023)

The share of GFCF in real GDP surged to 35.3 per cent. This was also reflected in a sharp acceleration in its proximate coincident indicators – steel consumption; cement production; and production and imports of capital goods with import growth exceeding. Evidence from high frequency indicators point towards sustained strength in demand conditions. E-way bills posted a growth of 8.5 per cent in November 2023, albeit moderating sequentially from an all-time high recorded in October due to overstocking induced by the festival demand (Chart III.3a).

Findings of Economic Survey of 2022-23

Despite the downward revision, the growth estimate for FY23 is higher than for almost all major economies and even slightly above the average growth of the Indian economy in the decade leading up to the pandemic. IMF estimates India to be one of

the top two fast-growing significant economies in 2022. Despite strong global headwinds and tighter domestic monetary policy, if India is still expected to grow between 6.5 and 7.0 per cent, and that too without the advantage of a base effect, it is a reflection of India's underlying economic resilience; of its ability to recoup, renew and re-energise the growth drivers of the economy.

(Source: https://www.indiabudget.gov.in/economicsurvey/ Economic Survey of 2022-23)

Outlook: 2023-24

India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. The current growth trajectory will be supported by multiple structural changes that have been implemented over the past few years. Budgeted capital expenditure rose 2.7X in the last seven years, from FY16 to FY23, re invigorating the Capex cycle. Structural reforms such as the introduction of the Goods and Services Tax and the Insolvency and Bankruptcy Code enhanced the efficiency and transparency of the economy and ensured financial discipline and better compliance.

The upside to India's growth outlook arises from (i) limited health and economic fallout for the rest of the world from the current surge in Covid-19 infections in China and, therefore, continued normalisation of supply chains; (ii) inflationary impulses from the reopening of China's economy turning out to be neither significant nor persistent; (iii) recessionary tendencies in major AEs triggering a cessation of monetary tightening and a return of capital flows to India amidst a stable domestic inflation rate below 6 per cent; and (iv) this leading to an improvement in animal spirits and providing further impetus to private sector investment.

Against this backdrop, the survey projects a baseline GDP growth of 6.5 per cent in real terms in FY24. The projection is broadly comparable to the estimates provided by multilateral agencies such as the World Bank, the IMF, and the ADB and by RBI, domestically. The actual outcome for real GDP growth will probably lie in the range of 6.0 per cent to 6.8 per cent, depending on the trajectory of economic and political developments globally.

(Source: https://www.indiabudget.gov.in/economicsurvey/ Economic Survey of 2022-23)

NON-BANKING FINANCIAL INSTITUTIONS

Introduction

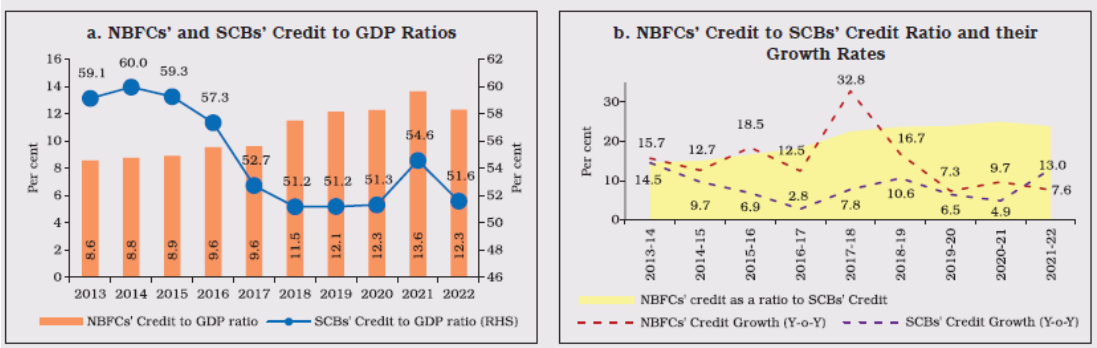
Non-banking financial companies (NBFCs) weathered the pandemic supported by various policy initiatives. They built up financial soundness during 2021-22, marked by balance sheet consolidation, improvement in asset quality, augmented capital buffers and profitability. In the second wave of the pandemic during H1: 2021-22, the disruption to economic activity was limited due to adoption of localised and region-specific containment policies and the steady pace of vaccination. Contact intensive segments and smaller businesses in the NBFC sector were however; hit hard and faced asset quality and liquidity stress. As the impact of the second wave waned and the third wave turned out to be short-lived, the NBFC sector regained momentum, cushioned by pro-active policy measures announced by the Reserve Bank and the government. Housing finance companies (HFCs) remained resilient as property sales picked up, driven by pent up demand, low interest rates, reduction in stamp duties and the shift in labour market conditions with a preference to work from home. All India financial institutions (AIFIs) also realigned their business strategies to contribute to economic recovery, buoyed by the refinance support from the Reserve Bank. This chapter analyses the operations and performance of non-banking financial institutions (NBFIs) regulated by the Reserve Bank, comprising NBFCs, HFCs, AIFIs and primary dealers (PDs)

NBFCs comprise government/ public/ private limited companies which provide niche financing to various sectors of the economy, ranging from real estate and infrastructure to agriculture and micro loans, thereby supplementing bank credit. HFCs specialise in providing housing finance to individuals, co-operative societies and corporate bodies to support housing activity in the country. AIFIs, i.e., the National Bank for Agriculture and Rural Development (NABARD), the Export Import Bank of India (EXIM Bank), the Small Industries Development Bank of India (SIDBI), the National Housing Bank (NHB) and the recently established National Bank for Financing Infrastructure and Development (NaBFID), are the apex financial institutions which provide long-term funding to agriculture, foreign trade, small industries, housing finance companies and infrastructure, respectively. PDs ensure subscription to primary issuances of government securities (G-secs), besides acting as market makers in the G-sec market.

The growing importance of the NBFC sector in the Indian financial system is reflected in the consistent rise of NBFCs' credit as a proportion to GDP as well as in relation to credit extended by scheduled commercial banks (SCBs) The growing importance of the NBFC sector in the Indian financial system is reflected in the consistent rise of NBFCs' credit as a proportion to GDP as well as in relation to credit extended by scheduled commercial banks (SCBs) In terms of asset/liability structures, NBFCs are subdivided into deposit-taking NBFCs (NBFCs-D) - which accept and hold public deposits - and non-deposit taking NBFCs (NBFCs-ND). Among non-deposit taking NBFCs, those with asset size of ₹500 crore or more are classified as non-deposit taking systemically important NBFCs (NBFCs-ND-SI). After the regulatory overhaul in October 2022, NBFCs are segregated into four layers, namely, Base Layer (NBFC-BL), Middle Layer (NBFC-ML), Upper Layer (NBFC-UL) and Top Layer (NBFC-TL), based on their size, activity, and perceived level of riskiness. In terms of size, NBFC-BL comprises all NBFCs-ND with asset size below ₹1,000 crore. NBFCs-ND with asset size above ₹1,000 crore and NBFCs-D are put in NBFCML. NBFC-UL comprises those NBFCs (including NBFCs-D) which are specifically monitored by the Reserve Bank on the basis of a set of parameters and scoring methodology.

(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

NBFC's Credit to SCBs' Credit



Note: GDP refers to GDP at Current Market Prices (Base: 2011-12).
Sources: 1. Report on Trend and Progress of Banking in India, various issues.
2. Handbook of Statistics on the Indian Economy, various issues.

(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

The current regulatory guidelines mandate that only those companies with minimum net owned funds (NOF) of ₹10 crore can commence the activities of NBFCs8.The existing NBFCs-ICC, NBFCs-MFI and NBFC-Factors are required to attain NOF of ₹10 crore by March 2027 following a glide-path.
(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Ownership Pattern

The NBFCs-ND-SI category accounted for around 86 per cent of the total assets of the NBFC sector at end-March 2022. Although the category is largely populated by non-government companies, a few large government-owned NBFCs hold a substantial share of the assets of the NBFCs-ND-SI sub-sector. The deposits of NBFCs-D are not insured by the Deposit Insurance and Credit Guarantee Corporation (DICGC). At end-March 2022, NBFCs-D accounted for 14.4 per cent of the total assets of the NBFC sector. Non-government public limited companies dominate this category, with a share of 88.3 per cent of the total assets of NBFCs-D.
(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

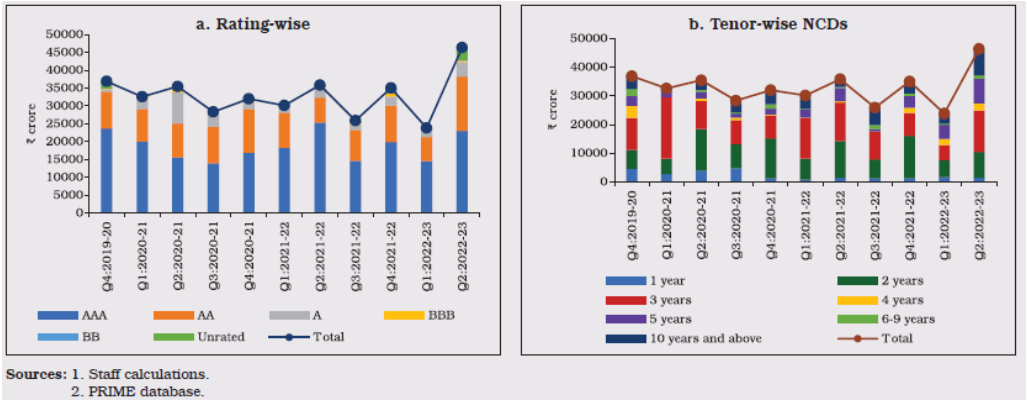
Balance Sheet

The balance sheet size of NBFCs grew at a subdued pace in 2021-22, reflecting both weak demand and risk aversion amid disruptions caused by the second wave of COVID-19. NBFCs also faced headwinds as competition from banks intensified, particularly in the retail space. The sector nevertheless maintained comfortable liquidity buffers, adequate provisioning, and a strong capital position. The deceleration in loans and advances of the sector was driven by an absolute decline in unsecured loans by NBFCs-ND-SI, highlighting their preference for safe assets in an atmosphere of economic uncertainty. NBFCs-ND-SI also continued to shore up their liquidity, with their cash and bank balances exhibiting double digit growth. At end- September 2022, balance sheet growth of NBFCs moderated on the back of a decline in investments of NBFCs-ND-SI. Credit, however, grew in double digits for both NBFCs-ND-SI and NBFCs-D
(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Resource Mobilization

NBFCs other than NBFCs-D rely heavily on borrowings to fund their activities. Borrowings from the markets and from banks constituted around 75 per cent of total borrowings at end- March 2022. A benign interest rate environment contributed to the increase in borrowings from banks. In H1:2022-23, total borrowings accelerated mainly due to increase in borrowings from banks. While NBFCs have been gradually relying more on long-term borrowings, the share of borrowings payable in three months or less increased marginally in 2021-22. Non-convertible debentures (NCDs) with AAA and AA ratings have an overwhelming share in the total private placements of private NBFCs.

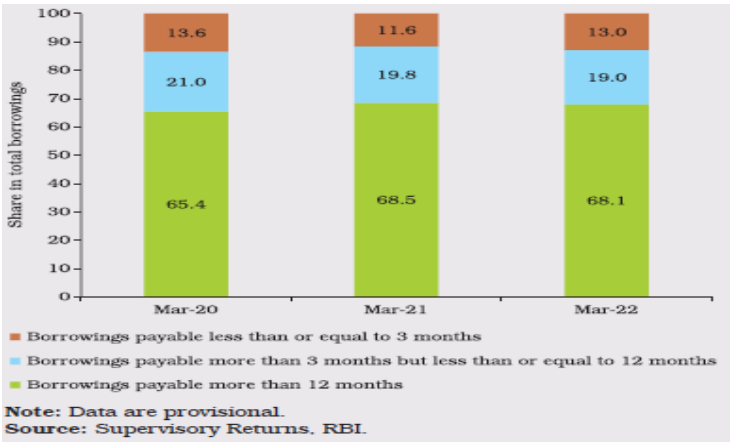
Private Placement of NCDs by Private NBFCs



(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

NBFCs rely heavily on SCBs for their funds. Public sector banks (PSBs) are the foremost lenders, followed by private sector banks (PVBs) and foreign banks (FBs). The exposure of banks to NBFCs grew mainly due to increase in direct lending which amounted to 86.5 per cent of the total bank funding to the NBFC sector.

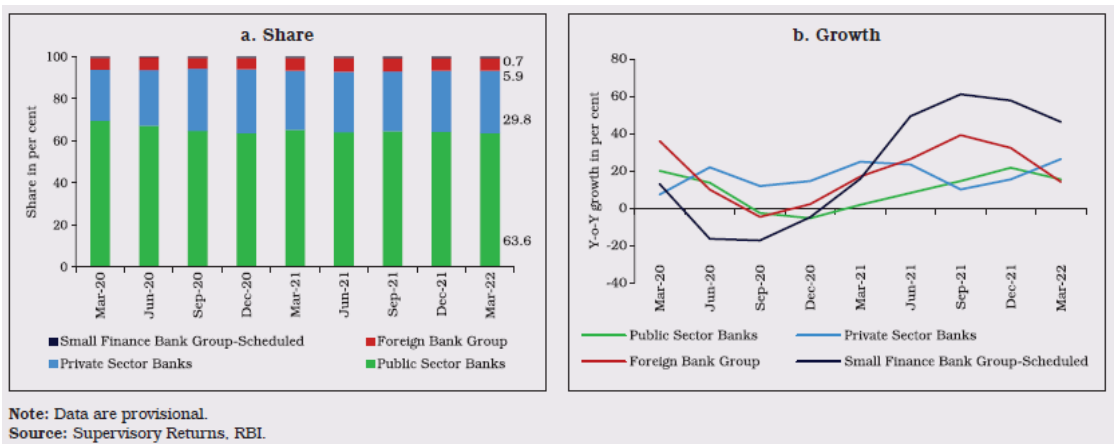
Repayment of NBFCs Borrowings



(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

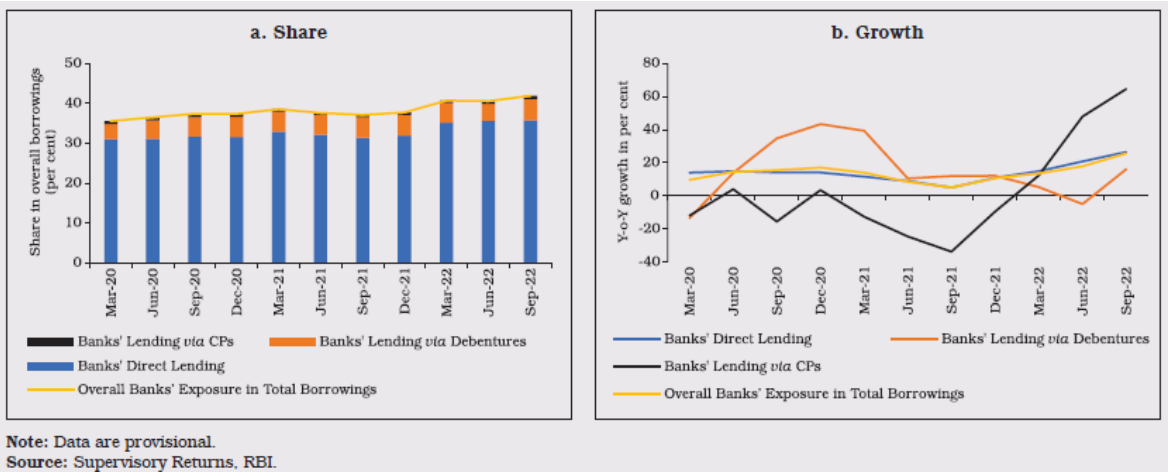
Banks also subscribe to debentures and commercial papers (CPs) issued by NBFCs. The growth of banks' subscription to CP issuances by NBFCs has turned around since Q3:2021-22

Bank Lending to NBFCs Group wise



(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Instruments of Bank lending to NBFCs



(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Financial Performance of NBFCs

NBFCs' income grew at a higher rate in 2021-22 than a year ago, primarily driven by fund-based income of NBFCs-ND-SI and NBFCs-D. During H1:2022-23, net profits of NBFCs improved mainly by a turnaround in fund-based income

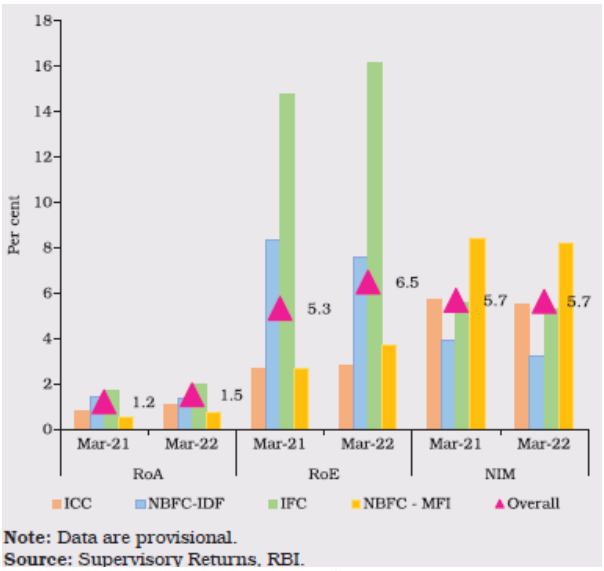
(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Profitability Indicators

Profitability indicators - return on assets (RoA), return on equity (RoE) and net interest margin (NIM) - increased in 2021-22. NBFCs-NDSI and NBFCs-D experienced bottom line growth at the end - March 2022. All profitability indicators showed an improvement in H1:2022-23 over the corresponding period in the previous year.

(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Profitability Ratios of NBFCs-ND-SI



(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

While rising interest rates are expected to bring net interest margins pressure, the impact has been somewhat offset as banks have not passed on the entire cost increase and NBFCs have been able to pass on the limited rate hikes to their borrowers. Stable margins along with moderation in credit cost will support the improvement in profitability indicators for NBFCs and the agency expects them to report a return on managed assets of 2.6-2.9 per cent in FY23.

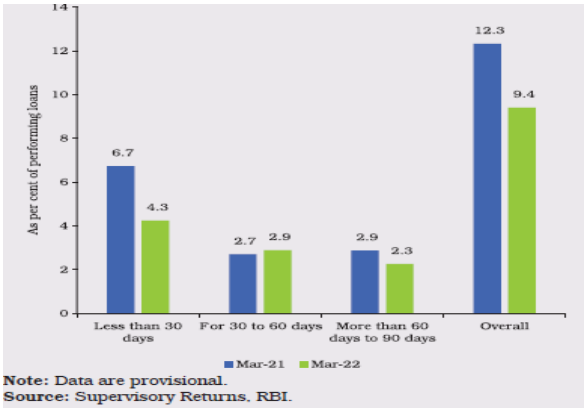
(Source: Article in Outlook dated December 15, 2022)

Asset Quality

Among performing loans, the overall delinquency ratios came down year-on-year by end-March 2022. Loans overdue in the first bucket *viz*., less than 30 days were the largest, but the position improved in 2021-22 *vis-à-vis* the previous year, resulting in an overall reduction in the over dues of performing loans. The share of standard assets with no over dues in total performing

loans increased from 87.7 per cent in 2020-21 to 90.6 per cent in 2021-22. Overall, GNPA and NNPA ratios of NBFCs-ND-SI showed an improvement in 2021-22 as the quality of assets improved in all the segments, with the exception of ICC. In H1: 2022-23, GNPA and NNPA ratios continued to decline.

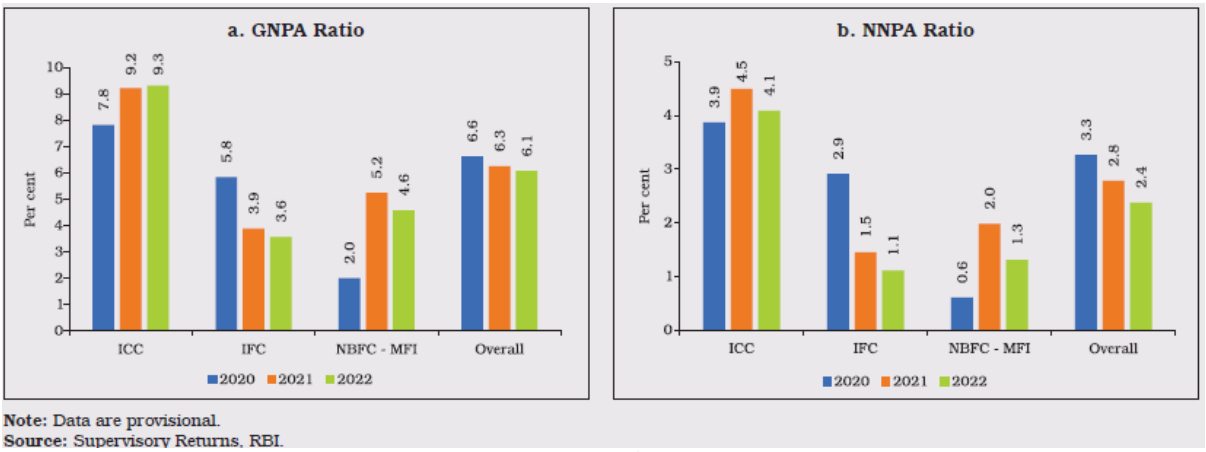
Delinquency in Performing Assets



(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

The asset quality of non-banks has been improving steadily since December 2021 as borrowers gradually recovered from the pandemic-induced stress. The improvement has been on the back of higher collections, a lower-than-anticipated share of restructured portfolio estimated at 2 per cent of total assets under management as of September 2022 and controlled slippages from this book and reported ratios also benefiting from the base effect of high growth. Overall, the majority of stress from the restructured book is likely to be absorbed in FY23 and slippages are expected to remain range-bound.
(*Source: ICRA)*

NPAs of NBFCs-ND-SI

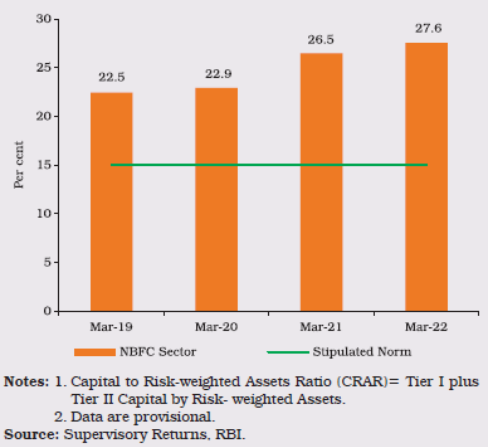


(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Capital to Risk Weighted Assets Ratio (CRAR)

As per the extant regulation, NBFCs are required to maintain a minimum capital ratio of not less than 15 per cent of aggregate risk-weighted assets (including both on and off balance sheet exposures). The NBFC sector is comfortably placed, with CRAR well above the regulatory requirement. In 2021-22, amongst NBFCs-ND-SI, IFCs registered a significant improvement in their CRAR, buoyed by an increase in Tier I capital. Among other categories, ICCs recorded marginal improvement, while CRAR of NBFCs-IDF and NBFCs-MFI deteriorated. NBFCs-D continued to maintain adequate capital, considerably higher than the stipulated norm
(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Capital Position of NBFC Sector

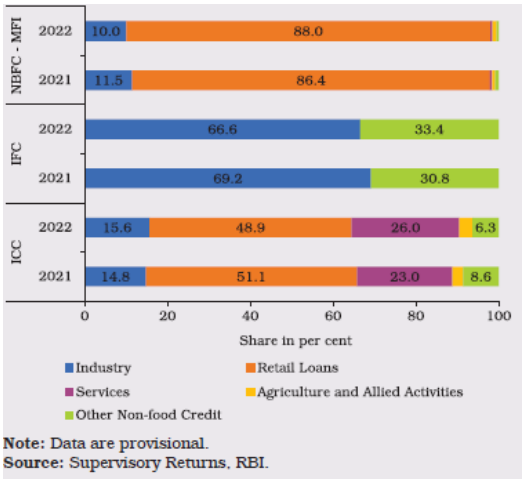


(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Sectoral Credit of NBFCs

Industry has traditionally remained the largest recipient of credit from the NBFC sector, followed by retail, services and agriculture. In 2021- 22, credit growth to industry and retail sectors was subdued relative to the previous year, while credit to the service sector exhibited double digit growth.

Sectorial Distribution of Credit



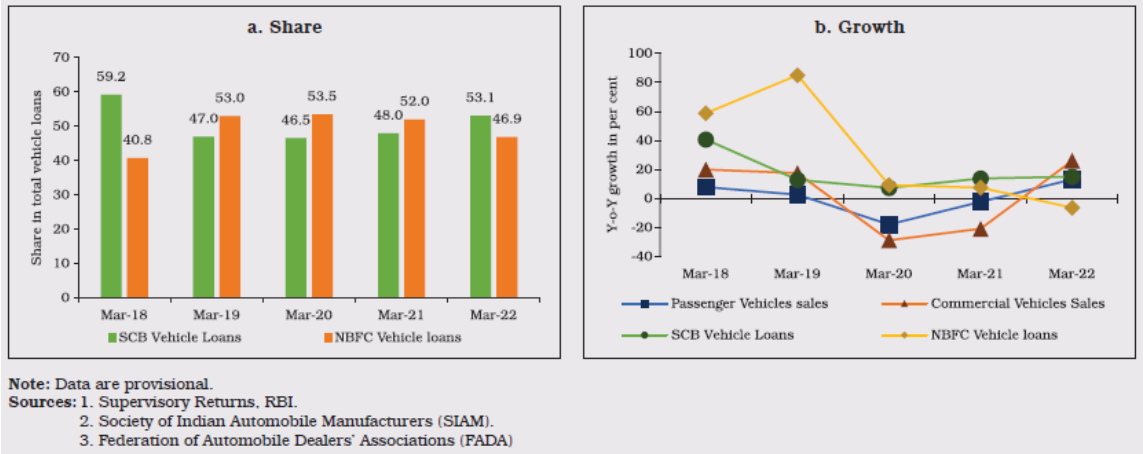
(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

<u>Vehicle Finance</u>

Vehicle loans, which traditionally form the biggest component of NBFCs' retail portfolio, declined during 2021-22. Accordingly, the share of vehicle and auto loans, which accounted for about 45 per cent of NBFCs' retail portfolio at the end of March 2021, dropped to around 40 per cent at end-March 2022. In recent years, banks had ceded ground to NBFCs in the vehicle loan space. This reversed in 2021-22, with the share of banks surpassing that of NBFCs. In 2021-22, retail sales of vehicles improved after witnessing a contraction in the previous year.

(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Vehicle Loans (NBFCs vis-à-vis SCBs)



Note: Data are provisional.
Sources: 1. Supervisory Returns, RBI.
2. Society of Indian Automobile Manufacturers (SIAM).
3. Federation of Automobile Dealers' Associations (FADA)

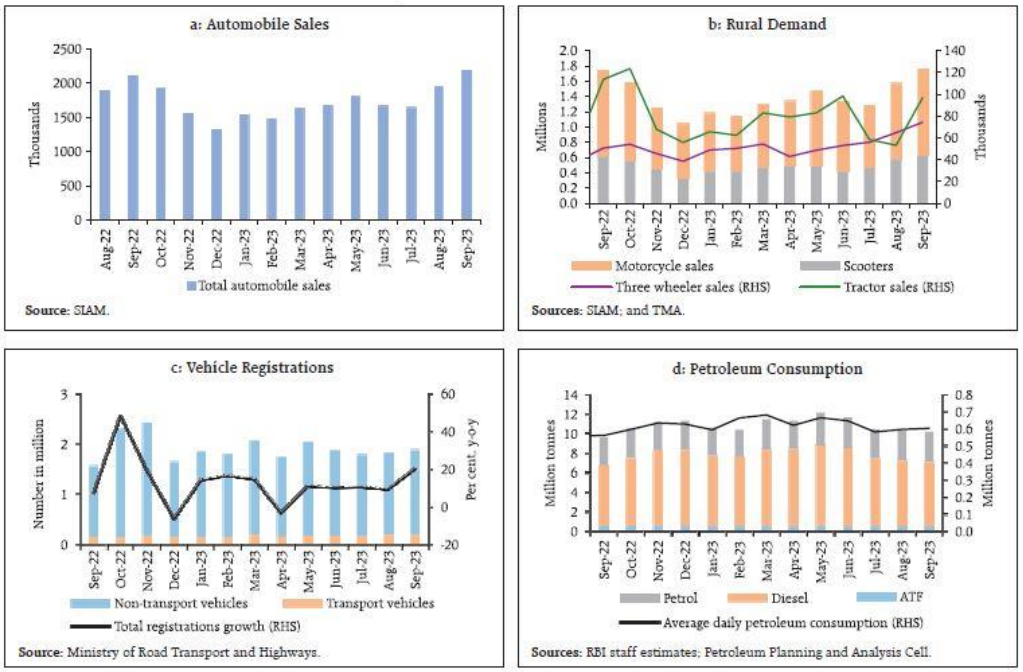
(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Automobile sales registered a y-o-y expansion of 4.4 per cent in September 2023, led by strong growth in the three wheeler segment. Sales of two wheelers, comprising of scooters and motor cycle also increased in September 2023 Retail sales growth as reflected in vehicle registrations surged to an eleven-month high in September, buoyed by new launches and general festive cheer. Growth in daily average consumption of petroleum products accelerated to 7.6 per cent y-o-y in September 2023 from 6.5 per cent a month ago. The all-India unemployment rate (UR) declined to 7.1 per cent in September 2023 from 8.1 per cent in August, with decline recorded in both urban and rural areas. The final estimates available for August 2023 showed that India's exports recorded a growth of 3.9 per cent (y-o-y) in August 2023 - the first expansion in six months,

(Source: RBI Bulletin October 2023)

Automobile Sector Indicators

Chart 13: Automobile Sector Indicators



(Source: RBI Bulletin October 2023)

The domestic automobile sales volumes grew by 9% y-o-y in January 2023 backed by new launches made by the OEMs across the segments and improved consumer sentiments. On a sequential basis, the domestic sales volume grew by 15% during the month.

The commercial vehicle (CV) segment has been growing strongly, eventually crossing the FY19 peak. This has been aided by increased infrastructure spends by the government, healthy replacement demand, last-mile connectivity demand propelling e-commerce and increased industrial activity. Profitability and margins of major commercial vehicle OEMs have also been aided by the uptick in volumes, improved product mix, and benefits of commodity price correction.

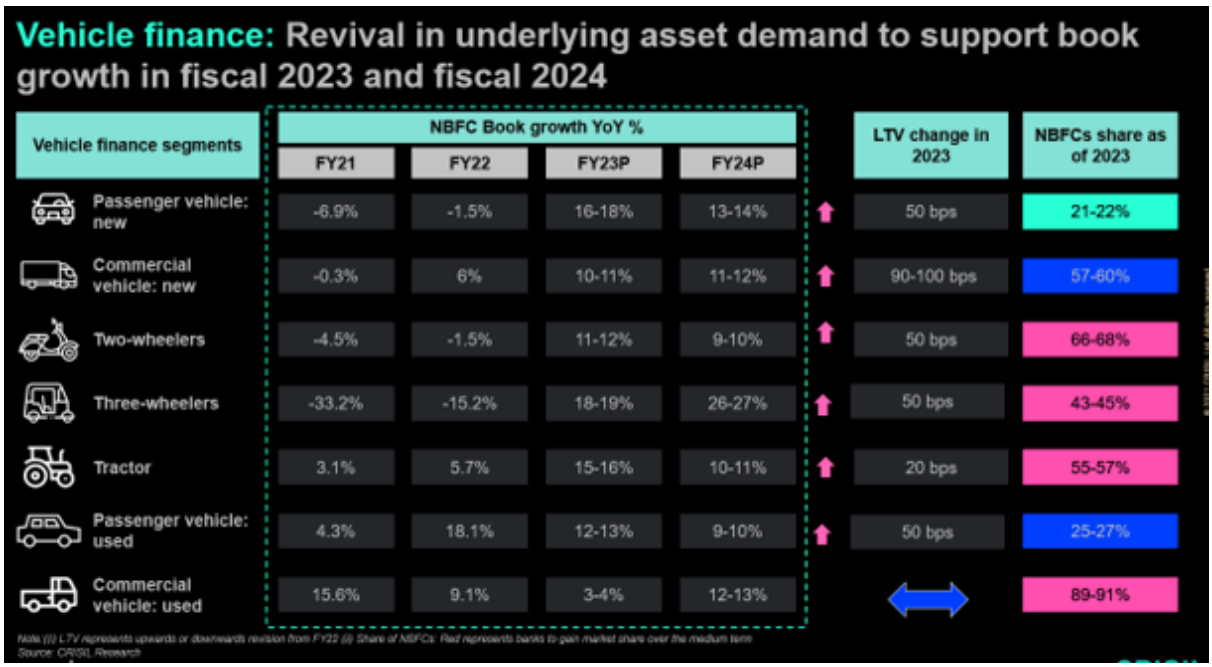
The demand for entry-level two-wheelers (2W) and entry-level passenger vehicles (PV) is likely to accelerate due to enhanced income tax rebates. Apart from this, the capital outlay of Rs 10 lakh Crore for infrastructure spending will also aid commercial vehicle sales going forward.

Increase in replacement demand, growth in freight availability and the government's push for infrastructure projects and budget allocation on scrappage policy will further help the CV and CE segment to grow going forward.

The growth trends in Tractor are expected to continue going forward on the back of positive customer sentiments led by finance availability. Continued government focus on the agriculture sector and favourable Minimum Support Prices (MSP) on crops will further lead to a growth in tractor demand.

CareEdge Research expects the domestic automobile industry sales volume to grow by 20% in FY23. The recent announcements in Budget 2023-24 on vehicle scrappage policy and increased infrastructure spending will further aid growth in automobile sales

(Source: CareEdge Research Report dated February 16, 2023)



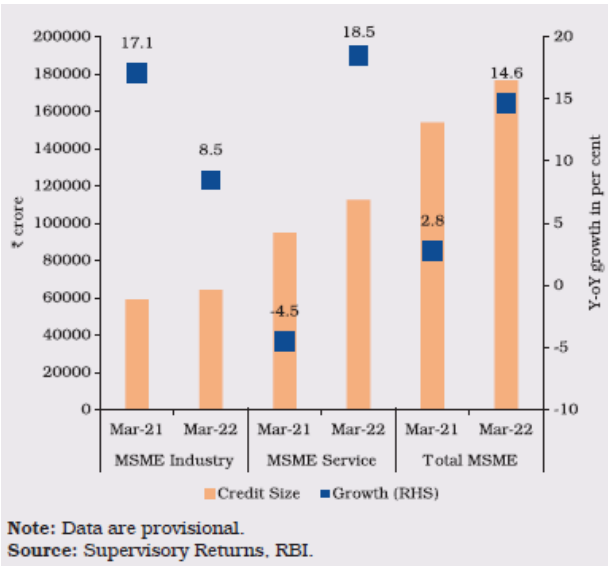
(Source: CareEdge Research Report dated February 16, 2023)

Micro, Small and Enterprises

NBFCs also play a crucial role in bridging the credit needs of micro, small and medium enterprises (MSMEs), primarily those engaged in services. The Emergency Credit Line Guarantee Scheme (ECLGS) launched by the government in May 2020 helped MSMEs to access enhanced credit. The co-lending model introduced by the Reserve Bank in November 2020 also improved the flow of credit to the MSME sector. Subsequently, the Union Budget 2022-23 has extended the ECLGS up to March 2023, with the guarantee cover raised by 50,000 Crores to a total of 5 lakh Crores.

(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

NBFCs Credit to MSME (At end – March)



(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Micro, Small and Medium Enterprises (MSME) sector, with more than six crore enterprises, has emerged as a highly vibrant and dynamic sector of the Indian economy, fostering entrepreneurship and generating self-employment opportunities at comparatively lower capital cost, next only to agriculture.

Ministry of MSME promotes growth and development of the sector, including Khadi, Village and Coir industries, by implementing various schemes/programmes towards credit support, technological assistance, infrastructure development, skill development and training, enhancing competitiveness and market assistance. Organizations under the Ministry include Office of Development Commissioner (MSME), Khadi and Village Industries Commission (KVIC), Coir Board, National Small Industries Corporation Ltd. (NSIC), National Institute for Micro, Small and Medium Enterprises (Ni-msme) and Mahatma Gandhi Institute for Rural Industrialization (MGIRI). Ministry has a vast network of field formations spread across the length and breadth of the country to support and handhold MSMEs, which include MSME Development and Facilitation Offices (MSME-DFO), Branch

MSME-DFOs, MSME Testing Centres, MSME-Testing Stations and Technology Centres (Tool Room & Technical Institutions) and field offices of KVIC, Coir Board and NSIC. Under Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), collateral free loan up to a limit of Rs. 2 crore to MSEs is provided. In FY 2022-23, (up to 30.11.2022), 7.07 lakh guarantees have been approved involving Rs 60,376 crore, which is the highest since inception of the scheme in 2000-01. With effect from 01.12.2022, for credit ceiling up to Rs. 2 crore, the maximum extent of guarantee cover has been enhanced up to 85%. Enterprises owned by women are eligible for guarantee cover up to 85%. Other Schemes of the Ministry have also helped in fostering a better environment for MSMEs.

Such as Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Procurement & Marketing Support, International Cooperation Scheme, etc. During the year 2022 various events and programmes were organized to create awareness about entrepreneurship and various schemes/ initiatives of the Ministry. Some of the events are "National Conference of MSME-Development Institutes, Testing Centres and Technology Centres", Mega Global MSME Business Summit' titled 'Empowering Tech Entrepreneurs', 'Mega International Summit on MSMEs' Competitiveness and Growth', 'Global MSME Convention for Plastics Industry', etc.

(Source: MSME Insider – January 2023 [Vol XLXII])

Reforms to address the structural challenges faced by MSMEs have been a vital part of the industrial policy in recent years. Support measures for MSMEs during the pandemic in the form of the Emergency Credit Line Guarantee Scheme (ECLGS) and revision in the definition of MSMEs under the ambit of Aatmanirbhar Bharat helped them face the crisis shock. The ECLGS, in particular, has in the last two years benefited 1.14 crore MSMEs, which have availed collateral-free loans amounting to ₹2.38 lakh crore. Further measures, such as the introduction of TReDS to address the delayed payments for MSMEs, the inclusion of Retail and Wholesale trades as MSMEs, and the extension of non-tax benefits for three years in case of an upward change in the status of MSMEs, have created a resilient support system for the MSME sector to grow. The MSMEs have also benefitted from access to digital platforms for their marketing needs and easy payments. With the Open Network for Digital Commerce creating opportunities for MSMEs to access e-commerce technology and diversify their target markets, this trend will likely strengthen further. Moreover, onboarding GSTN as a Financial Information Provider on the Account aggregator platform will open up avenues for access to credit for MSMEs. Enhancing opportunities and productivity of the MSME sector have large-scale implications for a resilient production ecosystem, thus strengthening the growth prospects of the industry and the economy as a whole. These reforms, therefore, must continue.

(Source: https://www.indiabudget.gov.in/economicsurvey/ Economic Survey of 2022-23)

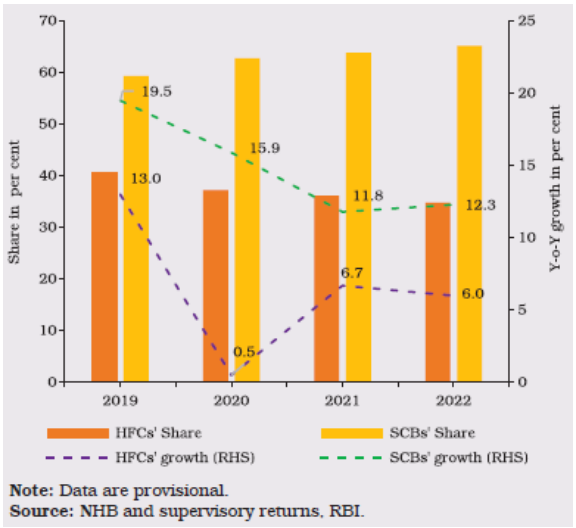
Housing Finance

Housing Finance Companies (HFCs)

In India, housing finance companies (HFCs) are specialised institutions which extend housing credit, along with SCBs. Effective August 9, 2019 HFCs are being regulated as a category of NBFCs, after the transfer of regulation of HFCs to the Reserve Bank by amendment of the NHB Act, 1987.

(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Credit to Housing Sector by HFCs AND SCBs



(Source: Report on Trend and Progress of Banking in India 2021-22 by RBI)

Real Estate

The onset of the Covid-19 pandemic accentuated a slowdown in every economic space, and the real estate sector was no different. Project delays, deferment of big-ticket purchases, stagnation of property prices, and scarce funding for developers has induced slackening of demand. The situation was further aggravated by the associated lockdown and migration of workforces involved in the sector to their natives. The work-from-home model had an impact on the demand for office space requirements by the corporates.

The Pandemic, however, brought about a change in individual home buyers' sentiment in favour of owning a house. With the easing of curbs, there was an increase in interest in the residential housing sector and more so in the readily available and affordable segment. The hybrid work mode with the privileges of working from anywhere encouraged first-time home buyers to move away from the conventional metros, and this brought about a pent-up demand in the residential real estate markets of Tier II and III cities. Improvement in affordability in response to measures taken by the government during the pandemic; such as lower interest rates, reduction in circle rates, and cut in stamp duties on transaction of sale/purchase of immovable property, the extension of the Real Estate Regulation Act (RERA) also played a significant role in post-pandemic rebound of Real Estate sector.

(Source: https://www.indiabudget.gov.in/economicsurvey/ Economic Survey of 2022-23)

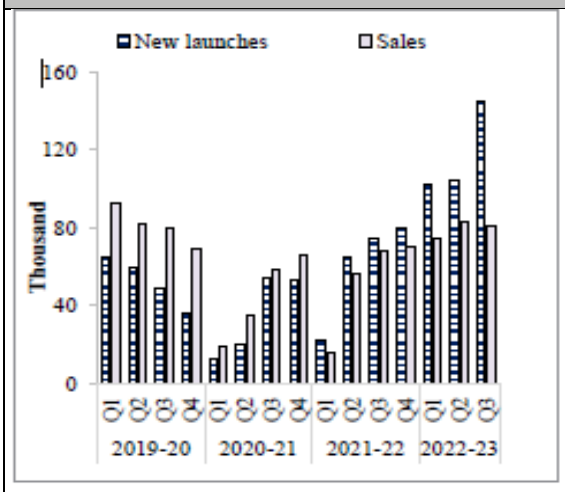
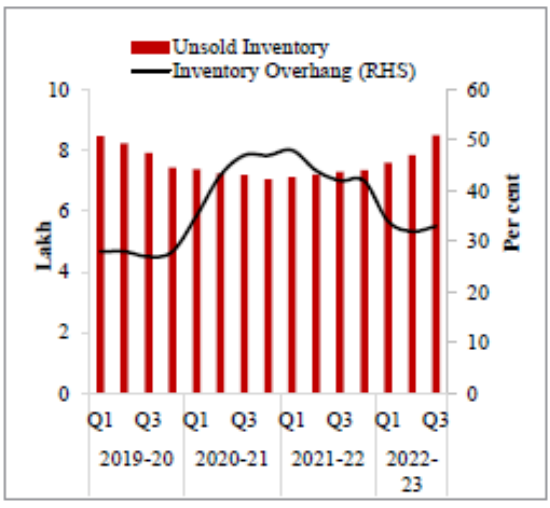
Measures taken by the Government to boost the Housing sector

The various policy intervention by the government, including 'Housing for All', Aatmanirbhar Bharat, etc., provided an impetus to the Housing Finance sector. The permission by RBI to lending institutions to grant a total moratorium of 6 (3+3) months in case of payment failure due between 1st March 2020 to 31st August 2020, infusion of ₹75,000 crore for Non-Banking Financial Corporations (NBFCs), Housing Finance Companies (HFCs) and Micro Finance Institutions (MFIs), among others, have also contributed to the revival of the real estate sector.

The interest subvention under Pradhan Mantri Awas Yojana-Credit Linked Subsidy Scheme Urban) (PMAY-CLSS (U)) has been the demand-side driver in the residential housing space. This, along with streamlined policies to increase the credit flow, has helped in the creation of a consumer-friendly ecosystem for housing finance. Since its inception, the government has released a subsidy amounting to ₹ 53,548 crore benefitting approximately 22.87 lakh households. Further, the Affordable Housing Fund (AHF) created sufficient liquidity in the sector for viable growth. Under the Affordable Housing Fund, National Housing Bank has disbursed ₹ 34,588 crore for 3.9 lakh dwelling units since its inception. Under the Special Liquidity Facility of RBI, National Housing Bank (NHB) disbursed ₹13,917 crore and ₹8,112 crore during the 1st and 2nd waves of the pandemic, respectively, to ensure seamless business as usual in the sector. Including the above, National Housing bank has provided Liquidity support of ₹ 88,400 crore through various refinance schemes since the onset of the Pandemic.

The concessional liquidity provided the sector with the much-needed liquidity influx for keeping the sector resilient. The Co-lending model has been put forward with the aim to leverage the liquidity base of the banks and reach of HFCs to deliver formal housing credit to the bottom of the pyramid. The Smart City Project, with a plan to build 100 smart cities across India, was aimed at improving the overall opportunity for the real estate sector and encouraging investments. The overall affordability in the residential real estate sector was high during the post-pandemic period, as reflected by a decline in the weighted average annual interest rate on home loans from 8.6 per cent during January-March 2020 to 7.3 per cent during January-March 2022 for Scheduled Commercial Banks. Also, with a consistent thrust on affordable housing and a series of measures taken by the Government and the Regulators, the sector bounced back, registering a more robust growth with consistent improvement in sales as well as new launches.

(Source: https://www.indiabudget.gov.in/economicsurvey/ Economic Survey of 2022-23)

Sustained growth in Housing sales and launches, surpassing the pre-pandemic level	**The decline inInventory Overhang**
 Source: Prop Tiger	

(Source: https://www.indiabudget.gov.in/economicsurvey/ Economic Survey of 2022-23)

OUR BUSINESS

Unless otherwise indicated or unless the context otherwise requires or in respect of certain operation data, the financial information included herein is derived from our Financial Information, as included in this Tranche IV Prospectus. You should read the following discussion in conjunction with our Financial Information. We publish our financial statements in Indian Rupees. Our Financial Year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular Financial Year are for the 12 months ended March 31 of that year.

Some of the information contained in the following discussion, including information with respect to our strengths and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 18 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

In this section, unless the context otherwise requires, references to "we", "us", "our", "the Company" or "our Company" refer to Cholamandalam Investment and Finance Company Limited. Unless stated otherwise, or unless context requires otherwise, the financial data of our Company for the (i) six months period ending September 30, 2023 has been derived from Unaudited Standalone Interim Financial Results, and (ii) Fiscal 2023, 2022 and 2021 has been derived from audited standalone financial statements. Also, see "Risk Factors – We have in this Tranche IV Prospectus included certain non-GAAP financial measures such as Net Fixed Assets, Net worth, Total Debts to Total assets, GNPA(%), NNPA (%), Provision Coverage Ratio and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the financial services industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other financial services companies." on page 18 .

Overview

We are a non-banking finance company, incorporated in 1978 as the financial services arm of the Murugappa group, which has more than 123 years of existence. Our Company is categorized as a NBFC-ICC. We commenced business as an equipment financing company and have since expanded our operations to offer vehicle finance, loan against property, home loans, loans to small and medium-sized enterprises ("**SMEs**"), consumer and small enterprise loans and secured business and personal loans. We also offer stock broking and a variety of other financial services to customers through our Subsidiaries.

As of September 30, 2023, we had 30.94 lakhs active customers across India. We are diversified in terms of the products we offer, the geographies within India where we operate and cater to all customers. As of September 30, 2023, we had 1, 267 branches and 571 resident locations across 29 States and Union Territories in India.

We have been able to leverage our knowledge and experience in the vehicle finance industry coupled with our relationships with OEMs and dealers to grow our operations and expand our operating network. Our focus on technology and use of data analytics has allowed us to drive and digitize our operations, improve efficiency, reduce manpower and turnaround time. We believe that our track record of financial performance across our businesses, prudent risk management practices and strong credit ratings are key factors that have resulted in our growth over the years. In addition, being a part of the Murugappa group we have been able to derive significant synergies by leveraging their brand and existing customer base.

Our principal business segments include:

Vehicle Finance. We are focused on financing and refinancing vehicles, particularly light commercial vehicles ("**LCVs**"), small commercial vehicles ("**SCVs**") and used commercial vehicles. In recent years, we have increased our focus on financing of two-wheelers, three-wheelers, tractors, cars, multi-utility vehicles ("**MUVs**") and used passenger vehicles. We also finance heavy commercial vehicles ("**HCVs**"), tractors and construction equipment. We focus on retail customers especially in smaller towns and rural areas. As of September 30, 2023, Loans in the Vehicle Finance segment accounted for 60.68 % of our total Loans while in the six months ended September 30, 2023 disbursements in this segment accounted for 55.42% of our total disbursements. We also have arrangements with OEMs as 'preferred financiers' to provide financing for their vehicles, and work with their dealer networks to provide our vehicle finance products to their customer base.

Loan Against Property. We offer secured loans against property, with a focus on self-occupied residential property, to self-employed (non-salaried) and non-professional customers engaged in small and medium-scale industries, service providers and traders. As of September 30, 2023, Loans in the Loan Against Property segment accounted for 19.90% of our total Loans while in the six months ended September 30, 2023, disbursements in this segment accounted for 14.13% of our total disbursements.

Home Loans. We currently offer affordable home loans to self-employed and non-professionals seeking to buy and/ or construct new homes.

Our target group for our Home Loans are lower middle income group customers. Our Home Loans business leverages our strength in reaching out and underwriting loans for low and middle-income borrowers across the country, penetrating remote villages and towns. We have a significant presence in tier II, III and IV towns and cities, and have been strengthening our channel partner network in order to reach more customers. In Fiscal 2023, we expanded our Home Loans business to Uttar Pradesh, Bihar, West Bengal, Odisha, Assam, Jharkhand while strengthening our branch network in existing operational states.

As of September 30, 2023, our Home Loans business is serviced through 625 touchpoints across 23 states. We continue to focus on building our ecosystem of channel partners, while our digital offerings for customer service and on-boarding provide efficiency for customers.

Our efforts were recognized in this regard by the Housing and Urban Development Corporation Limited ("**HUDCO**") and we received the 'Best Performing Primary Lending Institution' award under PMAY (U) – CLSS, for 2022 – 2023, for facilitating homes for customers.

New Businesses.

Within the New Businesses segment we primarily offer:

(i) *SME Loans* – We primarily offer loans to SMEs that are secured by asset classes such as current assets and tangible security. Our SME Loans segment focuses on the following forms of financing:

- Supply chain financing: As part of supply chain financing, we offer vendor and dealer finance. This offering aims to cater to MSMEs' working capital requirements. We have also introduced inventory financing for automobile dealers based on agreements with automobile OEMs. In addition, we have entered into partnerships with fintech companies to source supply chain financing loans.

- Term loans: Term loans are provided to MSME customers against industrial, commercial or residential property to cover capital expenditure and long-term working capital requirements.

- Equipment financing: These are short-term loans made available to MSME customers against hypothecation of machinery used in the manufacturing of machine tools, plastic and packaging, textiles, medical equipment and printing. We collaborate with select OEMs to offer equipment financing.

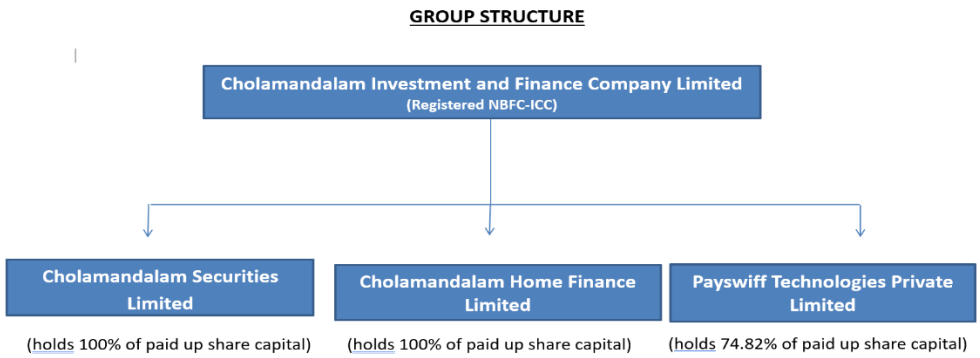
- Loan against securities: We offer loans to high net worth individuals and promoters of companies against the pledge of securities and mutual fund units.

- Invoice discounting: We offer invoice discounting services whereby we provide financial assistance to entities to clear unpaid invoices.

(ii) *Consumer and Small Enterprise Loans* – Our Company forayed into Consumer and Small Enterprise Loans during Fiscal 2023 with focus on personal loans, professional loans & business loans to salaried, self-employed professionals and micro & small businesses.

(iii) *Secured Business and Personal Loan* – We have recently in Fiscal 2023 started the business segment of secured business and personal loans. Our Company forayed into offering secured business loans with self-occupied residential property or commercial-cum-residential property as collateral and as on September 30, 2023 we are present in 363 locations (co-located) spread across 10 states in India.

Corporate Structure



Disbursements

The following table sets forth the break-down of our loan segments, in terms of disbursements:

(₹ crores, except percentages)

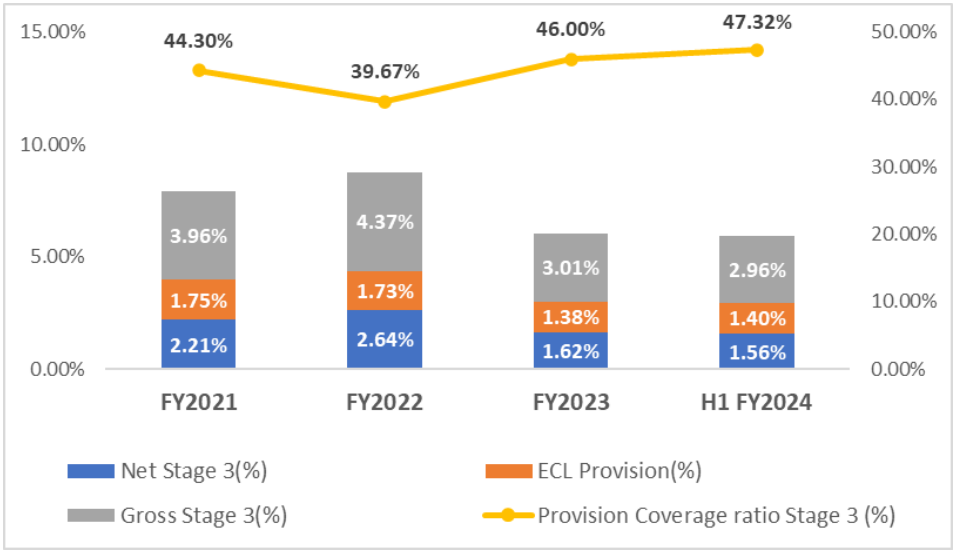
Particulars	As of/ For the Year ended March 31,			CAGR (Fiscal 2021 – Fiscal 2023)	As of/ For the Six Months ended September 30, 2023
	2021	2022	2023		
Disbursements					
Vehicle	20,249.11	25,438.88	39,699.29	40.02%	23,031.60
Loan Against Property	3,626.79	5,536.46	9,299.13	60.13%	5,871.59
Home Loans	1,542.28	1,896.00	3,830.03	57.59%	3,028.67
New Businesses	624.44	2,618.26	13,703.50	368.46%	9,625.13
Total Disbursements	**26,042.62**	**35,489.60**	**66,531.95**	**59.84%**	**41,556.99**

The following tables set forth a breakdown of disbursements based on product categories:

Product Category	Disbursements							
	As of March 31,						As of/ For the Six Months ended September 30, 2023	
	2021		2022		2023			
	Disbursements (₹ crores)	% of Total Disbursements	Disbursements (₹ crores)	% of Total Disbursements	Disbursements (₹ crores)	% of Total Disbursements	Disbursements (₹ crores)	% of Total Disbursements
Vehicle Finance								
- HCVs	709.47	2.72%	1,419.91	4.00%	2,648.03	3.98%	1,223.47	2.94%
- LCVs	3,329.41	12.78%	4,568.89	12.87%	7,225.91	10.86%	3,796.49	9.14%
- Mini LCV	746.72	2.87%	992.90	2.80%	1,267.94	1.91%	564.35	1.36%
- Car	1,943.46	7.46%	2,585.66	7.29%	4,376.13	6.58%	2,694.62	6.48%
- MUVs	1,159.24	4.45%	1,869.55	5.27%	3,545.42	5.33%	2,195.58	5.28%
- Two-wheelers	1,399.72	5.37%	1,705.96	4.81%	3,304.08	4.97%	2,136.93	5.14%
- Three-wheelers	191.74	0.74%	85.48	0.24%	272.79	0.41%	245.81	0.59%
- Construction Equipment	1,547.40	5.94%	1,596.52	4.50%	2,539.77	3.82%	1,279.85	3.08%
- Tractors	2,721.71	10.45%	2,136.39	6.02%	2,594.65	3.90%	1,385.67	3.33%
- Used vehicles	6,500.24	24.96%	8,477.62	23.89%	11,924.57	17.92%	7,508.83	18.07%
Sub Total (A)	**20,249.11**	**77.75%**	**25,438.88**	**71.68%**	**39,699.29**	**59.67%**	**23,031.60**	**55.42%**
Loan Against Property								
- Self-Occupied Residential Property	3,527.86	13.55%	4,287.51	12.08%	6,949.20	10.44%	4,334.01	10.43%
- Commercial Property	98.93	0.38%	1,248.95	3.52%	2,349.93	3.53%	1,537.58	3.70%
Sub Total (B)	**3,626.79**	**13.93%**	**5,536.46**	**15.60%**	**9,299.13**	**13.98%**	**5,871.59**	**14.13%**
Home Loans (C)	**1,542.28**	**5.92%**	**1,896.00**	**5.34%**	**3,830.03**	**5.76%**	**3,028.67**	**7.29%**
New Businesses								
- Consumer and Small Enterprise Loans	-	-	681.92	1.92%	6,864.81	10.32%	5,207.47	12.53%
- Secured Business and Personal Loans	-	-	10.82	0.03%	450.77	0.68%	428.03	1.03%
- Small and Medium Enterprise Loans	624.44	2.40%	1,925.52	5.43%	6,387.92	9.60%	3,989.63	9.60%
Sub Total (D)	**624.44**	**2.40%**	**2,618.26**	**7.38%**	**13,703.50**	**20.60%**	**9,625.13**	**23.16%**
Total ((A) + (B) + (C) + (D))	**26,042.62**	**100.00%**	**35,489.60**	**100.00%**	**66,531.95**	**100.00%**	**41,556.99**	**100.00%**

Further, our Company's asset quality as at September 30, 2023, represented by Gross Stage 3 (%) stood at 2.96%.

Asset Quality



(1) ECL Provision (%) represents Impairment Allowance - Stage 3 - Loans divided by Total Gross Loan

The CRAR of our Company as on September 30, 2023, was at 16.62% as against the regulatory requirement of 15%.

Funding Sources

The following table sets forth certain information relating to our funding sources on a standalone basis based on the type of instrument:

	As of March 31,						As of September 30, 2023	
	2021		2022		2023			
	Amount (₹ crores)	% of Total Debt	Amount (₹ crores)	% of Total Debt	Amount (₹ crores)	% of Total Debt	Amount (₹ crores)	% of Total Debt
Debt Securities								
Redeemable Non-Convertible Debentures Medium- Term-Secured (A)	9,342.63	14.66%	10,529.95	15.22%	15,340.63	15.76%	16,484.21	13.80%
Redeemable Non-Convertible Debentures Medium- Term-Unsecured (B)	-	-	25.00	0.04%	25.00	0.03%	-	-
Commercial Papers-Unsecured (C)	3,015.04	4.73%	2,766.15	4.00%	4,316.78	4.43%	8,601.67	7.20%
Sub Total (D)=(A)+(B)+(C)	**12,357.67**	**19.39%**	**13,321.10**	**19.26%**	**19,682.41**	**20.22%**	**25,085.88**	**21.00%**
Borrowings other than debt securities								
a) Term Loans								
i) a) From Banks-secured								
Rupee Loans (E)	35,682.18	55.99%	41,873.73	60.53%	52,660.23	54.09%	58,787.77	49.21%
Foreign currency term loans from banks (F)	-	-	615.77	0.89%	827.99	0.85%	-	-
External Commercial Borrowings (G)	2,398.69	3.76%	1,945.43	2.81%	1,525.88	1.57%	1,536.12	1.29%
i) b) From Banks-Unsecured								
Short term Loans (H)	200.00	0.31%	-	-	200.00	0.21%	-	-
ii) c) From Other Parties-Secured								
Financial Institutions-Rupee Loans – Rupee Loans (I)	1,727.86	2.71%	1,538.94	2.22%	4,307.15	4.42%	5736.53	4.80%
Financial Institutions – Rupee Loans - External Commercial Borrowings (J)	1,372.30	2.15%	1,442.85	2.09%	1,276.71	1.31%	1185.46	0.99%
Securitization-Rupee Loans (K)	4,344.52	6.82%	3,433.06	4.96%	9,982.57	10.25%	18917.32	15.83%
Loan repayable on demand – Secured from Banks - Rupee Loans (L)	1,456.71	2.29%	1,154.74	1.67%	2,405.66	2.47%	3105.22	2.60%
Loan from related party – Unecured from subsidiaries – Rupee Loans (M)	-	-	-	-	-	-	-	-

	As of March 31,						As of September 30, 2023	
	2021		2022		2023			
	Amount (₹ crores)	% of Total Debt	Amount (₹ crores)	% of Total Debt	Amount (₹ crores)	% of Total Debt	Amount (₹ crores)	% of Total Debt
Sub Total (N)=(E)+(F)+(G)+(H)+(I)+(J)+(K)+(L)+(M)	**47,182.26**	**74.03%**	**52,004.52**	**75.18%**	**73,186.19**	**75.17%**	**89268.42**	**74.72%**
Subordinated liabilities								
Perpetual Debt- Unsecured (O)	1,489.20	2.34%	1,328.99	1.92%	1,527.96	1.57%	1819.24	1.52%
Subordinated Debt – Unsecured – Rupee Denominated Bonds (P)	406.84	0.64%	407.36	0.59%	407.94	0.42%	408.25	0.34%
Subordinated Debt – Unsecured – Other Subordinated Debts (Q)	2,294.02	3.60%	2,111.53	3.05%	2,551.56	2.62%	2887.74	2.42%
Sub Total (R)=(O)+(P)+(Q)	**4,190.06**	**6.58%**	**3,847.88**	**5.56%**	**4,487.46**	**4.61%**	**5,115.23**	**4.28%**
Total Debt (S)=(D) + (N) + (R)	**63,729.99**	**100.00%**	**69,173.50**	**100.00%**	**97,356.06**	**100.00%**	**1,19,469.53**	**100.00%**

The following table sets forth certain information relating to our funding sources based on the type of investors:

	As of March 31,						As of September 30, 2023	
	2021		2022		2023			
	Amount (₹ crores)	% of Total Debt	Amount (₹ crores)	% of Total Debt	Amount (₹ crores)	% of Total Debt	Amount (₹ crores)	% of Total Debt
Banks and Financial Institutions (Domestic)	41,810.56	65.61%	47,767.86	69.06%	63,490.18	65.21%	72,129.85	60.38%
Banks and Financial Institutions (Overseas)	3,770.99	5.92%	3,388.28	4.90%	2,802.59	2.88%	2,721.58	2.28%
Trusts	1,519.56	2.38%	2,153.82	3.11%	2,801.85	2.88%	3,418.22	2.86%
Mutual Funds	5,502.15	8.63%	6,069.37	8.77%	8,111.47	8.33%	9,713.57	8.13%
Insurance Companies	2,690.21	4.22%	2,732.36	3.95%	5,489.96	5.64%	7,376.45	6.17%
Individuals and HUFs	1,833.98	2.88%	713.97	1.03%	765.14	0.79%	1,126.79	0.94%
FIIs/ FPIs/ NRIs/ NRNs	714.23	1.12%	1,162.35	1.68%	803.21	0.83%	506.26	0.42%
Corporates	1,543.79	2.42%	1,752.44	2.53%	3,109.09	3.19%	3,559.50	2.98%
Securitization	4,344.52	6.82%	3,433.06	4.96%	9,982.57	10.25%	18,917.32	15.83%
Total Debt[(1)]	**63,729.99**	**100.00%**	**69,173.50**	**100.00%**	**97,356.06**	**100.00%**	**1,19,469.53**	**100.00%**

Notes:
(1) Total Debt represents the sum of debt securities, borrowings (other than debt securities) and subordinated liabilities.

Capital Adequacy

Our Company is subject to the capital adequacy ratio requirements prescribed by the RBI. Our Company is currently required to maintain a minimum Capital to Risk Weighted Assets Ratio, CRAR of 15.00%, based on our total capital to risk-weighted assets. As a part of its governance policy, our Company ordinarily maintains capital adequacy higher than the statutorily prescribed CRAR.

The following table sets out our capital adequacy ratios as of the dates indicated:

(₹ crores, except percentages)

Particulars	As of March 31,			As of September 30,
	2021	2022	2023	2023
Tier I Capital	9,390.23	11,798.65	14,337.71	15,604.99
Tier II Capital	2,440.44	2,236.80	2,281.16	2,088.62
Total Capital	**11,830.67**	**14,035.45**	**16,618.87**	**17,693.61**
Total Risk Weighted Assets	**61,932.49**	**71,536.63**	**96,992.70**	**1,06,415.81**
Capital Ratios				
Tier I Capital (as a Percentage of Total Risk Weighted Assets (%))	15.16%	16.49%	14.78%	14.66%
Tier II Capital (as a Percentage of Total Risk Weighted Assets (%))	3.94%	3.13%	2.35%	1.96%
Total (%)	**19.10%**	**19.62%**	**17.13%**	16.62%

In addition, the following table sets forth certain information relating to our operations and financial performance as of/ for the periods/ years indicated:

(₹ crores, except ratios and percentages)

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30, 2023
	2021	2022	2023	
Net Income Margin [(1)]	7.20%	7.88%	7.74%	7.38%
Operating Expense[(2)]	1,583.44	2,068.71	2,779.86	1,732.79
Expense Ratio (%)[(3)]	2.32%	2.79%	2.98%	2.85%

(₹ crores, except ratios and percentages)

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30, 2023
	2021	2022	2023	
Loan Losses (%)[4]	2.02%	1.19%	0.91%	1.27%
Return on Total Assets – PBT (%)[5]	2.98%	3.90%	3.86%	3.27%
Provision Coverage Ratio for Stage 3 (%)[6]	44.27%	39.67%	46.00%	47.32%

Notes:

(1) Net Income Margin represents the percentage of Total Income less finance costs divided by Average Closing Assets (Balance sheet).

(2) Operating Expense represents employee benefit expense, other expenses and depreciation and amortization expenses in the relevant year/ period.

(3) Expense Ratio (%) represents Operating Expense divided by Average Closing Assets (Balance Sheet).

(4) Loan Losses (%) represents Impairment of Financial Instruments (Net) divided by Average Closing Assets (Balance Sheet).

(5) Return on Total Assets - PBT (%) represents Profit Before Tax divided by Average Closing Assets (Balance Sheet).

(6) Provision Coverage Ratio for Stage 3 (%) represents our Impairment allowance - Stage 3 – Loans against the Gross Carrying Amount – Stage 3.

(7) Average Closing Assets (Balance Sheet) represents average of loan assets and investments (including deposits) for five quarters in respect of year ending March 31 and three quarters for the six months ending September 30, 2023.

We have, over the years been recognized for our products and excellence in operations by numerous awards including "Rising Star of the Year 2018 – 2019" at the India CX Awards, three time winner of the "Commercial Vehicle Financier of the Year" at the Mahindra Transport Excellence Awards in 2015, 2016 and 2018, CII Industrial Innovation Awards 2017 for "Top 26 Most Innovative Company" and "Best Corporate in Medium Category" in the 2nd ICSI CSR Excellence Awards in 2017.

The following table sets forth breakup of our loan segments:

(₹ crores, except ratios and percentages)

	As of / For the year ended March 31, 2021	As of / For the year ended March 31, 2022	As of / For the year ended March 31, 2023	As of/For the six months ended September 30, 2023
AUM				
- Vehicle Finance	50,415.33	52,880.61	66,937.82	75,395.95
- Loan Against Property	14,777.48	16,794.79	21,587.76	24,720.84
- Home Loans	4,345.29	5,589.73	8,451.43	10,801.28
- New Businesses	458.28	1,641.60	9,521.29	13,327.49
Total AUM	**69,996.38**	**76,906.73**	**106,498.30**	**124,245.55**

Classification of Assets

Set forth below is certain information relating to the asset classification followed by our Company as of September 30, 2023:

Our Company records allowance for expected credit losses for all financial assets other than FVTPL, together with loan commitments. Equity instruments are not subject to impairment. The expected credit loss ("**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 financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. We have established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument'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, we categorize assets into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1 Assets: When loans are first recognised, we recognize 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 Assets: When a loan has shown a significant increase in credit risk since origination, our Company 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 Assets: Loans considered credit-impaired. We record an allowance for the LTECLs.

Provisioning and Write-offs

Asset Classification	As of March 31,			As of September 30, 2023
	2021	2022	2023	
	(₹ crores, except percentages)			
Total Gross Loans	68,283.75	76,477.89	107,077.24	1,25,578.39
Gross Carrying Amount- Stage 3- Loans [1]	2,705.01	3,342.81	3,221.60	3,718.81
Gross Stage 3 (%)	3.96%	4.37%	3.01%	2.96%
Impairment Allowance - Stage 3 - Loans[2]	1,197.49	1,326.15	1,482.01	1,759.77
Net Stage 3 Loans [3]	1,507.52	2,016.66	1,739.59	1,959.05

Asset Classification	As of March 31,			As of September 30, 2023
	2021	2022	2023	
	(₹ crores, except percentages)			
Net Stage 3 (%)	2.21%	2.64%	1.62%	1.56%
Write off[4]	456.60	995.48	837.54	407.70

Notes:

(1) Gross Carrying Amount- Stage 3- Loans represents Gross Carrying Amount of Loans – Stage 3 as per Ind AS.

(2) Impairment Allowance – Stage 3 – Loans represents Impairment allowance – Stage 3- Loans as per Ind AS.

(3) Net Stage 3 Loans represents Gross Carrying Amount - Stage 3- Loans less Impairment Allowance - Stage 3- Loans as per Ind AS.

(4) Write off includes loss on settlement.

(5) Gross stage 3 (%) represents Gross Carrying amount - Stage 3 - Loans divided by Total Gross Loans as per Ind AS.

(6) Net Stage 3 (%) represents Net Stage 3 loans divided by Total Gross Loans as per Ind AS.

The following table sets forth certain information relating to the classification of assets as of the dates indicated:

Asset Classification	As of March 31,			As of September 30, 2023
	2021	2022	2023	
	(₹ crores, except percentages)			
Total Gross Loans	68,283.75	76,477.89	107,077.24	1,25,578.39
Less: Impairment Allowance	(2,444.41)	2,328.68	2,328.92	2,689.36
Total Net Loans	65,839.34	74,149.21	104,748.32	1,22,889.03
Gross Carrying Amount - Stage 1 and Stage 2-Loans	65,578.74	73,135.08	103,855.64	1,21,859.57
Less: Impairment Allowance - Stage 1 and Stage 2-Loans	(1,246.92)	1,002.53	846.91	929.59
Net Carrying Amount - Stage 1 and Stage 2	64,331.82	72,132.55	103,008.73	1,20,929.98
Provision Coverage Ratio Stage 1 and Stage 2 (%)	1.90%	1.37%	0.82%	0.76%
Gross Carrying Amount - Stage 3- Loans	2,705.01	3,342.81	3,221.60	3,718.81
Less: Impairment Allowance - Stage 3 Loans	(1,197.49)	1,326.15	1,482.01	1,759.77
Net Stage 3 Loans	1,507.52	2,016.66	1,739.59	1,959.05
Provision Coverage Ratio for Stage 3 (%)	44.27%	39.67%	46.00%	47.32%
Provision Coverage Ratio (%)	3.58%	3.04%	2.17%	2.14%

The following table sets forth details of Stage 3 Assets as a percentage of total Gross Loans for our Company as of the dates indicated:

	As of March 31,						As of September 30, 2023	
	2021		2022		2023			
	Gross Stage 3 (%)	Net Stage 3 (%)	Gross Stage 3 (%)	Net Stage 3 (%)	Gross Stage 3 (%)	Net Stage 3 (%)	Gross Stage 3 (%)	Net Stage 3 (%)
Stage 3 Assets as a percentage of total gross Loans	3.96%	2.21%	4.37%	2.64%	3.01%	1.62%	2.96%	1.56%

The following table sets forth details of Stage 3 Assets for our segments as of the dates indicated:

Segment	As of March 31,						As of September 30, 2023	
	2021		2022		2023			
	Gross Stage 3 (%)	Net Stage 3 (%)	Gross Stage 3 (%)	Net Stage 3 (%)	Gross Stage 3 (%)	Net Stage 3 (%)	Gross Stage 3 (%)	Net Stage 3 (%)
Vehicle Finance	3.08%	1.59%	3.90%	2.31%	3.20%	1.75%	3.32%	1.74%
Loan Against Property	7.41%	4.68%	6.60%	4.29%	4.02%	2.14%	3.37%	1.85%
Home Loans	3.25%	2.01%	2.98%	1.57%	1.55%	0.78%	1.39%	0.88%
New Business	8.01%	0.70%	2.99%	0.72%	0.65%	0.33%	1.42%	0.52%

Competitive Strengths

We believe that the following are our key competitive strengths:

Strong retail focus with diversified product portfolio

We believe that our comprehensive understanding of rural and semi-urban markets and strategic focus on individuals and customer segments that are underserved by formal financing channels has led to our growth. Our experience of over four decades in rural and semi-urban markets has led to a significant understanding of local characteristics of these markets and has allowed us to address the unique needs of our customers. Our customers in the Vehicle Finance segment include first-time buyers of vehicles and customers with informal income and limited banking and credit history, while customers in our Loan Against Property segment include self-employed and non-professional individuals, small and medium entrepreneurs. We have a large

customer base and as of September 30, 2023, we had 30.94 lakhs active customers across India through our operations across 1,267 branches.

We offer a diverse range of financial products through our principal business segments: (i) Vehicle Finance; (ii) Loan Against Property; (iii) Home Loans and (iv) New Businesses. As at September 30, 2023, our Vehicle Finance, Loan Against Property and other segments constituted 60.68%, 19.90%, and 19.42% of our total Loans, respectively. Within our Vehicle Finance Segment, LCVs, HCVs and Cars, and MUVs represented 12.54%, 4.07%, 7.31% and 5.56% of our total Loans, respectively, as of September 30, 2023. Over the years, we have been able to grow our segments by introducing new products to address our customers' requirements. We mitigate our exposure to the commercial vehicle industry, the performance of which is closely linked with the level of industrial economic activity in the country, by diversifying our Loans across a range of consumption-led asset classes amongst different customer segments. Further, within Vehicle Finance segment itself, we have also diversified our asset portfolio across a range of customer segments. We also finance commercial assets, such as commercial vehicles and construction equipment, as we believe these assets enable income-generation, which results in a quality loan portfolio, in terms of loan repayment (as the asset or activity financed is expected to generate cash flows to service the loan) as well as in terms of recovery (as the asset financed typically forms the security for the loan disbursed).

Our knowledge and experience in the vehicle finance industry in India for more than four decades provides us with a competitive advantage. The commercial vehicle financing industry is fragmented, and our ability to further grow our business through our expansive operating network, relationships with OEMs and dealers, and streamlined, stringent credit analysis and underwriting processes have contributed to our growth and historical financial performance.

Extensive distribution network with focus on rural and semi-urban markets

We operate an extensive network of 1,267 branches across 29 States and Union Territories in India, as of September 30, 2023. Our branch network has grown from 1,137 branches as of March 31, 2021 to 1,191 branches as of March 31, 2023 and further to 1,267 branches, as of September 30, 2023. The reach of our network of branches provides us with the width and depth to access a wide and diverse base of existing customers and attract new customers. Our branches are located across regions in India leading to geographically diversified exposure with North, South, East and West regions of the country accounting for 22%, 31%, 23% and 24% of our Company's branches as of September 30, 2023. As of September 30, 2023, 82% of our branches were situated in rural centres, i.e., areas that comprise population of less than 4,00,000 while 12% were situated in semi-urban centres, areas that comprise population between 4,00,000 to 15,00,000 persons, as of September 30, 2023. For further information, see " – *Branch Network*" on page 157. Our distribution network allows us to lend across the country and enables us to mitigate our exposure to local economic factors and disruptions resulting from political circumstances or natural disasters. We believe that our widespread branch network diversifies the geographical risk of our portfolio by reducing reliance on any one region in India and allows us to apply our experience from one region to other regions.

Our extensive distribution network also exposes us to opportunities to cross-sell products and services and better penetrate Tier III, Tier IV, Tier V and Tier VI towns in India. As of September 30, 2023, 89% of our branches were located in such Tier III, Tier IV, Tier V and Tier VI towns. In addition to enabling access to new customers, our physical presence helps us in providing customized service and targeted support to our existing customers. Our well-developed distribution network in India also gives us the capability to offer a variety of financial products in areas that we believe most companies find difficult to access. In our Loan Against Property segment, we also operate through our DSAs.

We service multiple segments and products through our branches, which reduces operating costs and improves total sales. We believe that the inherent challenges involved in developing an effective branch network in rural and semi-urban centres provides us with a significant advantage over our competitors.

Strong technology platform and analytics capability

A significant competitive strength for us has been our strong in-house technology and data analytics capabilities that helps us scale our infrastructure and serve our customers. Our digital platform improves engagement with our customers and facilitates technology-led integration with ecosystem partners. Our technology solution manages the complete customer on-boarding lifecycle including customer acquisition, loan application, verification, underwriting and in-principle approval. As part of this process, our platform facilitates integrated with APIs related to borrower identity verification, credit checks, financial statement analysis and payment gateway services. Our mobile application 'Chola' empowers customers to interact and transact with us digitally.

Further, our subsidiary, Payswiff Technologies Private Limited is engaged in the business of enabling online payment gateway services for e-commerce businesses and e-commerce solutions.

We make continuous efforts to identify and improve automation across processes and functions. Our loan management system, collection management and document management systems have helped us to scale efficiently such that we have handled the rise in Vehicle Finance loans from ₹50,415.33 crores as of March 31, 2021 to ₹66,937.82 crores as of March 31, 2023 and further to ₹ 75,395.95 crores as of September 30, 2023. We manage our technology infrastructure in-house and have systems in place to alert and prevent security incidents and cyber-attacks. We also regularly engage external cybersecurity experts to analyze and review our applications and systems. We use digital platforms and data analytics for underwriting customers across financial segments, geographies, and various loan products. In addition to the use of data analytics for our underwriting models, we also rely on artificial intelligence and analytical platforms to build predictive models across credit, sales, collections and

risk functions. With our use of technology measures, we have been able to strategize our credit risk, field collections efficiency, sales productivity, cross sell efficiency, audit and fraud monitoring. Our in-house developed risk monitoring tool '*Chola Composite Risk Index*' measures the movement of critical risks. We have deployed automated dashboards as part of our operations that help us review portfolios and support decision making. We believe that our use of technology in our risk management framework has helped us maintain relatively low NPAs.

Our Company is becoming a digitally ready, automation-first and data-led organization. While supporting large scale transformation programs in the existing lines of business, the technology team has also launched of new lines of business, both secured and unsecured, in a digital mode, spanning to loan originations, management and loan collections.

Experienced management team

We have an experienced management team, which is supported by a capable and motivated pool of employees. Our senior management team has diverse experience in various financial services and functions related to our business, and an in-depth understanding of the specific industry, products and geographic regions they cover, which enables them to appropriately support and guide our employees. For further information on our management team, see "*Our Management*" on page 196.

Our Strategies

Aim to become a 'one-stop shop' for the SME ecosystem's financial needs

In recognition of the role of SMEs in our economy, we intend to focus on the financial services requirements of SMEs, such as loans, insurance and payment solutions. As of September 30, 2023, multiple product offerings in our portfolio are aimed at the SME client base. These include SME loans, unsecured and secured business loans, loans against securities, lease rental discounting, Loan Against Property, equipment leasing and insurance for securing of property inventory, employees' life and health insurance.

We intend to provide payment solutions to SME customers as well, to facilitate their payment requirements in course of business. Further, we intend to offer value-added services such as vendor management for SMEs involved in manufacturing operations. Through these, we intend to cater to the SME ecosystem and become a 'one-stop shop' for their requirements.

Diversify our product portfolio to offer additional financial services to the automobile ecosystem

We intend to offer end-to-end financial services for the automobile ecosystem, which comprises OEMs, dealers, brokers, customer and mechanics focusing on services across the vehicle lifecycle. As our core portfolio, we offer Vehicle Finance loans presently. We intend to initiate offering financing for vehicle leasing. In addition, we intend to provide payment solutions to the automobile ecosystem, to streamline their payment requirements. Further, we intend to offer investment and wealth management services, such as stock broking and distribution of mutual funds, to stakeholders in the automobile ecosystem.

Our existing value added services include a used vehicle selling platform and a repossessed vehicle selling platform. We intend to build on these platforms further and create ease of access and transactions securely on these platforms.

Further leverage our existing ecosystem to drive growth in customer base and cater to the consumer ecosystem with measured product diversification to serve households

We are an NBFC with a diversified geographic presence and intend to capitalize on our current strengths including our geographical reach, customer base, robust risk management policies and extensive domain expertise to diversify our offerings to all eligible members of a household. Our strategy to increase our customer base is driven by the evolving needs of our customers as they grow their income, which we believe is in line with the strength of our customer-centric business model. We aim to enable customers to have access to various differentiated products and services which they need quickly and efficiently, based on evolving financial requirements. Accordingly, we intend to become a financial services marketplace for consumers across lending, protection, payments, banking and investments.

Our existing customer base has the benefit of complete income assessments and credit checks in our data repository which helps us verify their credit-worthiness and history of timely repayments. Our existing products for consumers include vehicle finance, loan against property, home loans, SME loans, unsecured and secured personal loans, personal loans through our fintech partnerships, consumer durable loans, among others.

Introduce technology and synergies to revolutionize business processes

Expanding the digital service offerings across different products is one of our key objectives. We believe that regardless of the operating model, integration-led partnership or technology-enabled direct-to-customer, digital offerings will enhance functions and deliver digital experiences to ecosystem partners. To achieve this, we are in the process of developing a diverse suite of services that meet the needs of our customers and fintech partners, while ensuring agility, security, and scalability. Transformation or migration of key solutions to benefit from cloud computing and cloud-native architecture is an important step that we intend to take in this direction.

We are also focused on increasing employee productivity and efficiencies. To this end, we seek to continue to improve our employees' experiences through design thinking and enhancement of process efficiency. By digitizing optimized processes,

employees can deliver an improved experience to customers with increased productivity. Similarly, automation is a significant aspect, which we initially intend to utilise on repetitive actions and subsequently transition into advanced aspects of our business.

Our aim is to achieve a high level of system-led process automation, with limited human intervention. In order to meet our data management, access, and analytics needs, we are in the process of establishing a scalable big data repository. This repository, augmented with security measures and data access controls, is intended to serve both business and regulatory requirements. We believe this repository will enable improved decision making, customer engagement and offering of new products. Additionally, we believe that it will contribute to our core financial services solution objective of providing seamless data services to all customers.

Cybersecurity is a top priority for us, in view of the changing digital landscape and cyber incidents across the industry. We prioritize secure software development practices, enhance technology infrastructure, and educate stakeholders on good cyber and data handling practices. These initiatives have helped us improve our cyber security measures and attain a BitSight score of 750. We also intend to utilize technology to achieve ESG goals, such as wide adoption of remote collaboration tools, rollout of paperless processes, continuous adherence to e-waste disposal norms, and improved power utilization efficiency in computing. We are in the process of adopting LEAN principles of (i) defining value, (ii) value stream mapping, (iii) creating flow, (iv) establishing pull; and (v) continuous improvement, to enhance productivity, reduce turnaround time, and deliver an optimal user experience through our efficient digital platform.

Leverage our existing model to consolidate our business and focus on partnerships to drive growth and profitability

We have over the years built an operating model that has allowed us to successfully grow our business and scale our operations. Going forward, we intend to supplement our existing model by ensuring end-to-end digitization, automated functionalities and minimal manual intervention across our business segments. We also propose to further develop our underwriting models to facilitate straight-through processing, implement a one-time maker-checker concept to avoid duplication of work and create a platform that will integrate across systems including our '*Gaadibazaar*' platform and external dealer systems to derive process efficiencies. We are in the process of creating real-time digital dashboards that monitor performance across input and output parameters, generate daily run rate reports, contact recordings and roll rate reports.

To grow our portfolio, we intend to engage with various third party intermediaries to augment customer data including social media platforms, ride hailing platforms, online aggregators, ecommerce websites and credit bureaus. We believe that such partnerships would enable us in making targeted sales, improving our underwriting models and predicting defaults, both pre-delinquency and post-delinquency. We will also selectively explore investment opportunities in businesses that complement our current business and are aligned with our objectives. For example, we invested in Payswiff Technologies Private Limited, which is a point-of-sale provider enabling digital payment gateway for the e-commerce business, thereby helping us in building our customer base and providing customer solutions. Also, our Company invested in White Data Systems Private Limited which provides innovative and integrated solutions for the road freight & transport sector through it's I-Loads platform. We believe that our partnerships driven model would allow us to scale our operations, create propositions that will benefit our customers and provide access to a larger customer base that would otherwise be inaccessible to owing to higher customer acquisition costs. We believe that partnerships with third parties is a key strategy to grow our business and operations. We will look to build alternate channels for lead generation by developing digital channels and partnerships with aggregators, fintech companies and start-ups. Particularly, in the Vehicle Finance segment, we intend to collaborate with private and government-owned banks to co-originate loans and have direct leads from OEMs and dealers. We believe that as a non-deposit accepting NBFC engaged in vehicle finance, we will derive synergies from such partnerships given the wide customer base of such banks, our presence in rural areas and our track-record for ensuring collection. We also intend to leverage our relationships with OEMs and dealers to serve as their captive finance arms and thereby build our customer base.

Our Businesses

We have four business verticals: (i) Vehicle Finance; (ii) Loan Against Property; (iii) Home Loans and (iv) New Businesses.

Vehicle Finance

The vehicle finance segment is principally engaged in financing and refinancing of new and used vehicles, particularly LCVs, and SCVs. We also finance two-wheelers, three-wheelers, tractors, cars, MUVs, HCVs and construction equipment. Further, we have also forayed into financing two-wheeler EVs. Our Company has three decades of experience in Vehicle Finance segment. Our existing value added services include a used vehicle selling platform and a repossessed vehicle selling platform.

As on September, 2023, this segment is serviced out of 1,215 branches across India with presence in small towns and cities, as well as in rural regions, thereby contributing to financial inclusion and economic growth. Our customers include first-time buyers, self-employed individuals, retail operators etc.

Our Company's Vehicle Finance segment represented 72.03%, 68.76%, 62.85% and 60.68% of our total AUM as of March 31, 2021, 2022, 2023 and as of September 30, 2023 respectively. Total Loans in the Vehicle Finance segment was ₹ 50,415.33 crores, ₹ 52,880.61 crores, ₹ 66,937.84 crores and ₹ 75,395.95 crores as of March 31, 2021, 2022 and 2023 and as of September 30, 2023, respectively. In Fiscal 2021, 2022 and 2023 and in the six months ended September 30, 2023 disbursements in the Vehicle Finance segment were ₹ 20,249.11 crores, ₹ 25,438.88 crores , ₹ 39,699.29 crores and ₹ 23,031.60 crores, respectively.

The table below sets forth certain information on our AUM based on the various products offered under our Vehicle Finance segment:

Product Category	Loans							
	As of March 31,						As of September 30, 2023	
	2021		2022		2023			
	AUM (₹ crores)	% of Vehicle Finance AUM	AUM (₹ crores)	% of Vehicle Finance AUM	AUM (₹ crores)	% of Vehicle Finance AUM	AUM (₹ crores)	% of Vehicle Finance AUM
Vehicle Finance								
HCVs	4,881.70	9.68%	3,913.59	7.40%	4,741.70	7.08%	5,058.29	6.71%
LCVs	10,472.44	20.77%	10,994.83	20.79%	14,032.11	20.96%	15,582.56	20.67%
Mini LCV	2,303.49	4.57%	2,180.24	4.12%	2,373.42	3.55%	2,420.08	3.21%
Car	5,255.13	10.42%	5,818.42	11.00%	7,799.85	11.65%	9,077.16	12.04%
MUVs	3,314.21	6.57%	3,830.13	7.24%	5,719.63	8.54%	6,906.88	9.16%
Two-wheelers	2,160.90	4.29%	2,442.60	4.62%	3,895.46	5.82%	4,788.49	6.35%
Three-wheelers	547.15	1.09%	374.67	0.71%	425.56	0.64%	547.70	0.73%
Construction Equipment	3,068.78	6.09%	3,394.55	6.42%	4,486.63	6.70%	4,906.30	6.51%
- Tractors	4,947.34	9.81%	5,196.31	9.83%	5,630.23	8.41%	5,856.30	7.77%
- Used vehicles[(1)] and trade advance	13,464.19	26.71%	14,735.27	27.87%	17,833.23	26.64%	20,252.20	26.86%
Total	**50,415.33**	**100.0%**	**52,880.61**	**100.00%**	**66,937.82**	**100.00%**	**75,395.95**	**100.00%**

Loan Against Property

Our Company began its Loan Against Property segment in 2007, with a focus on providing financing to middle socio-economic class and self-employed and non-professional individuals. Our Company typically offers Loan Against Property finance to customers who are looking to expand their business operations. The primary customer segment being middle socio-economic class and self-employed and non-professional individuals. Financing in this segment is generally secured over the existing property of the borrower, which could be a self-occupied residential property or a commercial property. The Loan Against Property segment primarily involves providing loans against residential or commercial properties used as collateral, by leveraging the value of property borrowers can access funds for a variety of purposes, such as expanding their business operations, funding capital expenditures, or meeting short-term cash flow needs. As of September 30, 2023, this segment is serviced out of 618 branches which are co-located with vehicle finance branches across India. Our Company's model for the Loan Against Property segment is digital oriented process.

Our Company's Loan Against Property segment represented 21.11%, 21.84%, 20.27% and 19.90% of our total AUM as of March 31, 2021, 2022 and 2023 and as of September 30, 2023, respectively. Total Loans in the Loan Against Property segment were ₹ 14,777.48 crores, ₹ 16,794.79 crores, ₹ 21,587.76 crores and ₹ 24,720.84 crores as of March 31, 2021, 2022, 2023 and as of September 30, 2023, respectively. In Fiscal 2021, 2022, 2023, and in the six months ended September 30, 2023 disbursement in the Loan Against Property segment were ₹ 3,626.79 crores, ₹ 5,536.46 crores, ₹9,299.13 crores and ₹ 5,871.59 crores, respectively.

The table below sets forth certain information on our AUM based on the various products offered under our Loan Against Property segment:

Periods	Loans							
	As of March 31,						As of September 30, 2023	
	2021		2022		2023			
	AUM (₹ crores)	% of Total Loan Against Property AUM	AUM (₹ crores)	% of Total Loan Against Property AUM	AUM (₹ crores)	% of Total Loan Against Property AUM	AUM (₹ crores)	% of Total Loan Against Property AUM
Loan Against Property								
Self-Occupied Residential Property	13,301.55	90.01%	14,169.67	84.37%	17,331.76	80.29%	19,502.32	78.89%
Commercial Property	1,475.45	9.99%	2,625.12	15.63%	4,256.00	19.71%	5,218.53	21.11%
Total	**14,777.00**	**100.00%**	**16,794.79**	**100.00%**	**21,587.76**	**100.00%**	**24,720.84**	**100.00%**

Home Loans

Our Company offers loans for affordable housing with a focus on the self-employed and non-professional demographic seeking to buy and/ or construct new/ existing homes. Our Company offers finance which is secured against the borrower's property.

Our Company's Home Loans business was launched in Fiscal 2013 and has a customer base of around 0.87 lakhs as of September 30, 2023. As at September 30, 2023, our Company's home loan operations were carried out from 625 branches, most of which are co-located with vehicle finance branches.

Further, as of September 30, 2023, Home Loans segment accounted for 8.69% of the total loans while in the Fiscal ended September 30, 2023, disbursements in Home Loans segment accounted for 7.29% of the total disbursements.

Also, as on September 30, 2023 we registered a net interest margin of 6.35% and RoA of 3.26%.

New Businesses

Consumer and Small Enterprise Loans: Our Company provides loans to self-employed non-professionals and micro and small enterprises segment.

Secured Business and Personal Loans: Our Company launched the Secured Business and Personal Loans segment with an aim to provide funding to under-served self-employed non-professional customers in the businesses of trading and services, while keeping the risk lower by having a self-occupied residential property as collateral and providing finance to self-employed with business stability for more than 3 years, owning a property for collateral with cash and carry business with regular cash flow. As at September 30, 2023, our Company's Secured Business and Personal Loan segment was carried out from 363 branches, most of which are co-located with vehicle finance branches, across 10 states in India.

SME Loans: Our Company provides SME Loans to enable SMEs to meet the working capital and capex requirements. The financial products offered by our Company include equipment finance, term loans and loan against securities. As at September 30, 2023, our Company's SME Loans segment was carried out from 69 branches, most of which are co-located with vehicle finance branches.

The table below sets forth certain information on our AUM based on the various products offered under the New Businesses segment:

Product Category	**Loans**							
	As of March 31,						**As of September 30, 2023**	
	2021		**2022**		**2023**			
	AUM (₹ crores)	**% of New Business AUM**	**AUM (₹ crores)**	**% of New Business AUM**	**AUM (₹ crores)**	**% of New Business AUM**	**AUM (₹ crores)**	**% of New Business AUM**
New Businesses								
Consumer and Small Enterprise Loans	-	-	572.72	34.89%	5,526.96	58.05%	8,486.13	63.37%
Secured Business and Personal Loans	-	-	10.62	0.65%	444.40	4.67%	835.58	6.27%
Small and Medium Enterprise Loans	458.28	100.00%	1,058.26	64.47%	3,549.93	37.28%	4,005.78	30.06%
Total	**458.28**	**100.00%**	**1,641.60**	**100.00%**	**9,521.29**	**100.00%**	**13,327.49**	**100.00%**

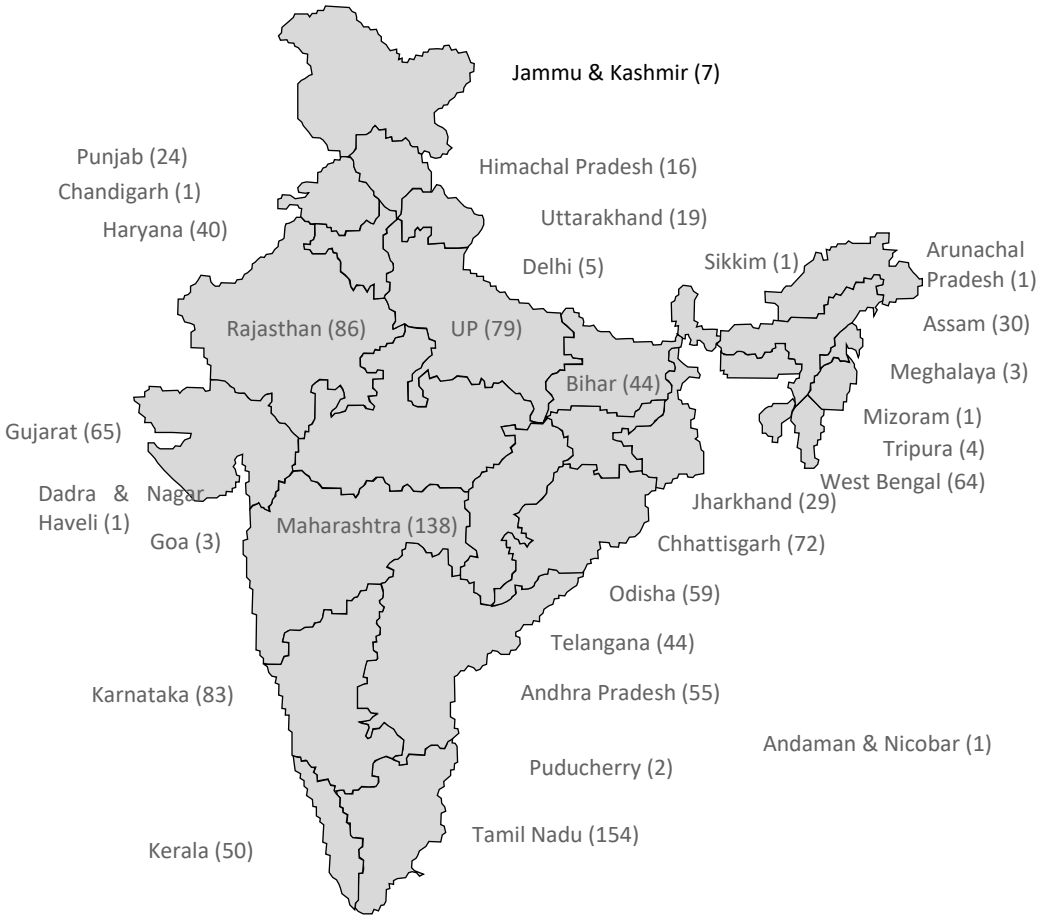
The table below sets forth certain information on our New Business vertical, including as a percentage of our total AUM:

Product Category	**Loans**							
	As of March 31,						**As of September 30,**	
	2021		**2022**		**2023**		**2023**	
	AUM (₹ crores)	**% of Total AUM**	**AUM (₹ crores)**	**% of Total AUM**	**AUM (₹ crores)**	**% of Total AUM**	**AUM (₹ crores)**	**% of Total AUM**
New Businesses								
Consumer and Small Enterprise Loans	-	-	572.72	0.74%	5,526.96	5.19%	8,486.13	6.83%
Secured Business and Personal Loans	-	-	10.62	0.01%	444.40	0.42%	835.58	0.67%
Small and Medium Enterprise Loans	458.28	0.65%	1,058.26	1.38%	3,549.93	3.33%	4,005.78	3.22%
Total	**458.28**	**0.65%**	**1,641.60**	**2.13%**	**9,521.29**	**8.94%**	**13,327.49**	**10.73%**

Branch Network

As at September 30, 2023, our Company had 1,267 branches located in 29 States and Union Territories in India.

The map below sets out details of our branches as of September 30, 2023:



KEY OPERATIONAL AND FINANCIAL PARAMETERS

The following tables set forth certain information relating to the financial performance of our Company:

CONSOLIDATED

Amount in Rs. crores, unless otherwise stated

Consolidated Basis				
Particulars	**As of and for the six months period ended September 30, 2023**	**As of and for the FY ended March 31, 2023**	**As of and for the FY ended March 31, 2022**	**As of and for the FY ended March 31, 2021**
BALANCE SHEET				
Assets				
Property, Plant and Equipment	457.19	374.69	242.15	208.26
Financial Assets	1,35,772.47	112,152.44	81,184.30	73,441.63
Non-financial Assets excluding property, plant and equipment	1,358.42	1,099.77	1,052.23	994.27
Total Assets	**1,37,588.08**	**113,626.90**	**82,478.68**	**74,644.16**
Liabilities				
Financial Liabilities				
-Derivative financial instruments	142.84	134.27	169.56	127.42
-Trade Payables	658.24	171.61	127.59	279.30
-Other Payables	923.68	1064.21	720.00	205.31
-Debt Securities	25,085.88	19,682.41	13,321.10	12,357.67
-Borrowings (other than Debt Securities)	89,268.42	73,186.19	52,004.52	47,182.26
-Deposits	-	-	-	-
-Subordinated liabilities	5,116.60	4,488.90	3,847.88	4,190.06
-Lease Liability	156.88	166.89	110.36	92.53
-Other Financial Liabilities excluding Lease Liability	163.69	196.52	229.16	410.15
Non - Financial Liabilities				
-Current tax liabilities (Net)/ current tax liabilities	17.00	-	-	42.25

Amount in Rs. crores, unless otherwise stated

Consolidated Basis				
Particulars	**As of and for the six months period ended September 30, 2023**	**As of and for the FY ended March 31, 2023**	**As of and for the FY ended March 31, 2022**	**As of and for the FY ended March 31, 2021**
-Provisions	159.54	142.22	119.68	110.45
-Deferred tax liabilities (net)	-	-	0.65	-
-Other non - financial liabilities	88.06	47.58	59.18	46.96
Total Equity (Equity Share Capital and Other Equity)	15,807.25	14,346.10	11,769.00	9,599.80
Total Liabilities and Equity	1,37,588.08	113,626.90	82,478.68	74,644.16
PROFIT AND LOSS				
Total revenue from operations	8,704.64	12,884.10	10,140.75	9,579.40
Other income	161.31	221.49	91.06	4.38
Total Income	8,865.95	13,105.59	10,231.81	9,583.78
Total Expenses	6,845.10	9,491.00	7,324.21	7,535.88
Profit before tax	2,020.85	3,614.59	2,907.60	2,047.90
Profit for the year / period	1,482.81	2,664.85	2,153.51	1,520.86
Other Comprehensive income/ (loss) net of tax for the year / period	(7.19)	23.88	136.27	(29.25)
Total Comprehensive Income (net of tax)	1,475.62	2,688.73	2,289.78	1,491.61
Earnings per share				
Continuing Operations				
i) basic	18.03	32.44	26.24	18.55
ii) diluted	17.98	32.38	26.19	18.52
Discontinuing operations				
i) basic	-	-	-	-
ii) diluted	-	-	-	-
Total Continuing and Discontinued operations				
i) basic	18.03	32.44	26.24	18.55
ii) diluted	17.98	32.38	26.19	18.52
CASH FLOW				
Net cash (used in) operating activities	(17,087.56)	(27,105.05)	(5,571.33)	(8,841.95)
Net cash (used in)/generated from investing activities	(783.30)	(2,148.41)	1,639.54	(1,572.28)
Net cash flow from financing activities	21,915.22	27,466.47	5,150.27	8,515.87
Cash and cash equivalents	4,956.21	911.85	2,698.84	1,593.23
Cash and Cash equivalents at the end of year/period	4,956.21	911.85	2,698.84	1,586.21
Additional Information				
Net Worth	15,807.25	14,346.10	11,769.00	9,599.80
Cash and Cash Equivalents	4,956.21	911.85	2,698.84	1,593.23
Loans	1,22,943.92	1,04,809.65	74,144.71	65,839.34
Current Investments	1,495.73	1,545.33	9.09	97.14
Assets Under Management	1,24,246.00	1,06,498	76,907.00	69,996.38
Off Balance Sheet Assets	1,438.33	1,762.48	2,764.99	4,160.42
Total Debt to Total assets	0.87	0.86	0.84	0.85
Debt Service Coverage Ratios	NA	NA	NA	NA
Interest Income	8,073.69	12,082.58	9,567.35	9,224.77
Interest Expense	4,210.36	5748.03	4297.66	4,575.54
Finance Costs	4,210.36	5,748.03	4,297.66	4,575.54
Interest service coverage ratio	NA	NA	NA	NA
Impairment of financial instruments	772.23	849.71	880.34	1,322.11
Bad debts to Account receivable ratio	NA	NA	1.14	1.97
Gross Stage 3 (%)	2.96%	3.01%	4.37%	3.96%
Net Stage 3 (%)	1.56%	1.62%	2.64%	2.21%
Tier I Capital as a percentage of Total Risk weighted assets (%)*	14.66%	14.78%	16.49%	15.16%
Tier II Capital as a percentage of Total Risk weighted assets (%)*	1.96%	2.35%	3.13%	3.94%

* *Represents Capital to Risk weighted assets ratio as per Audited Standalone Financial Statements of the Company.*

Notes:

Below are the reconciliation of the Non-GAAP measures derived from the consolidated financial information :

1. Reconciliation of Financial Assets and Non-Financial Assets to Non-Financial Assets excluding Property, Plant and Equipment

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Financial Assets				
Cash and cash equivalents (A)	4,956.21	911.85	2,698.84	1,593.23
Bank balances other than cash and cash equivalents (B)	2,931.91	2,095.25	1,603.00	3,686.54
Derivative financial instruments (C)	287.55	272.86	186.53	45.87
Receivables				
i) Trade receivables (D)	693.96	99.13	71.31	56.60
ii) Other receivables (E)	164.24	103.21	89.64	42.11
Loans (F)	1,22,943.92	104,809.65	74,144.71	65,839.34
Investments				
i) Associate (G)	0.01	7.64	33.03	24.24
ii) Others (H)	3,041.22	3,110.82	1,576.43	1,559.25
iii) Joint Venture (I)	439.60	443.41	445.59	
Other financial assets (J)	313.85	298.62	335.22	594.45
Total Financial Assets (K)= (A)+(B)+(C)+(D)+(E)+(F)+(G)+(H)+(I)+(J)	**1,35,772.47**	**112,152.44**	**81,184.30**	**73,441.63**
Non- Financial Assets				
Current tax assets/ Current tax assets (Net) (L)	403.86	270.1	252	147.67
Deferred tax assets (Net)(M)	672.88	611.49	674.91	768.97
Investment property (N)	0.13	0.13	0.13	0.13
Property, Plant and Equipment (O)	457.19	374.69	242.15	208.26
Capital Work in progress (P)	-	35.74	23.03	-
Intangible assets under development (Q)	22.31	24.76	14.32	9.91
Other intangible assets (R)	20.89	27.86	16.32	19.20
Other non-financial assets (S)	186.59	107.12	71.52	48.39
Total Non- Financial Assets (T)=(L)+(M)+(N)+(O)+(P)+(Q)+(R)+(S)	**1,763.85**	**1,451.89**	**1,294.38**	**1,202.53**
Assets Classified as held for Sale (Investment) (U)	**51.76**	**22.57**	-	-
TOTAL ASSETS (V)=(K)+(T)+(U)	**1,37,588.08**	**113,626.90**	**82,478.68**	**74,644.16**
Non- Financial Assets excluding Property, Plant and Equipment (W)=(T)+(U)-(O)	**1,358.42**	1,099.77	1,052.23	994.27

2. Reconciliation of Equity Share Capital and Other Equity to Net worth

Amount in Rs. crores

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital (A)	164.57	164.48	164.28	164.07
Other Equity (B)	15,642.68	14,181.62	11,604.72	9,435.73
Net worth (C)=(A)+(B)	**15,807.25**	**14,346.10**	**11,769.00**	**9,599.80**

3. Reconciliation of Debt Securities, Borrowings (other than debt securities) and Subordinated Liabilities to Total Debt to Total Assets

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Debt Securities (A)	25,085.88	19,682.41	13,321.1	12,357.67
Borrowings (other than debt securities) (B)	89,268.42	73,186.19	52,004.52	47,182.26
Subordinated Liabilities (C)	5,116.60	4,488.90	3,847.88	4,190.06
Total Debt (D)= (A)+(B)+ (C)	1,19,470.90	97,357.50	69,173.50	63,729.99
Total Assets (E)	1,37,588.08	113,626.90	82,478.68	74,644.16
Total Debt to Total Assets (F)= (D)/ (E)	0.87	0.86	0.84	0.85

4. Reconciliation of Gross Carrying Amount -Stage 3-Bills discounted to Gross Stage 3 (%)

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Gross Carrying amount - Stage 3 - Bills discounted (A)	10.86	7.19	37.69	37.39
Gross Carrying amount - Stage 3 - Term Loans (B)	3,707.95	3214.41	3305.12	2,667.63

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Gross Carrying amount - Stage 3 - Loans (C)=(A)+(B)	3,718.81	3,221.60	3,342.81	2,705.02
Total Gross Loans (D)	1,25,633.28	107,138.57	76,473.39	68,283.75
Gross Stage 3 (%) (E)=(C)/(D)	2.96%	3.01%	4.37%	3.96%

5. Reconciliation of Gross Carrying Amount - Stage 3 – Bills discounted to Net Stage 3 (%)

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Gross Carrying amount - Stage 3 - Bills discounted (A)	10.86	7.19	37.69	37.39
Gross Carrying amount - Stage 3 - Term Loans (B)	3,707.95	3,214.41	3,305.12	2,667.63
Gross Carrying amount - Stage 3 - Loans (C)=(A)+(B)	3,718.81	3,221.60	3,342.81	2,705.02
Impairment allowance - Stage 3 - Bills discounted (D)	6.49	5.35	34.78	34.34
Impairment allowance - Stage 3 - Term Loans (E)	1,753.28	1,476.66	1,291.37	1,163.15
Impairment allowance - Stage 3 - Loans (F)=(D)+(E)	1,759.77	1,482.01	1,326.15	1,197.49
Net Stage 3 loans (G)=(C)-(F)	1,959.04	1,739.59	2,016.66	1,507.53
Total Gross Loans (H)	1,25,633.28	107,138.57	76,473.39	68,283.75
Net Stage 3 (%) (I)=(G)/(H)	1.56%	1.62%	2.64%	2.21%

6. Reconciliation of Financial Liabilities and Non Financial Liabilities to Other Financial Liabilities excluding Lease Liability

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Financial Liabilities				
Derivative financial instruments (A)	142.84	134.27	169.56	127.42
Payables				
(I) Trade payables				
i) Total outstanding dues of micro and small enterprises (B.1)	3.38	3.40	3.06	-
ii) Total outstanding dues of creditors other than micro and small enterprises (B.2)	654.86	168.21	124.53	279.30
(II) Other payables				
i) Total outstanding dues of micro and small enterprises -	-	-	-	
ii) Total outstanding dues of creditors other than micro and small enterprises (C)	923.68	1,064.21	720.00	205.31
Debt securities (D)	25,085.88	19,682.41	13,321.1	12,357.67
Borrowings (Other than Debt Securities) (E)	89,268.42	73,186.19	52,004.52	47,182.26
Subordinated Liabilities (F)	5,116.60	4,488.90	3,847.88	4,190.06
Other Financial Liabilities (G)	320.57	363.41	339.52	502.68
Total Financial Liabilities (H)=(A)+(B.1)+(B.2)+(C)+(D)+(E)+(F)+(G)	1,21,516.23	99,091.00	70,530.17	64,844.70
Non-Financial Liabilities				
-Current tax liabilities (Net)/ current tax liabilities	17.00	-	-	42.25
Deferred tax Liabilities (net) (J)	-	-	0.65	-
Provisions (K)	159.54	142.22	119.68	110.45
Other non-financial liabilities (L)	88.06	47.58	59.18	46.96
Total Non-Financial Liabilities (M) = (I)+(J)+(K)+(L)	264.60	189.80	179.51	199.66
Equity				
Equity share capital (N)	164.57	164.48	164.28	164.07
Other equity (O)	15,642.68	14,181.62	11,604.72	9,435.73
Total Equity (P) = (N)+(O)	15,807.25	14,346.10	11,769.00	9,599.80
TOTAL LIABILITIES AND EQUITY (Q) = (H)+(M)+(P)	1,37,588.08	113,626.90	82,478.68	74,644.16
Lease Liability (R)	156.88	166.89	110.36	92.53
Other Financial Liabilities excluding Lease Liability (S) = (G)-(R)	163.69	196.52	229.16	410.15

STANDALONE

Amount in Rs. crores, unless otherwise stated

Standalone Basis				
Particulars	**As of and for the six months period ended September 30, 2023**	**As of and for the FY ended March 31, 2023**	**As of and for the FY ended March 31, 2022**	**As of and for the FY ended March 31, 2021**
BALANCE SHEET				
Assets				
Property, Plant and Equipment	454.25	372.17	239.89	203.02
Financial Assets	1,35,074.28	112,067.45	81,080.87	73,365.12
Non-financial Assets excluding property, plant and equipment	1,352.54	1,075.89	1,042.59	980.28
Total Assets	1,36,881.07	113,515.51	82,363.35	74,548.42
Liabilities				
Financial Liabilities				
-Derivative financial instruments	142.84	134.27	169.56	127.42
-Trade Payables	26.46	123.33	82.90	236.01
-Debt Securities	25,085.88	19,682.41	13,321.10	12,357.67
- Borrowings (other than Debt Securities)	89,268.42	73,186.19	52,004.52	47,182.26
-Subordinated liabilities	5,115.23	4,487.46	3,847.88	4,190.06
-Other financial liabilities including other payables	1,236.66	1,418.80	1,053.33	697.09
Non - Financial Liabilities				
-Current tax liabilities	-	-	-	42.25
-Provisions	158.31	140.88	118.27	109.58
-Deferred tax liabilities	-	-	-	-
-Other non - financial liabilities	73.85	46.12	58.11	45.77
Total Equity (Equity Share Capital and Other Equity)	15,773.42	14,296.05	11,707.68	9,560.31
Total Liabilities and Equity	1,36,881.07	113,515.51	82,363.35	74,548.42
PROFIT AND LOSS				
Total revenue from operations	8,465.27	12,757.04	10,048.29	9,516.01
Other income	240.24	220.94	90.48	3.61
Total Income	8,705.51	12,977.98	10,138.77	9,519.62
Total Expenses	6,717.23	9,378.29	7,247.83	7,481.18
Profit before tax	1,988.28	3,599.69	2,890.94	2,038.44
Profit for the year/period	1,488.50	2,666.20	2,146.71	1,514.91
Total Comprehensive Income net of tax for the year/period	1,491.82	2,700.01	2,267.95	1,480.13
Other Comprehensive income/ (loss) net of tax for the year/period	3.32	33.81	121.24	(34.78)
Earnings per share				
Continuing Operations				
i) basic	18.10	32.45	26.16	18.48
ii) diluted	18.05	32.40	26.11	18.45
Discontinuing operations				
i) basic	-	-	-	-
ii) diluted	-	-	-	-
Total Continuing and Discontinued operations				
i) basic	18.10	32.45	26.16	18.48
ii) diluted	18.05	32.40	26.11	18.45
Cash Flow				
Net cash (used in) operating activities	(17,122.43)	(27,036.89)	(5,607.52)	(8,850.74)
Net cash (used in)/generated from investing activities	(748.96)	(2,160.12)	1,666.68	(1,570.88)
Net cash from financing activities	21,914.72	27,449.42	5,150.87	8,531.44
Net increase/(decrease) in cash and cash equivalents	4,043.33	(1747.59)	1210.03	(1,908.18)
Cash and cash equivalents	4,953.62	910.29	2,657.88	1,553.70
Cash and Cash equivalents at the end of year/ period	4,953.62	910.29	2,657.88	1,553.70
Additional Information				
Net Worth	15,773.42	14,296.05	11,707.68	9,560.31
Cash and Cash Equivalents	4,953.62	910.29	2,657.88	1,553.70
Loans	1,22,889.03	104,748.32	74,149.21	65,839.34
Loans (Principal amount)	1,25,102.01	106,116.42	73,992.96	67,617.55
Current Investments	1,495.73	1,545.33	9.09	97. 14
Assets Under Management	1,24,246.00	106,498.30	76,906.73	69,996.38
Off Balance Sheet Assets	1,438.33	1,762.48	2,764.99	4,160.42
Total Debt to Total assets	0.87	0.86	0.84	0.85
Debt Service Coverage Ratios	NA	NA	NA	NA
Interest Income	8,069.69	12,082.18	9,566.81	9,224.16

Amount in Rs. crores, unless otherwise stated

Standalone Basis				
Particulars	**As of and for the six months period ended September 30, 2023**	**As of and for the FY ended March 31, 2023**	**As of and for the FY ended March 31, 2022**	**As of and for the FY ended March 31, 2021**
Interest Expense	4,212.29	5,748.75	4,298.82	4,575.91
Finance Costs	4,212.29	5,748.75	4,298.82	4,575.91
Interest service coverage ratio	NA	NA	NA	NA
Impairment of financial instruments (Net)	772.15	849.68	880.30	1,321.83
Bad debts to loans	0.61	0.78	1.30	1.97
% Stage 3 Loans on Loans (Principal amount)	2.97%	3.04%	4.52%	4.00%
% Net Stage 3 Loans on Loans (Principal amount)	1.57%	1.64%	2.73%	2.23%
Gross Stage 3 (%)	2.96%	3.01%	4.37%	3.96%
Net Stage 3 (%)	1.56%	1.62%	2.64%	2.21%
Tier I Capital as a percentage of Total Risk weighted assets (%)	14.66%	14.78%	16.49%	15.16%
Tier II Capital as a percentage of Total Risk weighted assets (%)	1.96%	2.35%	3.13%	3.94%

Notes:

Below are the reconciliation of the Non-GAAP measures derived from the standalone financial information:

1. Reconciliation of Financial Assets and Non-Financial Assets to Non-Financial Assets excluding Property, Plant and Equipment

Amount in Rs. crores, unless otherwise stated

Particulars	**September 30, 2023**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Financial Assets				
Cash and cash equivalents (A)	4,953.62	910.29	2,657.88	1,553.70
Bank balances other than cash and cash equivalents (B)	2,898.17	2,051.13	1,562.20	3,678.18
Derivative financial instruments (C)	287.55	272.86	186.53	45.87
Receivables				
i) Trade receivables (D)	43.08	77.18	32.47	20.31
ii) Other receivables (E)	208.70	113.88	95.54	46.12
Loans (F)	1,22,889.03	104,748.32	74,149.21	65,839.34
Investments (G)	3,558.52	3,620.02	2,076.16	1,618.82
Other financial assets (H)	235.61	273.77	320.88	562.78
Total Financial Assets (I)= (A)+(B)+(C)+(D)+(E)+(F)+(G)+(H)	1,35,074.28	112,067.45	81,080.87	73,365.12
Non-Financial Assets				
Current tax assets/ Current tax assets (Net) (J)	403.86	267.06	250.71	146.15
Deferred tax assets (Net)(K)	671.38	608.50	671.43	763.80
Investment property (L)	0.13	0.13	0.13	0.13
Property, Plant and Equipment (M)	454.25	372.17	239.89	203.02
Capital Work in Progress (N)	-	35.74	23.03	
Intangible assets under development (O)	22.09	24.60	13.95	9.82
Other intangible assets (P)	19.84	26.43	14.55	16.45
Other non-financial assets (Q)	183.48	105.43	68.79	43.93
Total Non- Financial Assets (R)=(J)+(K) +(L)+(M)+(N)+(O)+(P)+(Q)	1,755.03	1,440.06	1,282.48	1,183.30
Asset classified as held for sale - Investment - (S)	51.76	8.00	-	-
TOTAL ASSETS (T)=(I)+(R)+(S)	1,36,881.07	113,515.51	82,363.35	74,548.42
Non- Financial Assets excluding Property, Plant and Equipment (U)=(R)-(M)+(S)	1,352.54	1,075.89	1,042.59	980.28

2. Reconciliation of Equity Share Capital and Other Equity to Net worth

Amount in Rs. crores

Particulars	**September 30, 2023**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Equity Share Capital (A)	164.57	164.48	164.28	164.07
Other Equity (B)	15,608.85	14,131.57	11,543.40	9,396.24
Net worth (C)=(A)+(B)	15,773.42	14,296.05	11,707.68	9,560.31

3. Reconciliation of Interest income as a percentage of total income

Amount in Rs. crores, unless otherwise stated

Particulars	As of March 31,			As of September 30,
	2021	2022	2023	2023
	(₹ crores, except ratios and percentages)			
Interest Income (A)	9,224.16	9,566.81	12,082.18	8,069.69
Total Income (B)	9,519.62	10,138.77	12,977.98	8,705.51
Interest Income as a percentage of total income (C) = (A)/(B)	96.90%	94.36%	93.10%	92.70%

4. Reconciliation of Debt Securities, Borrowings (other than debt securities) and Subordinated Liabilities to Total Debt to Total Assets

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Debt Securities (A)	25,085.88	19,682.41	13,321.10	12,357.67
Borrowings (other than debt securities) (B)	89,268.42	73,186.19	52,004.52	47,182.26
Subordinated Liabilities (C)	5,115.23	4,487.46	3,847.88	4,190.06
Total Debt (D)= (A)+(B)+ (C)	1,19,469.53	97,356.06	69,173.50	63,729.99
Total Assets (E)	1,36,881.07	113,515.51	82,363.35	74,548.42
Total Debt to Total Assets (F)= (D)/ (E)	0.87	0.86	0.84	0.85

5. Reconciliation of Gross Carrying Amount-Stage 3-Bills discounted to Gross Stage 3 (%)

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Gross Carrying amount - Stage 3 - Bills discounted (A)	10.86	7.19	37.69	37.39
Gross Carrying amount - Stage 3 - Term Loans (B)	3,707.95	3,214.41	3,305.12	2,667.62
Gross Carrying amount - Stage 3 - Loans (C)=(A)+(B)	3,718.81	3,221.60	3,342.81	2,705.01
Total Gross Loans (D)	1,25,578.39	107,077.24	76,477.89	68,283.75
Gross Stage 3 (%) (E)=(C)/(D)	2.96%	3.01%	4.37%	3.96%

6. Reconciliation of Gross Carrying Amount - Stage 3 – Bills discounted to Net Stage 3 (%)

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Gross Carrying amount - Stage 3 - Bills discounted (A)	10.86	7.19	37.69	37.39
Gross Carrying amount - Stage 3 - Term Loans (B)	3,707.95	3,214.41	3,305.12	2,667.62
Gross Carrying amount - Stage 3 - Loans (C)=(A)+(B)	3,718.81	3,221.60	3,342.81	2,705.01
Impairment allowance - Stage 3 - Bills discounted (D)	6.49	5.35	34.78	34.34
Impairment allowance - Stage 3 - Term Loans (E)	1,753.28	1,476.66	1,291.37	1,163.15
Impairment allowance - Stage 3 - Loans (F)=(D)+(E)	1,759.77	1,482.01	1,326.15	1,197.49
Net Stage 3 loans (G)=(C)-(F)	1,959.02	1,739.59	2,016.66	1,507.52
Total Gross Loans (H)	1,25,578.39	107,077.24	76,477.89	68,283.75
Net Stage 3 (%) (I)=(G)/(H)	1.56%	1.62%	2.64%	2.21%

7. Reconciliation of Financial Liabilities and Non-Financial Liabilities to Other Financial Liabilities including Other Payables

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Financial Liabilities				
Derivative financial instruments (A)	142.84	134.27	169.56	127.42
Payables				
(I) Trade payables				
i) Total outstanding dues of micro and small enterprises (B.1)	3.38	3.40	3.06	-
ii) Total outstanding dues of creditors other than micro and small enterprises (B.2)	23.08	119.93	79.84	236.01
(II) Other payables				
i) Total outstanding dues of micro and small enterprises – (C.1)	-	-	-	

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
ii) Total outstanding dues of creditors other than micro and small enterprises (C.2)	924.28	1,064.69	719.9	204.92
Debt securities (D)	25,085.88	19,682.41	13,321.1	12,357.67
Borrowings (Other than Debt Securities) (E)	89,268.42	73,186.19	52,004.52	47,182.26
Subordinated Liabilities (F)	5,115.23	4,487.46	3,847.88	4,190.06
Other Financial Liabilities (G)	312.38	354.11	333.43	492.17
Total Financial Liabilities (H)=(A)+(B.1)+(B.2)+(C.1)+(C.2) +(E)+(F)+(G)	1,20,875.49	99,032.46	70,479.29	64,790.51
Non-Financial Liabilities				
Current tax Liabilities (I)	-	-	-	42.25
Provisions (J)	158.31	140.88	118.27	109.58
Other non-financial liabilities (K)	73.85	46.12	58.11	45.77
Total Non-Financial Liabilities (L) = (I)+(J)+(K)	232.16	187.00	176.38	197.60
Equity				
Equity share capital (M)	164.57	164.48	164.28	164.07
Other equity (N)	15,608.85	14,131.57	11,543.40	9,396.00
Total Equity (O) = (M)+(N)	15,773.42	14,296.05	11,707.68	9,560.07
Total Liabilities and Equity (P) = (H)+(L)+(O)	1,36,881.07	1,13,515.51	82,363.35	74,548.18
Lease liability - (Q)	156.87	166.89	109.98	89
Other Financial Liabilities including other payables (R) = (G)+(C.1)+(C.2)	1,236.66	1,418.80	1,053.33	403.17

8. Reconciliation of Gross carrying amount –Stage 3-Bills discounted to Gross Carrying Amount -Stage 3- Loans

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Gross Carrying amount - Stage 3 - Bills discounted (A)	10.86	7.19	37.69	37.39
Gross Carrying amount - Stage 3 - Term Loans (B)	3,707.95	3,214.41	3,305.12	2,667.62
Gross Carrying amount - Stage 3- Loans (C)=(A)+(B)	3,718.81	3,221.60	3,342.81	2,705.01

9. Reconciliation of Gross carrying amount – Stage 1-Bills discounted to Gross Carrying Amount - Stage 1 and Stage 2-Loans

Amount in Rs. crores, unless otherwise stated

Particulars	As of September 30, 2023	As of March 31,		
		2021	2022	2023
		(₹ crores)		
Gross Carrying amount - Stage 1 - Bills discounted (A)	779.33	96.78	332.91	915.68
Gross Carrying amount - Stage 2 – Bills discounted (B)	2.30	-	0.39	3.98
Gross Carrying amount - Stage 1 – Term Loans (C)	1,17,039.00	61,250.85	66,984.70	98,996.88
Gross Carrying amount - Stage 2 – Term Loans (D)	4,038.95	4,231.11	5,817.08	3,939.10
Gross Carrying amount - Stage 1 and Stage 2-Loans (E)=(A)+(B)+(C)+(D)	1,21,859.57	65,578.74	73,135.08	1,03,855.64

10. Reconciliation of Gross carrying amount – Stage 3 – Bills discounted to Net Stage 3 Loans

Amount in Rs. crores, unless otherwise stated

Particulars	As of March 31,			As of September 30,
	2021	2022	2023	2023
	(₹ crores)			
Gross Carrying amount - Stage 3 - Bills discounted (A)	37.39	37.69	7.19	10.86
Gross Carrying amount - Stage 3 – Term Loans (B)	2,667.62	3,305.12	3,214.41	3,707.95
Gross Carrying amount - Stage 3 Loans (C)=(A)+(B)	2,705.01	3,342.81	3,221.60	3,718.81
Impairment allowance - Stage 3 - Bills discounted (D)	34.34	34.78	5.35	6.49
Impairment allowance - Stage 3 – Term Loans (E)	1,163.15	1,291.37	1,476.66	1,753.28

Amount in Rs. crores, unless otherwise stated

Particulars	As of March 31,			As of September 30,
	2021	2022	2023	2023
	(₹ crores)			
Impairment Allowance - Stage 3 – Loans (F)=(D)+(E)	1,197.49	1326.15	1,482.01	1,759.77
Net Stage 3 Loans (G) = (C)-(F)	1,507.52	2,016.66	1,739.59	1,959.05

11. Reconciliation of Gross carrying amount – Stage 1- Bills discounted to Net Carrying Amount - Stage 1 and Stage 2

Amount in Rs. crores, unless otherwise stated

Particulars	As of March 31,			As of September 30,
	2021	2022	2023	2023
	(₹ crores)			
Gross Carrying amount - Stage 1 - Bills discounted (A)	96.78	332.91	915.68	779.33
Gross Carrying amount - Stage 2 – Bills discounted (B)	-	0.39	3.98	2.30
Gross Carrying amount - Stage 1 – Term Loans (C)	61,250.85	66,984.70	98,996.88	1,17,039.00
Gross Carrying amount - Stage 2 – Term Loans (D)	4,231.11	5,817.08	3,939.10	4,038.95
Gross Carrying Amount - Stage 1 and Stage 2- Loans (E)=(A)+(B)+(C)+(D)	65,578.74	73,135.08	1,03,855.64	1,21,859.57
Impairment allowance - Stage 1 - Bills discounted (F)	0.57	2.71	7.49	6.24
Impairment allowance - Stage 1 – Term Loans (G)	536.71	340.20	437.19	509.45
Impairment allowance - Stage 2 - Bills discounted (H)	-	0.04	0.39	0.23
Impairment allowance - Stage 2 – Term Loans (I)	709.64	659.58	401.84	413.68
Impairment Allowance - Stage 1 and Stage 2 – Loans (J)=(F)+(G)+(H)+(I)	1,246.92	1002.53	846.91	929.59
Net Carrying Amount - Stage 1 and Stage 2 (K) = (E)-(J)	64,331.82	72,132.55	1,03,008.73	1,20,929.98

12. Reconciliation of Gross Carrying Amount – Stage 3 – Bills discounted to Provision Coverage Ratio for Stage 3 (%)

Amount in Rs. crores, unless otherwise stated

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Gross Carrying amount - Stage 3 - Bills discounted (A)	10.86	7.19	37.69	37.39
Gross Carrying amount - Stage 3 - Term Loans (B)	3,707.95	3,214.41	3,305.12	2,667.62
Gross Carrying amount - Stage 3 - Loans (C)=(A)+(B)	3,718.81	3,221.60	3,342.81	2,705.01
Impairment allowance - Stage 3 - Bills discounted (D)	6.49	5.35	34.78	34.34
Impairment allowance - Stage 3 - Term Loans (E)	1,753.28	1,476.66	1,291.37	1,163.15
Impairment allowance - Stage 3 - Loans (F)=(D)+(E)	1,759.77	1,482.01	1,326.15	1,197.49
Provision Coverage Ratio for Stage 3 (%) (G = F/C)	47.32%	46.00%	39.67%	44.27%

13. Reconciliation of Gross Carrying Amount – Stage 1 – Bills discounted to Provision Coverage Ratio Stage 1 and Stage 2 (%)

Amount in Rs. crores, unless otherwise stated

Particulars	As of March 31,			As of September 30,
	2021	2022	2023	2023
	(₹ crores, except ratios and percentages)			
Gross Carrying amount - Stage 1 - Bills discounted (A)	96.78	332.91	915.68	779.33
Gross Carrying amount - Stage 2 – Bills discounted (B)	-	0.39	3.98	2.30

Amount in Rs. crores, unless otherwise stated

Particulars	As of March 31,			As of September 30,
	2021	2022	2023	2023
	(₹ crores, except ratios and percentages)			
Gross Carrying amount - Stage 1 – Term Loans (C)	61,250.85	66,984.70	98,996.88	1,17,039.00
Gross Carrying amount - Stage 2 – Term Loans (D)	4,231.11	5,817.08	3,939.10	4,038.95
Gross Carrying Amount - Stage 1 and Stage 2- Loans (E)=(A)+(B)+(C)+(D)	65,578.74	73,135.08	1,03,855.64	1,21,859.57
Impairment allowance - Stage 1 - Bills discounted (F)	0.57	2.71	7.49	6.24
Impairment allowance - Stage 1 – Term Loans (G)	536.71	340.20	437.19	509.45
Impairment allowance - Stage 2 - Bills discounted (H)	-	0.04	0.39	0.23
Impairment allowance - Stage 2 – Term Loans (I)	709.64	659.58	401.84	413.68
Impairment Allowance - Stage 1 and Stage 2 – Loans (J)=(F)+(G)+(H)+(I)	1,246.92	1002.53	846.91	929.59
Provision Coverage Ratio Stage 1 and Stage 2 (%) (K) = (J)/(E)	1.90%	1.37%	0.82%	0.76%

14. Reconciliation of Total Gross Loans to Provision Coverage Ratio (%)

Amount in Rs. crores, unless otherwise stated

Particulars	As of March 31,			As of September 30,
	2021	2022	2023	2023
	(₹ crores, except ratios and percentages)			
Total Gross Loans (A)	68,283.75	76,477.89	1,07,077.24	1,25,578.39
Impairment Allowance – Total – Bills Discounted (B)	34.91	37.53	13.23	12.96
Impairment Allowance – Total – Term Loans (C)	2,409.50	2,291.15	2,315.69	2,676.40
Impairment Allowance – Total (D) = (B)+(C)	2,444.41	2,328.68	2,328.92	2,689.36
Provision Coverage Ratio (%) (E)=(D)/(A)	3.58%	3.04%	2.17%	2.14%

15. Reconciliation of Impairment allowance - Stage 1 - Bills discounted to Impairment Allowance - Stage 1 and Stage 2 – Loans

Amount in Rs. crores, unless otherwise stated

Particulars	As of March 31,			As of September 30,
	2021	2022	2023	2023
	(₹ crores)			
Impairment allowance - Stage 1 - Bills discounted (A)	0.57	2.71	7.49	6.24
Impairment allowance - Stage 1 – Term Loans (B)	536.71	340.20	437.19	509.45
Impairment allowance - Stage 2 - Bills discounted (C)	-	0.04	0.39	0.23
Impairment allowance - Stage 2 – Term Loans (D)	709.64	659.58	401.84	413.68
Impairment Allowance - Stage 1 and Stage 2 – Loans (E)=(A)+(B)+(C)+(D)	1,246.92	1002.53	846.91	929.59

16. Reconciliation of Impairment allowance - Stage 3 - Bills discounted to Impairment Allowance - Stage 3 - Loans

Particulars	As of March 31,			As of September 30,
	2021	2022	2023	2023
	(₹ crores)			
Impairment allowance - Stage 3 - Bills discounted (A)	34.34	34.78	5.35	6.49
Impairment allowance - Stage 3 – Term Loans (B)	1,163.15	1,291.37	1,476.66	1,753.28
Impairment Allowance - Stage 3 – Loans (C)=(A)+(B)	1,197.49	1,326.15	1,482.01	1,759.77

Our Company's Operations

Our Company operates under a "hub and spoke" business model, where responsibilities from loan origination to recoveries of loans are vested in each of the respective branches, under the overall supervision and control of our Company's head office. Our branches are connected to the central hub in Chennai through our Company's digital platform. The head office and senior management are primarily responsible for the overall business strategy, operational management, information technology, digital strategy and policy formulation for our Company's businesses. However, the credit decision process in connection with loans is decentralised and vested primarily with branches, which ensures timely credit approvals and more efficient turnaround times in processing the loans.

Our Company's business operating structure can be classified as follows:

Head Office Operations: The centralised operations at Chennai consist of the following functions:

- Loan disbursements;
- Maintaining loan file closures;
- Channel partner payment processing;
- Overall customer relationship management;
- Banking and post disbursement documentation; and
- Document management.

Branch Operations: Our Company's branches are largely autonomous and are vested with powers of loan origination, credit evaluation and approval and loan servicing and recoveries, under the general supervision of the head office. Our Company's focuses on closely monitoring its assets and borrowers through its local management at each branch. Our Company's branch officials develop relationships with their target customer base, which enables them to capitalise on local knowledge. Our Company follows stringent credit policies, including limits on customer exposure, to ensure the asset quality of loans and the security provided for such loans. We have a dedicated team of employees at each branch (comprising full-time employees and outsourced personnel) who are responsible for: (i) loan origination, (ii) credit evaluation and verification of borrower information to ensure compliance with internal KYC policies, (iii) pre-lending field investigations where our officials personally visit prospective customers at their homes or offices, (iv) post-lending credit appraisal, (v) branch level receipting and cash management, and (vi) customer service and lead generation.

Our Company's loan disbursement and allied operational activities have been certified ISO 9001:2015.We implemented a quality management system for our Company's operations in 2019 and have since established processes and methodologies that adhere to international standards to achieve consistency in servicing its customers. We believe that our quality management system has helped our operations in achieving greater consistency in the activities, increasing efficiency, improving customer satisfaction and improving processes and systems.

Business Origination

As of September 30, 2023, our Company's customer base comprised 30.94 lakh active customers. Our Company's customers are predominantly small entrepreneurs and self-employed individuals in rural and semi-urban areas. Depending on the nature of the financing granted, our Company secures each of the loans extended against existing and/ or target property, commercial property and other business assets.

Vehicle Finance

Our Vehicle Finance segment has a dedicated team for business origination which pertains to sourcing and identifying customers eligible as prospective borrowers for the Company. All activities, including field investigation, personal discussion, original seen and verification of 'know your customer' documents (as per RBI approved KYC norms), collection of all relevant documents and a due diligence of the borrowers to evaluate the credit worthiness of the borrower is undertaken by sales executives. All documents are then verified by the credit and operations department of our Company.

Loan Against Property

For the Loan Against Property segment, customers are sourced through a combination of in-house sales teams and through DSAs. In addition, digital channel lead sourcing has been created to generate organic online leads. Leads generated though these digital channels are assigned to in-house sales team for further processing.

Home Loans

Similar to the Loan Against Property segment, the sales and marketing, credit underwriting and receivables management functions of the home loan finance segment are carried out in-house. The sales and marketing team also source customers through a combination of in-house sales functions, DSAs, online lead aggregators and other referral agents.

New Businesses

Sales and credit managers carry out personal discussions with customers as part of the credit appraisal process. For our SME loans, sourcing is primarily carried out through internal sales managers and in case of machinery loans the sourcing will be through manufacturer tie-up and dealers. Further, we have entered in strategic partnership with certain leading fintech companies, through our consumer and small enterprises loans segmen

Internal Control Measures

We have implemented comprehensive internal control measures to ensure process quality and standard operating procedures for all operations. We have prepared risk registers for all processes, identifying all potential risks including potential mitigants, controls and risk triggers. Our in-house and independent internal control process teams carry out audit checks of critical processes and all key operational processes are centralised at our head office for better control.

Operations across Segments

Vehicle Finance: We have a well-developed structure to handle our Vehicle Finance segment. The key functions within Vehicle Finance segment are as follows:

- Sales;
- Credit underwriting; and
- Receivables management

The sales and marketing, credit underwriting and receivables management functions of the Vehicle Finance segment are a combination of in-house and outsourced personnel. This allows us to maintain complete control over the quality of business being sourced and timely and relevant enforcement and recovery action in the event of defaults. The functions at the branch level are led by a branch manager, branch credit manager and branch receivables manager. These are managed at the national level by national managers for sales, credit and collections.

Loan Against Property: The sales and marketing, credit underwriting and receivables management functions of the Loan Against Property segment are carried out in-house. We have created a digital channel lead sourcing mechanism to generate organic online leads. Leads generated though these digital channels are assigned to in-house sales team for further processing. The Loans Against Property segment involves an engagement approach through visits by personnel to prospective customers at their homes or offices for origination and servicing of such loans. Similar to the Vehicle Finance business, the functions at the branch level are led by a branch manager, branch credit manager and branch collections manager. These functions are managed at the national level by national managers for sales, credit and collections.

Home Loans: Similar to the Loans Against Property and Vehicle Finance segments, our Company's functions at the branch level are led by a branch manager, branch credit manager and branch collections manager. These functions are managed at the national level by national managers for sales, credit and collections. We also have national managers for technical and legal scrutiny under the national credit manager and have developed a fully digital on-boarding system for our home loans business where all KYC documents are verified online instantly, bureau checks are completed, bank statements are analysed and an in-principle sanction is provided to the customers. Regular updates are provided to the customer through SMS.

New Businesses – SME: Credit managers conduct personal visits and evaluate the credit requirements of customers. Functions at the branch level are led by a branch manager, branch credit manager and branch collections manager. These functions are managed at the national level by national managers for sales, credit and collections.

Additionally, In relation to our New Business, we have an internal control framework including clear delegation of authority and standard operating procedures are established and laid out across all businesses and functions. These are reviewed periodically at all levels. The risk and control matrices are reviewed on a quarterly basis and control measures are tested and documented.

Credit Philosophy

The credit philosophy followed by our Company is risk identification and measurement to ensure sanction of profitable loans for the organization with optimum productivity and desirable portfolio behavior.

Credit Appraisal and Disbursement

Credit Appraisal

The credit evaluation process commences once the proposed financing is submitted for appraisal. Our credit evaluation process follows the below matrix:

CAPACITY	→	ABILITY TO REPAY As verified in personal discussions with customers, proof of asset creation and documentation submitted.
CAPITAL	→	APPLICANT'S EQUITY LTV is an important evaluation criteria and the company also complies with the relevant regulatory norms
COLLATERAL	→	ASSET BACK-UP A detailed assessment of the collateral is taken up through a field visit of the property by managers, technical and legal verification by professional agents, vetting of technical and legal reports by managers
CONDITIONS	→	Terms of the loan are determined.
CHARACTER	→	INTENTION/ TRUSTWORTHINESS KYC documents, bank statements and bureau reports are duly verified to assess credit worthiness of customers.

There are various credit tools to assist the credit evaluation process, such as field investigation reports, inquiry "deduplication" (which involves the removal of "duplicate" credit inquiries of a borrower in determining creditworthiness), CIBIL, credit reference checks, personal discussion, technical and legal verification, financier interaction and market visits.

Our credit assessment criteria follows a process focusing on: (i) quality portfolio; (ii) consistency in credit appraisal; (iii) innovation and improvisation; (iv) productivity; and (v) profitability.

We aim to identify and measure risk to ensure loans are sanctioned with optimum productivity and desirable portfolio behaviour. The primary responsibility of the credit team is to analyze risks and to make credit decisions that will result in granting low-risk, profitable loans in which the principal and interest is estimated to be repaid in a timely fashion. Our credit managers analyze the borrower's ability and willingness to repay.

Loan Approval and Documentation – The branch credit manager approves proposals received from the credit officer. In evaluating the customer, apart from the ability to repay (which is the main criteria), the branch credit manager will take into consideration other factors such as permanency of residence, past repayment record, income from other sources, entrepreneurial attitude, physical verification of the asset, if any, to be purchased and operational viability of the proposed business, if applicable. Upon approval, borrowers will enter into our Company's standard financing agreement. A charge is created on the property to ensure that the company's interests are safeguarded. Original property documents are scrutinized and placed under a high security safe vault.

The funds are advanced after this process of evaluation and upon providing the necessary documentation. Our objective is to ensure appraisal and disbursement within the shortest possible time, without compromising on credit quality.

Valuation

There is an inspection and valuation of the asset to be funded and valuation is on the basis of the quality and condition of the asset. We have empaneled valuers after conducting due diligence on such valuers. We maintain an internal grid value for all vehicle models which is revised periodically. The asset cost considered for determining the loan amount to the borrower is the lower of the valuation (market cost) or grid value as determined.

We have adopted a scientific model for determining Loan to Value (LTV) for every loan granted. In addition to the traditional model for disbursing a loan on the basis of pre-determined matrix, we rely on mathematical modelling to assist with all loans being sanctioned.

Credit Underwriting

The credit worthiness is measured by the capacity, capability, commitment and intention of the customer to repay. The credit underwriting process is decentralized at all the branches, with approvals happening as per the authority limit of the credit manager/ underwriter. Beyond their respective credit limits, the loan proposal is referred to the respective regional credit heads, who further report to the national credit manager.

Vehicle Finance: Credit underwriting is rendered through credit scoring mechanism which is a predictive model to quantify the likelihood of default of a new credit applicant using certain key trends identified.

Loan Against Property: The credit decision of every loan proposal within the Loan Against Property segment is determined through an assessment of the applicant's credit worthiness. In addition to the credit assessment of the borrower, the loan proposal requires legal evaluations of the collateral property. Legal evaluation includes review of the title documents of the collateral to ensure a clear and marketable title for the collateral. At the time of loan disbursement, the credit manager checks and collects the entire set of original documents, along with the root and supporting documents/ certificates of the collateral, as instructed by the advocate as part of a legal opinion. The technical evaluation of the collateral includes estimation of current market value

of the property, determining deviations in the construction of the property from the local rules, details of the approach to the property, demolition risk or encroachment risk and validation of the approval authority. We undertake two technical evaluations and select the lower of these evaluations. The credit manager will match the details of the valuation report with legal report before the disbursement of the loan.

Home Loans: The process of evaluating a customer's ability to repay is similar to that in Vehicle Finance segment. We place emphasis on the quality of the collateral. Disbursement powers vary with each financial product. Further, business heads and the managing director are authorised to delegate loan disbursement powers to the operating managers at the branch level. The business follows clearly defined procedures for evaluating the creditworthiness of customers.

Approval

Credit managers are empowered to sanction loans within the limits prescribed, depending upon the experience, maturity and knowledge levels of each credit manager. Delegated limits are based on the specific experience of each credit manager, as opposed to their position of employment. Regular training and testing is conducted for the credit managers and other personnel. Delegated authority will be granted for management at various levels, e.g. branch, area, regional, zonal and national level. We have a well-defined authority matrix in place for delegating authority to credit managers, which includes components such as transaction value, customer/ group exposure limits and permitted exceptions and deviations to norms or policies. Further, there is a parameterized credit scoring model to ensure that credit decisions are objective. There are credit control managers at our head office to lend support to branches for reports and data pertaining to portfolio behaviour, trends and analysis and service issues.

Loan Administration and Monitoring

Receivables management is a strong focus area for the company. Collections are made on the basis of well-defined processes and policies. The businesses have an in-house collection team for making recoveries from the customer.

Once the disbursement of a loan amount has occurred, the executed financing agreements are logged in our Company's books of account. A unique contract number and a customer account is assigned to each customer, through which the loan transaction is monitored until the successful completion of the contract.

We provide our customers five payment options – (i) cash; (ii) cheque; (iii) electronic clearing service mandate; (iv) demand drafts; and (v) digital payments. Digital payments include UPI, net banking and debit cards. Repayments are mostly made in monthly, quarterly or semi-annual instalments based on customer requirements. Loans disbursed are recovered from the customer in accordance with the loan terms and conditions agreed with the customer (based on standard documentation). We track loan repayment schedules of our customers on a monthly basis, based on the outstanding tenor of the loan, the number of instalments due and any default committed.

Our Company's management information service department and centralised operating team monitor compliance with the terms and conditions of credit facilities.

Defaults

Any loan default by a customer will be notified to them and the necessary action will be taken by our central team. In case of any default, we notify the customer and demand payment of outstanding amounts. In the event of subsequent non-payment by the customer, criminal and/ or civil legal action may be initiated. We also engage debt recovery agencies to recover debts and/ or seize secured assets. In the case of delayed payments, we also charge additional interest over and above the interest rate charged for the loan.

Collection and Recovery

Vehicle Finance: Our loan recovery process, post default, is primarily through cash payments, cheques and digital/ electronic modes. Our collection operation is administered in-house and also through external collection agencies. Upon occurrence of a default, the reasons for the default are identified by local collection managers and appropriate action is then initiated. Based on the severity of the breach and the borrower's current position, as well as recommendations from the collections team, appropriate legal action may be initiated, including the recovery of secured assets.

Any vehicles which has been repossessed as a result of legal action following non-payment of a loan will be held at a designated secured facility for eventual sale. Any customer whose asset has been repossessed will be notified as to the outstanding loan amount to be paid within a specified period, failing which the asset may be disposed of through auction. In the event that there is a shortfall in the recovery of the outstanding amount from the sale of the asset, further legal proceedings against the customer may be initiated.

Loan Against Property: The default of EMIs in the Loan Against Property segment is handled by a three-stage process.

The field collection team managed by branch collection manager/ area collection manager handles the direct follow up with default customers for the payment of overdue amount. The money collected by this team is receipted through handheld devices provided to field executives. The collected amount in this case will directly be credited to the customer's statement.

The branch legal team assists the front-end collection efforts, in cases where the field collections team is not able to collect the EMIs directly. In such cases, legal action or arbitration proceedings are initiated towards recovering the overdues from customers by the branch legal team.

The central legal team at the head office supports the collection efforts, above and beyond the efforts of the field collection team and the branch legal team. MIS personnel at the central team provide the branch teams with critical information on data and documentation required for field collection efforts and legal action.

The repossession of the property by Loan Against Property business is effected through two legislations, namely, Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the Arbitration and Conciliation Act, 1996, each as amended.

New Businesses*:* Similar to Vehicle Finance and Loan Against Property segments, the recovery process is primarily through post-dated cheques and digital/ electronic modes. At locations where electronic clearing services are not available, post-dated cheques are stored at our head office and deposited on the required due date. Our collection operation is administered primarily in-house. Upon occurrence of a default, the reasons for the default are identified by local collection managers and appropriate action is then initiated. Based on the severity of the breach and the borrower's current position, as well as recommendations from the collections team, appropriate legal action may be initiated, including the recovery of secured assets.

The legal action is typically initiated by issuing a demand notice to customers. Once the account is non-performing and after the stipulated period from issuing the demand notice the arbitration process is initiated. The arbitration process culminates in the issuance of an award by the arbitrator. After the stipulated cooling period an execution petition is filed in the relevant court. The due process is followed which culminates in receiving an order to attach immovable property. Subsequently, the court authorizes a proclamation of sale and the property is auctioned to recover the amount. In some cases, criminal action may be initiated. Through the entire period, we also make efforts to arrive at an out of court settlement to expedite the recovery. In the event that there is a shortfall in the recovery of the outstanding amount from the sale of the asset, further legal proceedings against the customer may be initiated.

In addition, for our SME loans we also initiate proceedings under the Insolvency and Bankruptcy Code, 2016.

Marketing and Customer Service Initiatives

As part of our customer service initiatives, we maintain a toll-free number and provide SMS facilities to easily address and, if required, resolve customer queries. We have launched various publicity campaigns through print, static branding activity and direct customer contact to increase visibility for the commercial vehicle finance segment in our priority markets, specifically targeting our customer's profile (being FTUs and SRTOs) and to enhance our brand identity. We have also developed a digital platform for used commercial vehicle finance dealers and customers to purchase and sell used commercial vehicles.

Treasury Operations

Our treasury operations are centralised and mainly focused on meeting our funding requirements and managing short-term surpluses. Our funding requirements are sourced through loans and by issuing debentures to banks, financial institutions and mutual funds. We also place commercial paper and raise unsecured debentures by way of subordinated debt and perpetual debt instrument which form part of our Tier I and Tier II capital. We believe that through our treasury operations, we are able to maintain our ability to repay borrowings as they mature and obtain new loans at competitive rates. We also undertake transactions for securitisation and assignment of receivables from time to time.

Our treasury department undertakes liquidity management by seeking to maintain an optimum level of liquidity and by complying with the RBI's requirements for asset and liability management. The objective is to ensure the smooth functioning of our business and at the same time avoid holding excessive cash. Our treasury maintains a balance between interest-earning liquid assets and cash in order to optimise earnings.

We actively manage our cash and funds flow using various cash management services provided by banks. As part of our treasury activities, we also invest surplus funds in fixed deposits with banks and liquid debt-based mutual funds. Investments are made in accordance with our internally approved investment policy.

Risk Management

Risk management forms an integral part of our business. We continue to improve our policies and implement them rigorously for the efficient functioning of our business. As a lending institution, we are exposed to various risks that are related to our lending business and operating environment. Our objective in our risk management processes is to measure and monitor the various risks that we are subject to and to follow policies and procedures to address these risks. We do so through our risk management architecture, which includes a team, headed by our Chief Risk Officer who identifies, assesses and monitors all of our principal risks. The major types of risk we face in our businesses are credit risk, interest rate risk, operational risk, liquidity risk, cash management risk, asset risk and foreign exchange risk.

Interest Rate Risk

Our results of operations are dependent upon the level of our Net Income Margins. Since our balance sheet consists of rupee assets and predominantly rupee liabilities, movements in domestic interest rates constitute the primary source of interest rate risk. We assess and manage the interest rate risk on our balance sheet through the process of ALM. We borrow funds at fixed and floating rates of interest, while we extends credit at fixed rates for vehicle finance and floating rates for home equity and corporate finance/ MSME loans. In the absence of proper planning and in a market where liquidity is limited, our Net Income Margins may decline, which may impact our revenues and ability to exploit business opportunities.

We have developed stable long-term relationships with our lenders and have established a track-record of timely servicing of our debts. We believe that this has enabled us to become a preferred customer with major banks and financial institutions with whom we do business. Significantly, the majority of our vehicle finance loans are classified as "priority sector" assets by the RBI, such that these loans, when securitized, find a ready market with various financial institutions, including our lenders.

Liquidity Risk

Liquidity risk arises due to non-availability of adequate funds or non-availability of adequate funds at an appropriate cost, or of appropriate tenor, to meet our business requirements. This risk is minimised through a range of strategies, including securitization and bilateral assignment.

We monitor liquidity risk through its ALM function with the help of liquidity gap reports. This involves the categorisation of assets and liabilities into different maturity profiles, and evaluating these items for any mismatches in any particular maturities, especially in the short-term. Our financial risk management policy has successfully identified various mismatches in line with the guidelines of the RBI and its internal asset-liability committee.

To address liquidity risk, we have developed expertise in mobilising long-term and short-term funds at competitive interest rates, according to its particular requirements. For example, in our Vehicle Financing segment, we structure indebtedness to adequately cover the average three-year tenor of loans we extend. As a matter of practice, we generally do not deploy funds raised from short-term borrowing for long-term lending.

We have been maintaining additional liquidity to cover at least two months of total requirements as a buffer. This is intended to ensure that we are not left with situations wherein we are unable to draw committed lines due to unexpected market events.

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. Our Company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. 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 Company's risk management framework. The ALCO's activities are in turn monitored and reviewed by a board sub-committee.

Credit Risk

Credit risk is the risk of loss that may occur from the default by our customers under their facility documentation. Borrower defaults and inadequate collateral may lead to higher gross NPAs/ Stage 3 Assets. Our geographically widespread operations enable us to maintain regular direct contact with our customers. We assign responsibility to each member of the collection team for the timely recovery of the loans they have been allocated while continuously monitoring their performance against our standards.

In order to mitigate credit risk, we undertake the following measures:

- Policies and procedures are decided jointly by sales and credit and collections teams to ensure a balance between business and risk. Customer onboarding processes are designed to ensure adequate credit checks from income documents and credit bureaus. In addition, businesses have application scorecards that are used to determine eligibility. Underwriting teams are empowered after due training on policies and norms before being given credit decision authority.

- Portfolio performance against these policies is reviewed quarterly by the Risk team and inputs for changes are advised to the business teams. The risk team monitors performance against trending expected loss based on past behaviour.

- The monitoring of loans commences on loan initiation, starting with the identification of early default triggers; and

- The introduction of any new policies or schemes always takes into consideration the potential delinquency impact on outstanding loans and expected credit loss triggers.

Cash Management Risk

Our branches collect and deposit a large amount of cash through a high volume of transactions. Lack of proper cash management practices could lead to losses. To address cash management risks, we have developed advanced cash management checks at

every level to track and reconcile accounts. Moreover, we conduct regular audits to ensure compliance with respect to our cash management systems.

Operational Risk

Operational risks are risks arising from inadequate or failed internal processes, people and systems or from external events. As one of the features of our lending operations, we offer a speedy loan approval process and therefore have adopted de-centralized loan approval systems. In order to control our operational risks, we have adopted clearly defined loan approval processes and procedures. We also attempt to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures and undertaking contingency planning. In addition, we conduct internal audits at our head office to assess adequacy of and compliance with our internal controls, procedures and processes thereby supplementing the efforts of our in-house internal audit teams. Reports of the internal auditors as well as the action taken on the matters reported upon are discussed and reviewed at the Audit Committee meetings.

Asset Risk

Asset risks arise due to decrease in the value of collateral over time. The selling price of a re-possessed asset may be less than the total amount of loan and interest outstanding in such borrowing and we may be unable to realize the full amount advanced to our customers due to such a decrease in the value of collateral. We may also face certain practical and execution difficulties during the process of seizing collateral. We engage experienced repossession agents to repossess assets of defaulting customers. We ensure that these repossession agents follow legal procedures and take appropriate care in dealing with customers for seizing assets.

Foreign Exchange Risk

We have limited exposure to foreign exchange risk, since our disbursements are in Indian Rupees and also borrowings are primarily in the nature of domestic Rupee debt. Wherever limited foreign exchange exposure exists, we have entered into appropriate currency hedging to adequately cover up the foreign exchange risk. As of September 30, 2023, our Company had an outstanding foreign currency loan of US$ 327.19 million (equivalent to ₹ 2,721.58 crores). This loan has been hedged to INR liability using a cross currency swap and floating interest thereon in LIBOR plus rate has also been swapped for fixed rate in Indian rupee. We did not have any un-hedged foreign currency exposure as on September 30, 2023.

Centralized Management and Technology

Technology plays a pivotal role in enabling all businesses and functions to deliver high quality services to all our customers. We have transformed from being a predominantly manual and centralised data processing centre to implementing a system where real time data is captured at source and its processing and control is allocated to central servers. Our current applications can be classified into core business solutions, finance applications, human resource solutions and enterprise communication solutions.

We control our information technology systems from our head office in Chennai, allowing senior management to receive operational data on a timely basis. Our production servers also allow us to conduct a daily automated backup. We currently have the technology and facilities in place to back up our systems and have established disaster recovery procedures.

Our Company's Digital Initiatives

Chola Application

The Chola Application (the "**Chola App**") provides a digital platform for our customers which includes a range of functions for customers to gain access to various services.

Certain features of the Chola App include:

- 24/7 access to services;
- Instant access to loan accounts across any product area;
- Online payment services;
- Downloadable interest certificates and repayment schedules;
- Direct upload of KYC documentation;
- Downloadable account statements and loan summaries; and
- Direct access to customer service.

Gaadibazaar.in

Gaadibazaar.in is online vehicle finance portal which provides an online marketplace for the sale and purchase of used commercial vehicles. The portal is targeted at brokers/ dealers, transporters, drivers, and individual purchasers. The portal connects vehicle dealers to prospective purchasers online, thus increasing transparency and the opportunity for trade. Users of the portal interact through registered contact details and can submit offers for vehicles directly through the application. All registered buyers also gain access to the vehicle auction function on the portal, where sellers can offer vehicles to the market through an auction process.

Payswiff

Our subsidiary Payswiff Technologies Private Limited is engaged in the business of enabling online payment gateway services for e-commerce businesses and provides e-commerce solutions.

Credit Rating

Our Company's current credit ratings are as below:

Rating Agency	Term	Type of Instrument	Rating
India Ratings	Long Term	Non-Convertible Debentures	IND AA +; Outlook Stable
	Long Term	Subordinated Debt	IND AA +; Outlook Stable
	Long Term	Perpetual debt instruments	IND AA; Outlook Stable
	Long Term	Non-Convertible Debentures (Public Issue)	IND AA+; Outlook Stable
CARE	Long Term	Subordinated Debt	CARE AA+; Stable (Double A Plus; Outlook: Stable)
	Long Term	Perpetual debt instruments	CARE AA; Stable (Double A; Outlook: Stable)
	Long term	Non-Convertible Debentures	CARE AA+; Stable (Double A Plus; Outlook: Stable)
ICRA	Short Term	Commercial Paper	[ICRA] A1+
	Long Term	Market Linked Debenture	PP-MLD[ICRA]AA+ (Positive)
	Long Term	Fund Based – Term Loans	[ICRA] AA + / Positive
	Long Term	Non-Convertible Debentures	[ICRA] AA+ (Positive)
	Long Term	Subordinated Debt	[ICRA] AA+(Positive)
	Long Term	Perpetual debt instruments	[ICRA] AA (Positive)
	Long Term	Non-Convertible Debentures (Public Issue)	[ICRA] AA + (Positive)
CRISIL	Short Term	Commercial Paper	CRISIL A1+

Insurance

We believe that we maintain all material insurance policies that are customary for companies operating in similar businesses. These include fidelity guarantee policies that cover all our employees, a money insurance policy in respect of cash-in-safe and in-transit. In addition, our directors are insured under a directors' and officers' liability insurance policy. We also maintain insurance coverage against losses occasioned by fire, burglary for the premises and equipment/ machinery in our offices, as well as public liability insurance.

Employees

As of September 30, 2023, we had 50,980 full-time employees. We also have a fully functional human resource management system – PeopleStrong that enables automation of key HR workflows. We adhere to a policy of nurturing dedicated talent by conducting regular training programs. We provide training to our employees to ensure career development and also to ensure quality service to customers. These trainings are conducted on joining as part of employee initiation and include additional on-the-job trainings. We also conduct on-going objective trainings to address specific short-comings of the employees.

We also offer our employees with customised functional training programs. We have an online learning platform with courses/ programmes that our employees undertake to obtain mandatory certifications on compliance, information security and related areas. We also have customised programs that are focused on building leadership attributes in first line leaders and middle management. We conduct quarterly programs for territory and regional heads.

In addition to our on-roll workforce, we also engage outsourced employees for our sales, collection efforts and back office functions.

Competition

We face competition from other NBFCs, MFIs and HFCs as well as banks and particularly small finance banks. In addition to these, we also face competition from unorganized small market participants who are prevalent in semi-urban and rural landscapes, local money lenders in rural areas, co-operative/ regional rural banks and small finance banks which are also focused on lending to low and middle income segments and micro, small and medium enterprises. Also see "*Risk Factors – Our inability to compete effectively in an increasingly competitive industry may adversely affect our Net Income Margins and market share.*" on page 18

Environmental, Social & Governance (ESG)



ESG framework is an important component of our operations. We have been rated 'strong' in May, 2022 by CRISIL for our ESG initiatives.

Corporate Social Responsibility

The CSR committee comprises of Vellayan Subbiah as the Chairman, Bhama Krishnamurthy and M A M Arunachalam as its members. The CSR activities we undertake are in accordance with a CSR policy adopted by the CSR Committee. Our CSR activities are currently focused on: (i) water sanitation and hygiene, providing safe drinking water to communities living in areas which have higher levels of fluoride, contamination; (ii) supporting education trusts that provide quality education to economically backward sections of the society; and (iii) health evaluating and improving the health of the trucking community through regular health and eye camps at transport *nagars.*

Some of our notable CSR programs include:

Raahi Drishti Kendra

In Fiscal 2018, we started vision centres in seven states and in Fiscal 2022, we organized eye camps across 10 states. We aim to transform these vision centres as a hub for undertaking holistic health development initiatives for the truck driver community.

We provide health check-up facilities including eye, oral/dental check-up, overall well-being for direct dependents of truck drivers, distribute spectacles to drivers and cleaners, facilitate entitlement linkage support and knowledge/ information about government schemes and programs and create and update the online trucker community database.

Clean Drinking Water at Affordable Cost

We have taken steps to help village communities across multiple locations across India in gaining access to purified drinking water at affordable cost. In areas where we have launched this initiative, people have gained access to water at a relatively affordable rate. An impact assessment study done post the completion of this project, recorded significant improvement in many of the health indices attributable to 24 hour access to clean drinking water.

Divine mother and child programme

We have initiated this programme for strengthening maternal health has been initiated for improving accessibility and building capacities for quality maternal health care. The programme envisages and endeavours to provide consultation, comprehensive screening, detection and intervention for pregnant women and their children. This programme is not only done at the premises of partner's selected hospital facility but also as a mobile service provider by visiting the places of the patients/ beneficiaries which are predominantly located in peri-urban areas (ones of transition from rural to urban land uses located between the outer limits of urban and regional centres and the rural environment) economically poorer localities.

Healing Little Hearts

We have taken steps to provide for free heart surgeries for children suffering from congenital heart disease.

My Dream Scholarship Programme

The 'My Dream Scholarship' programme piloted in Tamil Nadu provides 100% scholarships to pay the education fee of children of commercial vehicle crew members in furthering their advanced education. As of March 31, 2023, 235 students have benefited from this programme.

In Fiscal 2021, 2022 and 2023 we spent ₹ 32.07 crores, ₹ 36.44 crores and ₹ 43.63 crores towards expenditure for corporate social responsibility.

Awards and Recognition

We have received several awards over the years, including:

- Commercial Vehicle Financier of the year at Mahindra Transport Excellence Awards 2015, 2016 and 2018;
- CII Industrial Innovation Awards 2017 for "Top 26 Most Innovative Company";
- The Golden Globe Tigers Award for Best Use of CSR Practices in Banking & Finance - 2017;
- National Award – CSR and Sustainability for "Best Overall Excellence in CSR" – 2017;
- Received 1 Star Rating in the Large Scale – Service Supervisor Category at CII Southern Region Kaizen Competition 2017;
- 2nd ICSI CSR Excellence Awards 2017 for "Best Corporate in Medium Category';
- 1st place in the Large Scale – Service Operator Category' and 2nd place in the 'Large Scale – Service Supervisor Category' at the CII Southern Region Kaizen Competition, 2018;
- Winner of the National HR Circle Competition 2018 in the 'Employee Relations & Employee Engagement' Category, and the National HR Circle Competition 2019 in the 'Employee Engagement Category'; and

Intellectual Property

Cholamandalam Financial Holdings Limited, is currently the registered owner of the brand and the trademark/ service marks "Cholamandalam" and "Chola". We use the "Chola" trademark, which is the trademark for our primary business operations, and is owned by one of our Promoters, Cholamandalam Financial Holdings Limited. For details, see "*Risk Factors - Our inability to protect or use our intellectual property rights may adversely affect our business.*" on page 18

Property

Our registered and corporate office is located at Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600 032, Tamil Nadu, India and is owned by us. As of September 30, 2023, we had a network of 1,267 branches spread across 29 States and Union Territories in India.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief background of our Company

Our Company was originally incorporated as a public limited company under the name of 'Cholamandalam Investment and Finance Company Limited' under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Tamil Nadu at Chennai ("**RoC**") on August 17, 1978. It commenced its business pursuant to a certificate of commencement of business dated November 22, 1978 issued by the RoC. The name of our Company was changed to 'Cholamandalam DBS Finance Limited' pursuant to a fresh certificate of incorporation issued by the RoC on April 12, 2006 and was subsequently changed to 'Cholamandalam Investment and Finance Company Limited' pursuant to a fresh certificate of incorporation issued by the RoC on June 2, 2010. The CIN of our Company is L65993TN1978PLC007576.

Our Company received a license to carry on the business of non-banking financial institution from the RBI on August 21, 1998, pursuant to a certificate of registration bearing no. 07.00306 ("**COR1**"). Subsequently, we received the licence to carry on the business of a non-banking financial institution pursuant to a certificate of registration dated April 24, 2006, bearing registration numbers A-07.00306 ("**COR2**). Thereafter we received another certificate of registration to carry on business of non-banking financial institution without accepting public deposits dated December 11, 2006, bearing registration number B.07-00306 ("**COR3**"), and a certificate of registration to carry on the business of non-banking financial institution without accepting public deposits dated July 8, 2010 bearing registration no. B-07-00306 ("**COR4**"). We have obtained a certificate of registration dated June 9, 2011, bearing number 07-00306 issued by the RBI to commence/ carry on the business of non-banking financial institution under Section 45-IA of the RBI Act, 1934 and another certificate of registration dated December 15, 2022, bearing number N-07-00893, to commence/ carry on the factoring business without accepting public deposits. Further, our Company has also been classified as NBFC-ICC.

Registered Office and Changes To Registered Office

Our Registered Office is located at Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600 032, Tamil Nadu, India. Except as set out below, there has not been any change to the Registered Office since incorporation.

Effective date of change	Details of change in the address of the Registered Office	Reasons for change in the address of the Registered Office
September 1, 2023	The registered office of our Company was shifted from 'Dare House, No. 2, N.S.C. Bose Road, Parrys, Chennai 600 001, Tamil Nadu, India' to 'Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600 032, Tamil Nadu, India'	Shifted to premises owned by the Company
February 16, 2004	The registered office of our Company was shifted from 'Tiam House, No. 72, Rajaji Salai, Chennai 600 001, Tamil Nadu, India' to 'Dare House, No. 2, N.S.C. Bose Road, Parrys, Chennai 600 001, Tamil Nadu, India'	Administrative convenience

Corporate Office

Our Corporate Office is located at Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600 032, Tamil Nadu, India.

Main objects of our Company

The main object of our Company as contained in our Memorandum of Association is as follows:

1. *"To carry on the business of an Investment Company in all its branches and without prejudice to the generality of the foregoing to buy, underwrite, invest in and acquire and hold sell and deal in shares, stocks, debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture-stock, bonds, obligations and securities, issued or guaranteed by any Government, State, Dominions, Sovereign, Ruler, Commissioners, Public body of authority, Supreme, Municipal, Local or otherwise, Firm or Person whether in India or elsewhere and to deal with and turn to account the same, provided always that no purchase or investment imposing unlimited liability on the Company shall be made.*

2. *To acquire any such shares, stocks, debentures, debenture-stock, bonds, obligations or securities by original subscription, participation in syndicates, tender, purchase, exchange or otherwise and to subscribe for the same whether or not fully paid up either conditionally or otherwise, and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.*

3. *To form, subsidies, organise and assist or aid in forming, promoting, organising or subsidising companies, syndicates or partnerships of all kinds for the purpose of acquiring and undertaking any property and liabilities of this Company, or for advancing Directly or indirectly the objects thereof, or for any other purpose which this Company may think expedient, to constitute any trusts with a view to the issue of preferred, deferred, or any special stocks, securities, certificates or other documents based on or representing any shares, stocks or other assets appropriated for the*

purposes of any such trusts and to settle and regulate and, if thought fit, to undertake and execute any such trusts and to issue, hold or dispose of any such preferred, deferred, or other special stocks, securities, certificates or documents.

4. *To carry on and undertake business as Financiers and Capitalists to finance operations of all kinds such as managing, purchasing, selling, hiring, letting on hire, and dealing in all kinds of property, movable or immovable, goods, chattels, motor-cars, motor-buses motor-lorries, lands, bullion, stocks, shares, Governments bonds.*

5. *To carry on the business of Hire Purchase of movable properties of any kind, including Machinery, Plants, Motor-Vehicles of all kinds.*

6. *To carry on the business of buying and selling, hiring and letting on hire, leasing and letting on lease of movable properties of all kinds, including Plant, Machinery, Cold Storage, Refrigerator, Air- conditioning machinery and equipments, Internal Communicating system and equipment, Computer, Computer Programme, Software, Office equipments of all kinds, Security system, Tractor, Tiller, Thresher, Dryer and motor Vehicles of all kinds.*

7. *To promote, aid, help encourage and develop Hire Purchase business and protect the interests of persons, firms, associations and other bodies corporate engaged in Hire Purchase business.*

8. *To secure organised and concerted action, direct and indirect on all matters connected with or having a bearing on the business of Hire Purchase Financing.*

9. *To undertake and carry on all operations and transactions in regard to business of any kind in the same way as an individual capitalist may lawfully undertake and carry out and, in particular, the financing Hire Purchase Contracts relating to property or assets of any description, either fixed or movable, such as houses, lands, vehicles, Government bonds.*

10. *To carry on and become engaged in financial, monetary and other business transactions that are usually and commonly carried on by commercial Financing Houses, Shroffs, Credit Corporations, Merchants, Factory, Trade and General Financiers and Capitalists.*

11. *To lend, with or without security, deposit or to advance money, securities and property to or with such persons and on such terms as may seem expedient.*

12. *To accumulate funds and to lend, invest or otherwise employ moneys belonging to the Company, to individuals, firms, companies, Governments or Quasi-Governments authorities, or to whomsoever or as the Company may choose, with such securities or without securities upon such terms and conditions as may be determined from time to time.*

13. *(a) To act as Merchant Bankers, Portfolio Managers, Underwriters, Sub-underwriters, Consultants for Capital issues, Advisors to Capital issues, Investment Consultants, Consultants and Management Advisors to corporate bodies, Individuals and promoters in Commercial, Industrial Management and Policy Matters and to receive funds from others in trust and to manage and invest and deploy them as deemed fit or to advise them in such manner as deemed fit to make project evaluation, feasibility studies, project reports, forecasts and surveys, and to give expert advice and suggest ways and means for improving efficiency in business organisation whether by amalgamations, mergers, demergers or otherwise in any manner and concerns and industries of all kinds and/or to act as Lead Managers, Co-Managers to issues of Shares, Stocks, Bonds, Debentures, Commercial Paper or other securities, etc. of bodies corporate or industrial undertakings and / or Shares, Stocks, Bonds, Debentures, Commercial Paper or other securities etc. issued by any Government or Semi- Government authority or Public Authority or Government Undertaking or Corporation and/or to undertake Venture Capital Funding, act as issue house, registrars to issues of any kind, transfer agents for securities money managers/liability managers, intermediary brooking and advisory services of all kinds, to act as credit rating agency and credit appraisal agency and to credit rate all kinds of securities and deposits of all bodies corporate whether private or public or Government and whether Indian or foreign entities.*

(*b) To undertake and carry on the business of Mutual Funds, Money Market Mutual Funds and Asset Management Companies and/or to sponsor Mutual funds and Assets Management Companies and to manage the funds of investors by investments in various avenues like growth funds, income funds, risk fund, pension / superannuation funds, etc., to act as portfolio Managers and to pass on the benefits of such investments to the investors by way of dividends, bonus, interest or share in profits, etc., to provide a complete range of personal financial services like investment planning, estate planning, tax planning, portfolio investment, investment consultancy services and/ or to operate on Over The Counter Exchange of India (OTCEI). National Stock Exchange and on any other Stock Exchanges as Member, Broker, Stock Broker and/or financial Intermediary and market makers and in any other manner as approved by the authorities and in other business, for which authorization/approval/sanctioning is obtained from the Securities and Exchange Board of India (SEBI) or any other appropriate authority as may be required.*

(c) To undertake and execute or constitute any trust and to subscribe and act as, and to undertake and carry on the office or offices and duties of trustees, custodian trustees, executors, administrators, liquidators, receivers, treasurers, attorneys, nominees and agents; and to manage the funds of all kinds of trusts and to render periodic advice on investments, finance, taxation and to invest these funds from time to time in various forms of investments including shares, term loans and debentures etc. and carry on custodial services and as a custodian, to send, on behalf of clients,

the securities for registration of transfers, collect dividend and other returns/incomes and to carry on all other functions as are normally carried on by custodians and to safe keep the securities etc.

(d) To give advice on or to offer, give, take, circulate and or otherwise organise, accept or implement any takeovers, mergers, demergers, amalgamations or acquisitions or schemes for the diversification, rehabilitation or restructuring of any business, concern, undertaking company, body corporate, partnership or other firm or any association of persons, whether incorporated or not, by acquisition of shares or assets and liabilities, and whether as a going concern or as a part of the concern or otherwise as may be required, having regard to business exigencies, and to promote or procure the incorporation, formation or setting up of any concern or undertaking whether as company, body corporate, partnership or any other association of persons for engaging in any industrial, commercial or business activities.

(e) To set up, provide or participate in providing venture capital, technology funds or any other funds for seed capital or any risk capital foundation, including giving guarantees or such other financial assistance as may be conducive for the development of new enterprises innovative methods of production or development of existing and new technologies to identity projects and project ideas, to prepare project profiles, projects reports, market research or feasibility studies and reports, pre investments studies or reports on the investigation of industries at micro or macro levels, to undertake appropriate measures to identify the scope or potential for whether in India or abroad; to act as lead managers in respect of project assignments by undertaking follow-up, supervision and co-ordination work at the instance, behest or on behalf of banks, financial institutions, companies, bodies corporate or other persons and to monitor the same, to act as an adviser in the management of Undertakings or business, enterprises, offices, trades, occupations, callings or render such assistance as may be necessary including the acting as agents for the recruitment of personnel, technical, skilled, unskilled, supervisory, managerial or otherwise and to act as an advisor in the selection of technical processes, economic size, sources of plant and machinery and other utilities for or on behalf of business entrepreneurs.

(f) To carry on the business of factoring in any of its forms such as full factoring, recourse factoring, maturity factoring, advance factoring, undisclosed factoring, direct export factoring, direct import factoring, direct import factoring, back to back factoring, invoice discounting or any other form at factoring, bill discounting, hundi discounting, cheque discounting and discounting of any other type of negotiable instruments and other types of instruments, to purchase, accept assignment of debts and to carry on business generally carried on by factor, wharfingers etc. and to carry on the business of accepting, co-accepting of negotiable instruments and related activities.

(g) To commence and carry on all activities connected with General Insurance & Life Insurance business, to solicit and procure insurance business as a broker and/ or composite and/ or standalone corporate agent and to undertake such other activities ancillary/ incidental thereto and to provide advisory services in the field of insurance including risk assessment and advisory, loss assessors assessment and related services, risk rating connected with underwriting, coordinate with insurance companies whether local or foreign on coverages to represent in all or any respect, to provide or arrange insurance coverage and/ or re-insurance coverage within or outside the country and to provide general consultancy services like scrutinizing existing insurance coverage and/or re-insurance coverage within or outside the country and to provide general consultancy services like scrutinizing existing insurance coverages, pruning superfluous risk coverages, exploring eligible discounts etc. and to also promote / incorporate suitable body corporates to carry on any or all the above activities, to enter into any tie-up financial, technical or other nature with any concern whether in the country or outside provided that the above activities to be carried on subject to all laws and regulations as are in force from time to time.

(h) To carry on the business of money changers and to deal in foreign exchange in cash, travellers cheques or in any other form.

(i) To undertake trading/ dealing in foreign exchange in all markets, both domestic and international and to conduct any other activities related to these markets

(j) Deleted

(k) To promote, develop, design, setup, issue, operate, carry on and undertake all forms of payments services business including electronic and virtual payment systems services, e-wallets, mobile wallets, cash card, payment gateways services, prepaid and post-paid payment instruments payment systems including open/closed/semi – closed systems payment instruments in India and abroad in any manner whatsoever, subject to necessary regulatory approvals."

Key events, milestones and achievements

The table below sets forth the key events, milestones and achievements in the history of our Company:

Calendar Year/ FY	Particulars
1979	Commenced equipment financing
1990-2005	Commenced vehicle finance business
1990	Commenced operations at Cholamandalam Securities Limited
1990-2005	Commenced operations at Cholamandalam Home Finance Limited (formerly known as Cholamandalam Distribution Services Limited)
2006	JV with DBS Bank, Singapore
2006	Commenced consumer finance
2007	Commenced home equity Business
2008	Rights issue of ₹ 200 crores
2010	Focus on secured lending lines (vehicle finance and home equity)
2011	Obtained the status of asset finance company
2011	Launch of mobile app
2012	AUM crossed ₹13,000 crores
2012	Commenced tractor business
2013	AUM crossed ₹20,000 crores
2013	Commenced home loan business
2013	|Increased vehicle finance branch network to 473
2014	Commenced construction equipment business
2014	AUM crossed ₹ 25,000 crores
2015	Adopted gross non-performing assets recognition at 150 days
2015	Increased branch network to 534
2016	Adopted gross non-performing assets recognition at 120 days
2016	Total AUM crossed ₹ 30,000 crores
2017	AUM crossed ₹ 37,000 crores
2017	Adopted gross non-performing assets recognition at 90 days
2017	Increased branch network to 703
2017	Setup of GaadiBazaar dealer platform
2018	Increased branch network to 873
2018	AUM crossed ₹ 42,000 crores
2019	AUM crossed ₹ 54,000 crores
2019	PAT crossed ₹ 1,000 crores
2019	Increased branch network to 900
2020	AUM crossed ₹ 66,000 crores
2020	Increased branch network to 1,091
2020	Maiden issue of Masala Bonds with CDC Group Plc., and raising of external commercial borrowings from International Finance Corporation
2020	Equity infusion of ₹ 1,200 crores (Qualified Institutional Placement and Preferential Allotment)
2021	AUM crossed ₹ 69,000 crores
2021	Increased branch network to 1,137
2022	Acquired Payswiff Technologies Pvt. Ltd
2022	Highest disbursement in the history of the Company
2022	AUM crossed ₹ 82,000 crores
2022	Launched Consumer & Small Enterprise Loan ("**CSEL**"),
2022	Launched Secured Business & Personal Loan ("**SBPL**")
2023	Company's AUM crosses 1 lakh crores
2023	Infusion of ₹ 4,000 crores through issuance of Equity Shares and CCDs (Qualified Institutional Placement)
2023	Crossed ₹ 1,00,000 crores market capitalization in Q2FY24
2023	Registered as 'corporate agent' under Insurance Act, 1938

Material agreements

1. **Share Subscription Agreement dated September 15, 2021 executed by and amongst our Company, Amit Jain, Amit Hooja, Paytail Commerce Private Limited, Vikas Garg and Amit Kumar Chaturvedi ("PCPL SSA")**

   Pursuant to the PCPL SSA, our Company has subscribed to 27,482 class A equity shares of Paytail Commerce Private Limited ("**PCPL**") for a consideration of Rs. 9,75,01,739 and acquired 16.29% of the shareholding of PCPL; and Amit Jain and Amit Hooja subscribed to 2,114 class A equity shares each of PCPL for a consideration of Rs. 75,00,134 each and acquired 7.34% of the shareholding of PCPL respectively.

2. **Share Purchase Agreement dated January 17, 2022, executed by and amongst our Company, Payswiff Technologies Private Limited and the sellers specified therein ("PTPL SPA")**

   Pursuant to PTPL SPA, our Company has purchased 25,26,718 fully paid-up equity shares of Payswiff Technologies Private Limited ('**PTPL**") (including equity shares issued upon conversion of warrants and upon exercise of employee stock options) for a total consideration of Rs. 410,00,04,229.88 from the sellers specified in the PTPL SPA, and thereby acquired 72% of the shareholding of PTPL.

3. **Scheme of Amalgamation between Payswiff Solutions Private Limited, Payswiff Services Private Limited, Payswiff Technologies Private Limited and their respective shareholders and creditors ("Scheme of Amalgamation")**

Our Subsidiary, Payswiff Technologies Private Limited ("**Transferee Company**"), Payswiff Solutions Private Limited and Payswiff Services Private Limited (together with Payswiff Solutions Private Limited, the "**Transferor Companies**"), submitted the Scheme of Amalgamation with the Office of the Registrar of Companies, Telangana; and Office of Official Liquidator, on July 30, 2022. The Scheme of Amalgamation provided for the amalgamation of the Transferor Companies, which are the wholly owned subsidiaries of the Transferee Company, with Transferee Company. The rationale of the Scheme of Amalgamation was, *inter alia*, to enable economies of scale by cutting down the overhead cost; better cash flow management and unfettered access to cash flow generated by the consolidated business which can be deployed more efficiently for the purpose of development and growth of the Transferee Company; and better administrative and managerial control by reducing managerial overlaps, pooling of managerial skills, concentrated management focus, integration, streamlining of management structure and seamless implementation of policy changes thereby ensuring synergy in administration and management. The Scheme of Amalgamation was approved by the Office of Regional Director, Ministry of Corporate Affairs, Telangana on September 15, 2023 and the Scheme of Amalgamation became effective from the appointed date, i.e. April 1, 2022.

Further to such submission of the Scheme of Amalgamation, the Transferee Company received a communication dated December 21, 2022 from the Office of Regional Director, Ministry of Corporate Affairs, Telangana highlighting the qualifications made by the statutory auditors of the Transferee Company in the audit reports for the financial years 2019-20, 2020-21 and 2021-22 with regard to the non-compliances under sections 42 and 186 of the Companies Act, 2013, and advised the Transferee Company to file compounding applications for the aforesaid violations. The Transferee Company filed the compounding application with the Office of the Registrar of Companies, Telangana on February 17, 2023. In relation to non-compliance under section 42 of the Companies Act, 2013, a penalty of 12,00,000, i.e. 6,00,000 and 1,00,000 each was paid by the Transferee and its directors, respectively pursuant to the order dated September 27, 2023 passed by the Office of Regional Director, Ministry of Corporate Affairs, Telangana. The matter pertaining to compounding application filed under section 186 of the Companies Act, 2013 is still pending.

4. **Share Swap Agreement dated March 28, 2023 ("Share Swap Agreement") entered into amongst our Company, TVS Supply Chain Solutions Limited ("TVSSCSL"), White Data Systems India Private Limited ("WDSIPL"), Vellayan Narayanan, Vellayan Lakshmanan and S Ramesh Kumar**

Our Company has entered into the Share Swap Agreement with TVSSCPL for the sale of 12,75,917 equity shares constituting 30.87% of the equity shares held by our Company in WDSIPL to TVSSCSL at a price of ₹315.34 per share. As consideration for sale of WDSIPL shares, the Company will be issued 22,35,265 0.0001% compulsory convertible preference shares of face value of ₹1 each of TVSSCSL at an issue price of ₹180 per share (with a conversation ration of 1:1 where each compulsorily convertible preference share will convert into one equity share of ₹1 each of TVSSCSL) through preferential allotment via private placement. Consequently, WDSIPL ceased to be an associate of our Company. Further, the 22,35,265 CCPS of TVSSCSL held by our Company were converted into 24,01,359 equity shares and allotted on August 1, 2023.

Holding Company

As on the date of this Tranche IV Prospectus, Cholamandalam Financial Holdings Limited *(formerly known as TI Financial Holdings Ltd*) ("**CFHL**") is our holding company. As on December 31, 2023, CFHL holds 372,885,889 Equity Shares aggregating to 45.34% of the total shareholding of our Company.

Our Subsidiaries

As at the date of this Tranche IV Prospectus, our Company has three Subsidiaries i.e., Cholamandalam Securities Limited, Cholamandalam Home Finance Limited and Payswiff Technologies Private Limited.

1. Cholamandalam Securities Limited ("CSL")

Corporate Information

CSL was originally incorporated in the name of 'Cholamandalam Securities Limited' as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC on September 20, 1994 and is validly existing under Companies Act, 2013. CSL commenced its business pursuant to a certificate of commencement of business dated October 26, 1994, issued by the RoC. The name of CSL was changed to 'DBS Cholamandalam Securities Limited' and a fresh certificate of incorporation pursuant to such change of name was issued by the RoC on March 31, 2007. Thereafter the name of the CSL was again changed to 'Cholamandalam Securities Limited' and a fresh certificate of incorporation pursuant to such change of the name was issued by the RoC on May 25, 2010. The CIN of CSL is U65993TN1994PLC028674. The registered office of CSL is located at Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600032, Tamil Nadu, India.

Nature of Business

CSL is engaged in the business of stock broking & depository participant services. CSL is a registered member of NSE and BSE and a depository participant with NSDL and CDSL. CSL is a wealth management company offering investment solutions to individual clients and stock broking services to retail and institutional investors, including many of the largest mutual funds in India. CSL is also registered as a corporate agent with composite license from Insurance Regulatory and Development Authority of India. Currently, CSL operates out of 10 branches and through 43 authorized persons.

2. Cholamandalam Home Finance Limited ("CHFL")

Corporate Information

CHFL was originally incorporated in the name of 'Cholamandalam Distribution Services Limited' as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC on August 23, 2000 and is validly existing under Companies Act, 2013. CHFL commenced its business pursuant to a certificate of commencement of business dated August 30, 2000, issued by the RoC. The name of CHFL was changed to 'DBS Cholamandalam Distribution Limited' and a fresh certificate of incorporation pursuant to such change of the name was issued by the RoC on May 17, 2006. Thereafter the name of CHFL was again changed to 'Cholamandalam Distribution Services Limited' and a fresh certificate of incorporation pursuant to such change of the name was issued by the RoC on May 31, 2010. The name of CHFL was again changed to 'Cholamandalam Home Finance Limited' and a fresh certificate of incorporation pursuant to such change of the name was issued by the RoC on April 27, 2018. The CIN of CHFL is U65100TN2000PLC045617. The registered office of CHFL is located at Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600032, Tamil Nadu, India.

Nature of Business

CHFL is engaged in the business of distribution of insurance products and have all the necessary licenses and approvals to conduct its business as a corporate agent with composite license from Insurance Regulatory and Development Authority of India. Currently, CHFL does not operate any branches.

3. Payswiff Technologies Private Limited* ("PTPL")

Corporate Information

PTPL was originally incorporated in the name of 'RAMP Applications Private Limited' as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Andhra Pradesh on August 27, 2013 and is validly existing under Companies Act, 2013. The name of PTPL was changed to 'Paynear Technologies Private Limited' and a fresh certificate of incorporation pursuant to such change of the name was issued by the Registrar of Companies, Telangana on July 21, 2015. Thereafter the name of PTPL was changed to 'Payswiff Technologies Private Limited' and a fresh certificate of incorporation pursuant to such change of the name was issued by the Registrar of Companies, Telangana on November 17, 2017. The CIN of PTPL is U74900TG2013PTC089686. The registered office of PTPL is located at 2-48/5/6, Vaishnavi's Cynosure, 10th Floor Opp. RTTC, Telecom Nagar Extn, Gachibowli, Hyderabad, 500 032, Telangana, India. Our Company acquired PTPL, vide share purchase agreement dated January 17, 2022, executed by and amongst our Company, Payswiff Technologies Private Limited and the sellers specified therein.

* *Even though the Company holds 74.82% of the paid-up equity capital of PTPL as of March 31, 2023, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholder agreement executed between the group and founders of PTPL dated January 17, 2022, the group is considered to have joint control over PTPL as per Ind AS 28 read with IND AS 110. Hence, it is classified as investment in joint venture in the audited consolidated financial statements of the Company for the Financial Year ended March 31, 2023.*

Nature of Business

PTPL is engaged in the business of enabling payment gateway services for e-commerce businesses and provides e-commerce solutions. Payswiff is an omni channel payment transaction solution that lets business owners accept payments from their customers in-store, at home deliveries, online, and on-the-go using mPOS and POS solution. Currently, PTPL does not operate any branches.

Joint Venture

As at the date of this Tranche IV Prospectus, our Company has no joint ventures.

Associate

As at the date of this Tranche IV Prospectus, our Company has two associate companies, i.e. Vishvakarma Payments Private Limited and Paytail Commerce Private Limited.

1. Vishvakarma Payments Private Limited ("VPPL")

Corporate Information

VPPL was incorporated as a private limited company under the Companies Act, 2013, pursuant to the certificate of incorporation issued by the RoC on March 25, 2021.The CIN of VPPL is U72900MH2021PTC357851. The registered office of VPPL is located at 109, Floor-I, Plot-16, Vithaldas Chamber Mumbai Samachar Marg, BSE Fort, Mumbai-400 001, Maharashtra, India.

Nature of Business

VPPL forms part of the consortium for retail payments. VPPL has applied for a New Umbrella Entity ("**NUE**") license for retail payments with RBI. It can commence operations only on receipt of license from RBI.

2. Paytail Commerce Private Limited ("PCPL")

Corporate Information

PCPL was incorporated as a private limited company under the Companies Act, 2013, pursuant to the certificate of incorporation issued by the Registrar of Companies, Central Registration Center on September 7, 2020. The CIN of PCPL is U72900HR2020PTC089043. The registered office of PCPL is located at Unit No. 502-B Fifth Floor "Unitech Commercial Tower-2", Near Greenwood City Gurugram, Gurgaon- 122 001, Haryana, India.

Nature of Business

PCPL own and operate an online technology platform and mobile application ("**Digital Lending Application**") that enables banks, NBFCs and other eligible financial institutions to offer loans to prospective borrowers for the purchase of various products and services through its Digital Lending Application all over the country.

Acquisition or Amalgamation in the last one year

Our Company has not made any acquisition or amalgamation in the last one year prior to the date of this Tranche IV Prospectus.

Reorganization or Reconstruction undertaken by our Company in the last one year

There has been no reorganization or reconstruction undertaken by our Company in the last one year, preceding the date of this Tranche IV Prospectus.

Enterprises over which control is exercised by the Company

As on the date of this Tranche IV Prospectus, our Company does not exercise control over any of the enterprises, other than our Subsidiaries and Paytail Commerce Private Limited i.e., one of our associate companies.

OUR MANAGEMENT

Board of Directors

The general supervision, direction and management of our Company, its operations and business are vested in the Board, which exercises its power subject to the Memorandum and Articles of Association of our Company and the requirements of the applicable laws.

The Articles of Association of our Company require us to have not less than three and not more than 15 Directors.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and is governed by the Articles of Association of our Company, the relevant directions issued by the RBI, and the SEBI Listing Regulations.

As of the date of this Tranche IV Prospectus, we have seven Directors on our Board of Directors, of which four are Independent Directors including one woman Director.

The following table sets forth details regarding the Board of Directors as on the date of this Tranche IV Prospectus:

Name, Designation and DIN	Age	Nationality	Address	Date of Appointment	Details of other Directorship
Vellayan Subbiah ***Designation*:** Non-Executive Director-Chairman **DIN:** 01138759	54	Indian	Old no. 7, new no. 12, Valliammai Achi Road, Kotturpuram, Chennai, 600 085, Tamil Nadu	November 11, 2020*	• Ambadi Investments Limited; • C G Power & Industrial Solutions Limited; • C G Power Americas; • Cherrytin Online Private Limited; • Cholamandalam Financial Holdings Limited; • DOT IOT Technologies Private Limited; • Mavco Investments Private Limited; • QEI, LLC • SRF Limited • TI Clean Mobility Private Limited; • Tube Investments of India Limited; and • 3XPER Innoventure Limited
Ramesh Rajan Natarajan ***Designation*:** Non-Executive - Independent Director **DIN:** 01628318	66	Indian	No. 12, Tarapore Avenue Harrington Road, Chetpet, Chennai, 600 031, Tamil Nadu	July 30, 2019^	• Indo-National Limited; • Kineco Limited; • TTK Healthcare Limited; • Rane Engine Valve Limited; and • Rane (Madras) Limited;
Bhama Krishnamurthy ***Designation*:** Non-Executive - Independent Director ***DIN*:** 02196839	69	Indian	401, Fourth Floor, Avarsekars Srushti, Old Prabhadevi Road, Prabhadevi, Mumbai 400 025, India	July 30, 2020$	• CSB Bank Limited; • E-Eighteen.com Limited; • Five-Star Business Finance Limited; • Muthoot Microfin Limited; • Network 18 Media & Investments Limited; and • Thirumalai Chemicals Limited.

Name, Designation and DIN	Age	Nationality	Address	Date of Appointment	Details of other Directorship
Rohan Verma ***Designation*:** Non-Executive - Independent Director ***DIN*:** 01797489	38	U.S. National	S-388, 1st Floor, GK-2, Greater Kailash, South Delhi, Delhi 110 048, India	July 30, 2019[@]	• C E Info Systems Limited; • Infidreams Industries Private Limited; and • Kogo Tech Labs Private Limited.
M A M Arunachalam ***Designation*:** Non-Executive Director ***DIN*:** 00202958	56	British	New No. 9, Old No. 4 Chittaranjan Road, Teynampet, Teynampet, Chennai, Tamil Nadu 600 018	July 30, 2021**	• Ambadi Investments Limited; • A M M Arunachalam & Sons Private Limited; • A R Lakshmi Achi Trust; • Cholamandalam Home Finance Limited; • CG Power & Industrial Solutions Limited; • Great Cycles (Private) Limited; • Creative Cycles (Private) Limited; • Mavco Investments Private Limited; • New Ambadi Estate Private Limited; • Parry Enterprises India Limited; • Shanthi Gears Limited; • TI Clean Mobility Private Limited; • Tube Investments of India Limited • TI Medical Private Limited; (Formerly Lotus Surgicals Private Limited); and • Jeyam Automotives Private Limited
Anand Kumar ***Designation*:** Non-Executive- Independent Director ***DIN*:** 00818724	55	Singaporean	18, Rochalie Drive Singapore 248 249	July 30, 2021***	• Angsana Finance Limited; • Angsana International Limited; • Angsana Singapore Pte. Ltd. • Ash Investment Pte. Ltd. • ASN Investments Limited; • Cranesbill Investment Pte. Ltd. • Falcon Investments Pte. Ltd. • Falcon SG Holding (Philippines) Inc. • General Master Worldwide Limited; • Gateway Fund II Company Pte. Ltd.; • Gateway Partners Limited; • Gateway Partners II Limited; • Gateway (Cayman) Limited;

Name, Designation and DIN	Age	Nationality	Address	Date of Appointment	Details of other Directorship
					• Gateway Capital Partners Limited; • Gateway Holdings Limited; • Gateway Fund Company Pte. Ltd.; • Gateway Management Company Pte. Ltd.; • GW Active Limited; • GW Confectionary Pte. Ltd.; • GW Crown Pte. Ltd. • GW Forest Pte. Ltd.; • GW Partners Investments Limited; • GW Supernova Pte. Ltd.; • GW Three Pte. Ltd.; • GW Investments Limited; • GW Redwood Pte. Ltd.; • GW Sky Pte. Ltd.; • Healthway Medical Corporation Limited; • Leopard Tree Finance Limited; • Land Registration System Inc. • Mahogany Logistics Services Private Limited; • Mahogany Singapore Company Pte. Ltd.; • Magonolia Finance Limited, Cayman Islands; • Medall Healthcare Private Limited; • Narra Finance Limited; • PT Lippo Karawaci Tbk; • PT Lippo Chikarang Tbk; • Rain Tree Investment Pte. Ltd. • Sedum Investments Pte. Ltd. • Sparrow Investments Pte. Ltd.; • Tecoma Finance Limited; • TVS Supply Chain Solutions Limited; • Tube Investments of India Limited; • Moya Holdings, Asia Limited;

Name, Designation and DIN	Age	Nationality	Address	Date of Appointment	Details of other Directorship
					• Kings Road Investments Pte. Ltd; and • Maison Group Corporation, Vietnam
Ravindra Kumar Kundu ***Designation*:** Executive Director ***DIN*:** 07337155	55	Indian	Rani Meyyammai Towers, Flat 5H, 5th Floor 5th Block Sathyadev Avenue, M R C Nagar, R A Puram, Chennai- 600028	July 30, 2020[##]	• Cholamandalam Home Finance Limited; • Cholamandalam Securities Limited; and • Payswiff Technologies Private Limited.

[*] *Vellayan Subbiah's present term is liable to retire by rotation.*

[^] *Ramesh Rajan Natrajan is not liable to retire by rotation and appointed for a term of five consecutive years effective from October 30, 2018 up to October 29, 2023. Ramesh Rajan Natrajan was re-appointed as a Non-Executive Independent Director of the company for a second term of five consecutive years from October 30, 2023 till October 29, 2028, and is not liable to retire by rotation, pursuant to a board resolution dated May 3, 2023 and approved by Shareholders of our Company at annual general meeting held on August 1, 2023.*

[$] *Bhama Krishnamurthy is not liable to retire by rotation and appointed for a term of five consecutive years, effective from July 31, 2019 up to July 30, 2024.*

[@] *Rohan Verma is not liable to retire by rotation and appointed for a term of five consecutive years effective from March 25, 2019 up to March 24, 2024. Rohan Verma was re-appointed as a Non-Executive Independent Director of the company for a second term of five consecutive years from March 25, 2024 till March 24, 2029, and is not liable to retire by rotation, pursuant to a board resolution dated May 3, 2023 and approved by Shareholders of our Company at annual general meeting held on August 1, 2023*

[**] *M A M Arunachalam was originally appointed as an Additional Director on January 29, 2021. His term is liable to retire by rotation*

[***] *Anand Kumar's present term is for five consecutive years effective from March 16, 2021 to March 15, 2026.*

[##] *Ravindra Kumar Kundu is appointed for a term of five consecutive years, effective from January 23, 2020 up to January 22, 2025*

Profile of Directors

Vellayan Subbiah is the Non-Executive - Non-Independent Director - Chairperson of our Company. He holds a bachelor's degree of technology in civil engineering from Indian Institute of Technology, Madras and a master's degree in business administration from the University of Michigan. He is the Chairman of CG Power and Industrial Solutions Limited and Executive Vice Chairman of Tube Investments of India Limited. He is a director in various other companies including SRF Limited, 3XPER Innoventure Limited and Cholamandalam Financial Holdings Limited. He was the Managing Director of our Company from August 2010 to August 2017.

Ramesh Rajan Natarajan is a Non-Executive - Independent Director of our Company. He holds a bachelor's degree in commerce from University of Madras and is a fellow member of the Institute of Chartered Accountants of India. He is the non-executive chairman of Indo-National Limited and is also a director on the boards of TTK Healthcare Limited, Kineco Limited, Rane (Madras) Limited and Rane Engine Valve Limited.

Bhama Krishnamurthy is a Non-Executive - Independent Director of our Company. She holds a master's degree in science from Mumbai University. She is the Part-time Chairperson of CSB Bank Limited. She is a director on the boards of Network18 Media and Investments Limited, Five Star Business Finance Limited, Muthoot Microfin Limited and e-Eighteen.com Limited.

Rohan Verma is a Non-Executive - Independent Director of our Company. He holds a bachelor's degree in electrical engineering from Stanford University and a master's degree in business administration from London Business School. He is a director on the board of C.E. Info Systems Limited and Infidreams Industries Private Limited.

M A M Arunachalam is a Non-Executive – Non-Independent Director of our Company. He holds a bachelor's degree in commerce from Loyola College, Chennai and a master's degree in business administration from the University of Chicago. He is presently the executive chairman of Tube Investments of India Limited and the chairman of Shanthi Gears Limited, Cholamandalam Home Finance Limited, TI Clean Mobility Private Limited, Parry Enterprises India Limited and TI Medical Private Limited; (Formerly Lotus Surgicals Private Limited). He is on the board of CG Power and Industrial Solutions Limited.

Anand Kumar is a Non-Executive – Independent Director of our Company. He holds a master's degree in business administration from the Vanderbilt University. He is the co-founder of Gateway Partners, Singapore. He is a non-executive director of TVS Supply Chain Solutions Limited and independent director of Tube Investments of India Limited and a few other companies in India and abroad.

Ravindra Kumar Kundu is the Executive Director of our Company. He was appointed as Executive Director on January 23, 2020, for a period of five years. He holds a bachelor's degree in commerce from Bundelkhand University Jhansi and has completed a post graduate programme in management for senior executives from the Indian School of Business, and an executive programme in global business management from the Indian Institute of Management Calcutta. He is the Chairman of Payswiff Technologies Private Limited and a director on the boards of Cholamandalam Securities Limited and Cholamandalam Home Finance Limited.

Relationship between our Directors

None of our Directors are related to each other.

Remuneration and terms of employment of our Directors

Remuneration of the Executive Director

Our Board had, at their meeting held on January 23, 2020, approved the appointment of Ravindra Kumar Kundu as the Executive Director of our Company subject to the terms and conditions as set out in the board resolution dated January 23, 2020 and shareholders resolution date July 30, 2020. Pursuant to the aforementioned board and shareholders resolution, Ravindra Kumar Kundu has been appointed for a period of five years from January 23, 2020 to January 22, 2025.

Pursuant to the board and shareholders resolution dated January 23, 2020 and July 30, 2020, respectively and the revision of terms of remuneration by the Nomination and Remuneration Committee in their meeting held on August 1, 2023, effective from July 1, 2023, the terms of remuneration are set out below:

Particulars	Description
Salary	₹ 0. 14 crore per month in the scale of ₹ 0.06 crore to ₹ 0.15 crore per month (increments to be decided by the NRC)
Incentive	Annual incentive of ₹ 1.12 crore per annum at 100% levels (actual amount to be determined by the NRC in accordance with the corporate balance score card achievement).
Allowances	As may be determined by the Nomination and Remuneration Committee. a. House rent allowance: ₹ 0.04 crores per month b. Special allowance: ₹ 86,560 per month c. Leave travel allowance: ₹ 0.22 crores per annum
Retirement Benefits	a. Contribution to provident fund, superannuation fund and gratuity as per rules of the fund/scheme in force from time to time b. Encashment of leave as per rules of the Company in force from time to time
General	a. In the event of absence or inadequacy of profits in any financial year, the remuneration by way of salary, allowances, perquisites, amenities, facilities, incentive and retirement benefits of Ravindra Kumar Kundu as may be determined by the Board or NRC be paid in accordance with section II of part II of schedule V of the Companies Act, 2013 and rules made thereunder or any statutory modification or re-enactment thereof. b. Perquisites shall be valued in terms of actual expenditure incurred by the Company in providing benefit to the employees. However, in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy (including car provided for official and personal purposes and loans) the perquisites shall be valued as per income tax rules. c. The aggregate remuneration (including salary, allowances, perquisites, incentive and other benefits) payable to him for any financial year shall be subject to an overall ceiling of 5% of the net profits of the Company for that financial year computed in the manner prescribed under the Companies Act, 2013. d. Incentive shall be determined by the NRC based on the Company's scheme in force from time to time. e. He will not be entitled to any sitting fees for attending meetings of the Board or of any committee thereof. f. He will be subject to all other service conditions as applicable to any other employee of the Company.

Remuneration of the Non-Executive and Independent Directors

Pursuant, to a resolution passed by our Board, at their meeting held on January 31, 2023 our Company pays sitting fees of ₹1.00 lakh per meeting to the Non-Executive Directors of our Company for attending meetings of the Board and sitting fees of ₹0.50 lakh per meeting to Non-Executive Directors or attending meetings of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. Further, the commission payable to our Non-Executive Directors is ₹20 lakhs per annum and the chairman of the Audit Committee is ₹24 lakh.

The following table sets forth the remuneration paid by our Company to the present Non-Executive Directors of our Company, by way of sitting fees and commission for Fiscals 2021, 2022 and 2023 and for the period from April 1, 2023 till date:

Name of our Directors	Remuneration (₹ in crores)			
	Fiscal 2024 (April 1, 2023 till date)	Fiscal 2023	Fiscal 2022	Fiscal 2021
Vellayan Subbiah	0.06	1.06	1.06	0.08
Ramesh Rajan Natarajan	0.09	0.22	0.21	0.21
Bhama Krishnamurthy	0.08	0.19	0.18	0.18
Rohan Verma	0.03	0.12	0.13	0.15
M A M Arunachalam	0.10	0.20	0.19	0.05
Anand Kumar	0.08	0.18	0.17	0.01

Remuneration of our Directors

Executive Director

The following table sets forth the remuneration paid by our Company to our Executive Director of our Company for Fiscals 2021, 2022 and 2023 and for the period from April 1, 2023 till date:

Fiscal/ Period	Salary (₹ in crore)	Perquisites (₹ in crore)	Total (₹ in crore)
Fiscal 2024 till date^	3.23	0.04	3.27
Fiscal 2023	2.96	0.45	3.41
Fiscal 2022	2.29	0.44	2.73
Fiscal 2021	1.86	0.33	2.19

^ *From April 1, 2023 to December 31, 2023*

* *Excludes the amortised portion of annual incentive provided in the books of accounts. The annual incentive payout happens once a year which is approved by the Nomination and Remuneration Committee based on a balanced scorecard review.*

Remuneration payable or paid to Directors by Subsidiaries and Associate company of our Company

The following table sets forth the remuneration (including sitting fees, commission and perquisites) paid by our Subsidiaries and our Associate Companies from Financial Year 2021 to the date of this Tranche IV Prospectus to our Directors.

Name of Director	Type of Remuneration Received/ Payable
Financial Year 2021	
M A M Arunachalam	*Cholamandalam Home Finance Limited* Sitting Fee: ₹ 0.20 lakhs.
Financial Year 2022	
M A M Arunachalam	*Cholamandalam Home Finance Limited.* Sitting Fee: ₹1.00 lakhs
Financial Year 2023	
M A M Arunachalam	*Cholamandalam Home Finance Limited.* Sitting Fee: ₹ 200.80 lakhs
Financial Year 2024 (April 1, 2023 till date)	
M A M Arunachalam	*Cholamandalam Home Finance Limited.* Sitting Fee: ₹ 200.60 lakhs

Other confirmations

No Director of our Company is a director or is otherwise associated in any manner with, any company that appears in the list of the vanishing companies as maintained by the Ministry of Corporate Affairs, wilful defaulter list as categorized by the RBI or Export Credit Guarantee Corporation of India Limited or any other regulatory or governmental authority and/or bank or financial institutions.

None of our Directors have been identified as a 'Wilful Defaulter', as defined under SEBI NCS Regulations.

Our Executive Director may also be deemed to be interested to the extent of stock options granted or Equity Shares to be allotted pursuant to the exercise of options granted to them under Employee Stock Option Scheme, 2007 and Cholamandalam Investment and Finance Company Limited Employee Stock Option Plan 2016. For details, see "*Capital Structure –Employee stock option scheme*" on page 56.

We also confirm that none of our Directors is restrained or prohibited or debarred from accessing the securities market or dealing in securities by the Board. Further, none of our Directors is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI. No Director in our Company is, or was, a director of any listed company, which has been or was compulsorily delisted from any recognised stock exchange within a period of ten years preceding the date of this Tranche IV Prospectus, in accordance with Chapter V of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

None of our Directors have committed any violation of securities laws in the past and no proceedings in such regard by SEBI or, RBI are pending against any of our Directors.

No Director of our Company is a fugitive economic offender, as defined in the SEBI NCS Regulations.

We confirm that the Permanent Account Number of the Directors of the Company has been submitted to the Stock Exchange at the time of filing the Draft Shelf Prospectus.

Borrowing powers of our Board of Directors

Pursuant to the shareholders resolution passed at the Annual General Meeting held on August 1, 2023, our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital, free reserves and securities premium reserve of our Company, up to a limit of an outstanding aggregate value of ₹ 2,00,000 crores.

The aggregate value of the NCDs offered under this Tranche IV Prospectus, together with the existing borrowings of the Company, is within the approved borrowing limits as abovementioned.

Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid by our Company as well as to the extent of reimbursement of expenses payable to them. Our Non-Executive Directors may be deemed to be interested to the extent of sitting fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other reimbursement of expenses.

All the directors of our Company, including independent directors, may also be deemed to be interested to the extent of Equity Shares, if any, held by them or by companies, firms and trusts in which they are interested as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

Other than as disclosed in "*Related Party Transactions*" on page 279, our Company has not entered into any contracts, agreements or arrangements during the two years immediately preceding the date of this Tranche IV Prospectus in which our Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts agreements or arrangements which are proposed to be made with them. Except as stated in "*Related Party Transactions*" on page 279, to the extent of compensation and commission if any, and their shareholding in the Company, the Directors do not have any other interest in the business of the Company.

Our Directors may be deemed to be interested to the extent, including of consideration received/paid or any loans or advances provided to any body corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees.

Except as disclosed hereinabove and the section titled "*Risk Factors*" on page 18. Our Directors do not have an interest in any venture that is involved in any activities similar to those conducted by our Company.

Except Vellayan Subbiah and M A M Arunachalam, who are partners in Kadamane Estates, a Promoter entity of our Company, none of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them or to help them qualify as a director or for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

Our Directors have no interest in any immovable property acquired or proposed to be acquired by our Company in the preceding two years of filing this Tranche IV Prospectus nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company. No benefit/interest will accrue to our Promoters/Directors out of the proceeds of the Issue.

Except Vellayan Subbiah and M A M Arunachalam in their individual capacity and through their interest in Promoter HUF's of our Company, none of our Directors are interested in the promotion of our Company, except in the ordinary course of business.

Our Directors have not taken any loan from our Company. Further, our Company has not availed any loans from the Directors which are currently outstanding. Our Directors are not interested in investments made in the secured/unsecured non-convertible debentures issued by the Company. There is no contribution being made by the Directors as part of the Issue or separately in furtherance of such objects of the Issue.

Shareholding of our Directors

Except M A M Arunachalam and Ravindra Kumar Kundu who hold 3,93,127 Equity Share each of our Company, none of our other Directors hold any Equity Shares as on the date of this Tranche IV Prospectus.

S. No	Name of Director, Designation and DIN	No. of Equity Shares of (₹)	Number of Stock Options	% of total Equity Shares of our Company
1.	Ravindra Kumar Kundu **Designation:** Executive Director **DIN:** 07337155	2,27,555	295,520	0.03
2.	M A M Arunachalam **Designation:** Non- Executive Director **DIN:** 00202958	1,65,752	Nil	0.01

Shareholdings of Directors in Subsidiaries and Associate companies, including details of qualification of shares held by Directors as on the date of Tranche IV Prospectus

As of the date of this Tranche IV Prospectus, none of our Directors hold equity shares in our Subsidiaries or Associate Companies.

Debentures/Subordinated Debt holding of our Directors

As on the date of this Tranche IV Prospectus, none of our Directors hold debentures or subordinated debt issued by our Company.

Changes in our Directors of our Company during the last three financial years and current financial year

The changes in our Board of Directors of our Company in the three years preceding the date of this Tranche IV Prospectus are as following:

Name, Designation and DIN	Date of Appointment/re-appointment	Date if Cessation, if applicable	Date of Resignation, if applicable	Remarks
Ramesh Rajan Natarajan **Designation:** Non-Executive – Independent Director **DIN**: 01628318	October 30, 2023	-	-	Re-appointed as an Independent Director for a second term of five consecutive years.
Ashok Kumar Barat **Designation**: Independent Director **DIN**: 00492930	-	October 31, 2022	-	Cessation
Bharath Vasudevan **Designation**: Non-Executive – Independent Director **DIN**: 09104808	July 30, 2021	-	March 31, 2023	Resignation
Anand Kumar **Designation**: Non-Executive - Independent Director **DIN**: 00818724	July 30, 2021	-	-	Change in designation from Additional Director to Non-Executive – Independent Director
M A M Arunachalam **Designation**: Non-Executive Director **DIN**: 00202958	July 30, 2021	-	-	Change in designation from Additional Director to Non-Executive Director
Vellayan Subbiah **Designation**: Non-Executive Director – Chairman **DIN**: 01138759	July 30, 2021	-	-	Change in designation from Additional Director - Chairman to Non-Executive Director - Chairman
Bharath Vasudevan **Designation**: Additional Director **DIN**: 09104808	March 16, 2021	-	-	Appointment
Anand Kumar **Designation**: Additional Director **DIN**: 00818724	March 16, 2021	-	-	Appointment
Arun Alagappan **Designation**: Managing Director **DIN**: 00291361	-		February 14, 2021	Resignation
M A M Arunachalam **Designation**: Additional Director **DIN**: 00202958	January 29, 2021	-	-	Appointment
Vellayan Subbiah **Designation**: Additional Director **DIN**: 01138759	November 12, 2020	-	-	Change in designation from Additional Director to Additional Director - Chairman
Murugappan Murugappan Muthiah **Designation**: Director and Chairman **DIN**: 00170478	-	-	November 11, 2020	Resignation

Name, Designation and DIN	Date of Appointment/re-appointment	Date if Cessation, if applicable	Date of Resignation, if applicable	Remarks
Vellayan Subbiah **Designation**: Additional Director **DIN**: 01138759	November 11, 2020	-	-	Appointment

Appointment of any relatives of Directors to an Office or place of profit

None of our Directors' relatives have been appointed to an office or place of profit of our Company, Subsidiaries and Associate Companies.

Key Managerial Personnel of our Company

The details of our Key Managerial Personnel, as on the date of this Tranche IV Prospectus, are set out below:

Sr. No.	Name	Designation
1.	Ravindra Kumar Kundu	Executive Director
2.	D. Arul Selvan	Chief Financial Officer
3.	P. Sujatha	Company Secretary and Compliance Officer

Relationship with other Key Managerial Personnel

None of our Key Managerial Personnel are related to each other.

Interests of Key Managerial Personnel

Except to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them and to the extent of the Equity Shares held by them or their dependents in our Company, if any, or any stock options held by them and any dividend payable to them and other distributions in respect of such Equity Shares.

Our Directors, Key Managerial Personnel or Senior Management have no financial or other material interest in the Issue.

Payment or Benefit to Officers of our Company

Nil

Shareholding of our Company's Key Managerial Personnel

The following table sets forth the shareholding of our key managerial personnel as on the date of this Tranche IV Prospectus

Name	Number of Equity Shares	Percent of Total Number of Outstanding Equity Shares (in %)
Ravindra Kumar Kundu	2,27,555	0.03
D. Arulselvan	1,78,500	0.02
P. Sujatha	1,88,305	0.02

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three financial years, refer to the chapter "*Related Party Transactions*" on page 279.

Corporate Governance

Our Company believes that good corporate governance is an important constituent in enhancing stakeholder value. Our Company has in place processes and systems whereby it complies with the requirements to the corporate governance provided in SEBI Listing Regulations and the applicable RBI Guidelines. The corporate governance framework is based on an effective independent Board, separation of the supervisory role of the Board from the executive management team and constitution of the committees of the Board, as required under applicable law. In compliance with the requirements of the SEBI Listing Regulations, our Board consists of five Independent Directors, which includes one woman director. Our Company is in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the RBI Regulations, in respect of corporate governance, including constitution of our Board and committees thereof.

Committees of the Board of Directors

Our Board has constituted various committees, which function in accordance with the relevant provisions of the Companies Act, 2013, and the SEBI Listing Regulations. These are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Corporate Social Responsibility Committee; and (v) Risk Management Committee.

The following table sets forth the members of the aforesaid committees as of the date of this Tranche IV Prospectus:

Committee	Members
Audit Committee	Ramesh Rajan Natarajan (*Chairman*), Bhama Krishnamurthy, Anand Kumar and M A M Arunachalam
Nomination and Remuneration Committee	Anand Kumar (*Chairman*), Vellayan Subbiah and Ramesh Rajan Natarajan
Stakeholders Relationship Committee	M A M Arunachalam (*Chairman*), Rohan Verma and Ravindra Kumar Kundu
Corporate Social Responsibility Committee	Vellayan Subbiah (*Chairman*), M A M Arunachalam and Bhama Krishnamurthy
Risk Management Committee	Bhama Krishnamurthy (*Chairperson*), Ramesh Rajan Natarajan, M A M Arunachalam and Ravindra Kumar Kundu

In addition to the above mentioned committees, the other committees constituted by our Board of Directors are: (i) Debenture Committee; (ii) Asset Liability Management Committee, (iii) IT Strategy Committee, and (iv) Business Committee.

OUR PROMOTER

Collectively, Cholamandalam Financial Holdings Limited, Ambadi Investments Limited, M V Subbiah, M A Alagappan, A Vellayan, A Venkatachalam, M M Murugappan, M M Venkatachalam, M A M Arunachalam, S Vellayan, Arun Alagappan, M M Veerappan, V Narayanan, V Arunachalam, M M Muthiah, M V Muthiah, Arun Venkatachalam, M V Subramanian, M V Murugappan HUF, M V Subbiah HUF, M A Alagappan HUF, A Vellayan HUF, A Venkatachalam HUF, M M Murugappan HUF, M A M Arunachalam HUF, M M Venkatachalam HUF, M M Muthiah HUF, A M M Arunachalam HUF, Murugappa & Sons (M V Subbiah, M A Alagappan & M M Murugappan hold shares on behalf of the firm) Tube Investments of India Limited, New Ambadi Estates Private Limited, Coromandel International Limited, Ambadi Enterprises Limited, Carborundum Universal Limited, E.I.D. Parry (India) Limited, M A Alagappan (holds shares on behalf of Kadamane Estates).

Details of our Corporate Promoters

a. Cholamandalam Financial Holdings Limited

Registered office: 234, Dare House, NSC Bose Road, Chennai, Tamil Nadu, 600 001

Date of Incorporation: September 9, 1949

Corporate Identification Number: L65100TN1949PLC002905

PAN: AAACT1249H

Profile:

Cholamandalam Financial Holdings Limited was originally incorporated on September 9, 1949 as a company limited by shares under the Companies Act, 1913.

Cholamandalam Financial Holdings Limited is registered with the Reserve Bank of India as a Non-Deposit taking Systemically Important – Core Investment Company and is engaged in the business of holding investments in group entities.

Special achievements: NA

The following table sets forth details of the directors of Cholamandalam Financial Holdings Limited as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation
1.	M M Murugappan	Chairman
2.	K Balasubramanian	Non-Executive - Independent Director
3.	B Ramaratnam	Non-Executive - Independent Director
4.	Vasudha Sundararaman	Non-Executive - Independent Director
5.	Sridharan Rangarajan	Non-Executive Director
6.	Vellayan Subbiah	Non-Executive Director

b. Tube Investments of India Limited

Registered office: Chola Crest, C54-55 & Super B-4,Thiru-Vi-Ka Industrial Estate, Guindy Guindy Industrial Estate, Chennai, Chennai City Corporation, Tamil Nadu, India, 600032

Date of Incorporation: October 6, 2008

Corporate Identification Number: L35100TN2008PLC069496

PAN: AADCT1398N

Profile:

Tube Investments of India Limited was originally incorporated on October 6, 2008 as a company limited by shares under the Companies Act, 1956.

Tube Investments of India Limited is engaged in the business of manufacturing of precision steel tubes and strips, automotive, industrial chains, car door frames and bicycles.

Special achievements: NA

The following table sets forth details of the directors of Tube Investments of India Limited as on the date of this Tranche IV Prospectus:

S. No.	Name	Designation
1.	M A M Arunachalam	Executive Chairman
2.	Vellayan Subbiah	Executive Vice Chairman
3.	Mukesh Ahuja	Managing Director
4.	Srinivasan Karisathan Rangaswamy	President & Whole-time Director
5.	Anand Kumar	Independent Non-Executive Director
6.	Sasikala Varadachari	Independent Non-Executive Director
7.	Tejpreet Singh Chopra	Independent Non-Executive Director
8.	Vadallur Subramanian Radhakrishnan	Independent Non-Executive Director

c. New Ambadi Estates Private Limited

Registered office: Parry House, 5th Floor 43, Moore Street, Chennai, Tamil Nadu 600 001

Date of Incorporation: January 31, 2008

Corporate Identification Number: U65990TN2008PTC066257

PAN: AACCN7098Q

Profile:

New Ambadi Estates Private Limited is a private limited company incorporated on January 31, 2008 under Companies Act, 1956.

New Ambadi Estates Private Limited is engaged in the business of cultivation of rubber and to produce value added products from rubber latex processing.

Special achievements: NA

The following table sets forth details of the directors of New Ambadi Estates Private Limited as on the date of this Tranche IV Prospectus:

S. No.	Name	Designation
1.	M M Venkatachalam	Director
2.	M A M Arunachalam	Director
3.	Udayakumar Samuel	Director
4.	V Arunachalam	Director

d. Coromandel International Limited

Registered office: 1-2-10, Sardar Patel Road, Secunderabad, Andhra Pradesh, 500 003

Date of Incorporation: October 16, 1961

Corporate Identification Number: L24120TG1961PLC000892

PAN: AAACC7852K

Profile:

Coromandel International Limited was originally incorporated on October 16, 1961 as a public limited company under the Companies Act, 1956.

Coromandel International Limited is engaged in the business of providing agri-solutions, offering diverse products and services across the farming value chain. We have diversified our offerings to emerge as a complete farm solutions provider, offering seeding to harvesting solutions. We offer plant nutrients and crop protection solutions including fertiliser, crop protection, bio-pesticides, specialty nutrients and organic fertiliser. We also operate a network of around 750 rural retail outlets across Andhra Pradesh, Telangana and Karnataka offering products and farming services including crop advisory, soil testing and farm mechanization to around three million farmers through our Gromor stores.

Special achievements: NA

The following table sets forth details of the directors of Coromandel International Limited as on the date of this Tranche IV Prospectus:

S. No.	Name	Designation
1.	A Vellayan	Non-Executive - Chairman
2.	Arun Alagappan	Executive Vice Chairman

S. No.	Name	Designation
3.	Sumit Bose	Independent Director
4.	M M Venkatachalam	Non-Executive Director
5.	Sudarshan Venu	Independent Director
6.	Deepali Pant Joshi	Independent Director
7.	Sankarasubramanian S	Executive Director – Nutrient Business
8.	Raghuram Devarakonda	Executive Director – CPC, Bio and Retail
9.	Adnan Wajhat Ahmad	Independent Director
10.	Aditya Himatsingka	Independent Director

e. Ambadi Enterprises Limited

Registered office: Parry House 5th Floor No.43 Moore Street, Chennai, Tamil Nadu 600 001

Date of Incorporation: November 18, 1941

Corporate Identification Number: U65991TN1941PLC001437

PAN: AAACA6374J

Profile:

Ambadi Enterprises Limited was originally incorporated as a company limited by shares on November 18, 1941 under Companies Act, 1913.

Ambadi Enterprises Limited is engaged in the business of providing extensive line of home furnishing products.

Special achievements: NA

The following table sets forth details of the directors of Ambadi Enterprises Limited as on the date of this Tranche IV Prospectus:

S. No.	Name	Designation
1.	Ramesh K B Menon	Director
2.	Deepali Pant Rajeev Joshi	Director
3.	Faizal Jaliwala	Director
4.	Kumbakonam Chandrasekhar Ramamoorthy	Whole-Time Director

f. Carborundum Universal Limited

Registered office: Parry House, 43 Moore Street, Chennai, Tamil Nadu, 600 001

Date of Incorporation: April 21, 1954

Corporate Identification Number: L29224TN1954PLC000318

PAN: AAACC2474P

Profile:

Carborundum Universal Limited was incorporated as company limited by shares on April 21, 1954 under Companies Act, 1913.

Carborundum Universal Limited is engaged in the business of manufacturing abrasives, electrominerals, ceramics, and other related products.

Special achievements: NA

The following table sets forth details of the directors of Carborundum Universal Limited as on the date of this Tranche IV Prospectus:

S. No.	Name	Designation
1.	M M Murugappan	Chairman
2.	Sanjay Jayavarthanavelu	Independent Director
3.	Aroon Raman	Independent Director
4.	P S Raghavan	Independent Director
5.	Sujjain S Talwar	Independent Director
6.	Soundara Kumar	Independent Director
7.	Sridharan Rangarajan	Director- Finance and Strategy

g. E I D Parry (India) Limited

Registered office: Dare House, Parry corner, Chennai, Tamil Nadu, 600 001

Date of Incorporation: September 22, 1975

Corporate Identification Number: L24211TN1975PLC006989

PAN: AAACE0702C

Profile:

E I D Parry (India) Limited was incorporated on September 22, 1975 under Companies Act, 1956 as a company limited by shares.

E I D Parry (India) Limited is engaged in the business of manufacturing of sugar, distillery and nutraceuticals.

Special achievements: NA

The following table sets forth details of the directors of E I D Parry (India) Limited as on the date of this Tranche IV Prospectus:

S. No.	Name	Designation
1.	M M Venkatachalam	Chairman
2.	S Suresh	Managing Director
3.	Muthiah Murugappan	Whole-time Director and CEO
4.	Ramesh K B Menon	Non-Executive - Non-Independent Director
5.	Ajay B Baliga	Non-Executive - Independent Director
6.	Rca Godbole	Non-Executive - Independent Director
7.	T Krishnakumar	Non-Executive - Independent Director
8.	Sridharan Rangarajan	Non-Executive - Non-Independent Director
9.	S Durgashankar	Non-Executive - Independent Director
10.	Meghna Apparao	Non-Executive - Independent Director

h. Ambadi Investments Limited

Registered office: Parry House, 5th Floor, 43 Moore Street, Tamil Nadu, 600001

Date of Incorporation: May 6, 1942

Corporate Identification Number: U65993TN1942PLC003659

PAN: AAACN1078J

Profile:

Ambadi Investments Limited was originally incorporated on May 6, 1942 as a private limited company under the Companies Act, 1913.

Ambadi Investments Limited is a Core Investment Company (CIC) registered with RBI that is primarily engaged in the business of holding investments in its subsidiaries and other group companies. It carries out only such activities as are permitted under the directions issued by RBI for CICs, as amended from time to time.

Special achievements: NA

The following table sets forth details of the directors of Ambadi Investments Limited as on the date of this Tranche IV Prospectus:

S. No.	Name	Designation
1.	M A Alagappan	Non- Independent Director
2.	P Nagarajan	Independent Director
3.	A Vellayan	Non- Independent Director
4.	M M Venkatachalam	Non- Independent Director
5.	M M Murugappan	Non- Independent Director
6.	M A M Arunachalam	Non- Independent Director
7.	P R Ravi	Independent Director
8.	Vellayan Subbiah	Non- Independent Director

i. Kadamane Estates

Registered office: No.10 Ward No.115, Sitharanjan Road, Cenetoph Road II St., Teynampet, Chennai 600018

Date of Incorporation: September 6, 1968

LLP Identification Number: NA

PAN: AABFK9112E

Profile:

Kadamane Estates is engaged in the business of plantation.

Special achievements: NA

The following table sets forth details of the partners of Kadamane Estates as on the date of this Tranche IV Prospectus:

S. No.	Name	Designation
1.	M A Alagappan HUF	Partner
2.	M V Subbiah HUF	Partner
3.	A Vellayan-Individual	Partner
4.	M M Murugappan HUF	Partner
5.	M M Venkatachalam HUF	Partner
6.	A Venkatachalam HUF	Partner
7.	M A M Arunachalam	Partner
8.	Vellayan Subbiah	Partner
9.	Arun Alagappan	Partner
10.	V Arunachalam	Partner
11.	V Narayanan	Partner
12.	Arun Venkatachalam	Partner
13.	New Ambadi Estates Private Limited	Partner

j. *Murugappa & Sons*

Registered office: No. 3, (Old. No. 2), Sriram Nagar, North Street, Alwarpet, Chennai 600 018

Date of Incorporation: June 27, 1933

LLP Identification Number: NA

PAN: AAAFM6931A

Profile:

Murugappa & Sons is a registered under Section 58(1) of the Indian Partnership Act, 1932.

Murugappa & Sons is engaged in the business of investment in securities.

Special achievements: NA

The following table sets forth details of the partners of Murugappa & Sons as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation
1.	M V Subbiah	Partner
2.	M A Alagappan	Partner
3.	M M Murugappan	Partner

Details of our HUF Promoters

k. M V Subbiah HUF

Registered office: Old No 10 New No 22, Boat Club Road, Raja Annamalaipuram, Chennai 600 028

Date of formation: September 6, 1957

PAN: AALHS2276M

Profile:

M V Subbiah HUF does not have any other ventures.

The following table sets forth details of the members of M V Subbiah HUF as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation	Relationship with Karta
1.	M V Subbiah	Karta	Self
2.	M V Seetha Subbiah	Member	Spouse
3.	S Vellayan	Member	Son
4.	Valli Subbiah	Member	Daughter

l. A M M Arunachalam HUF

Registered office: No.10, Chittaranjan Road, Teynampet, Chennai 600 018

Date of formation: January 1, 1957

PAN: AAJHA4238H

Profile:

A M M Arunachalam HUF does not have any other ventures.

The following table sets forth details of the members of A M M Arunachalam HUF as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation	Relationship with Karta
1.	M A Alagappan	Karta	Self
2.	M A M Arunachalam	Member	Uncle

m. M A Alagappan HUF

Registered office: No.17, Chittaranjan Road, Teynampet, Chennai 600 018

Date of formation: April 4, 1969

PAN: AADHA5809A

Profile:

M A Alagappan HUF does not have any other ventures.

The following table sets forth details of the members of M A Alagappan HUF as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation	Relationship with Karta
1.	M A Alagappan	Karta	Self
2.	Arun Alagappan	Member	Son
3.	A A Alagammai	Member	Spouse

n. A Vellayan HUF

Registered office: No.5 Ambadi Road, Kotturpuram, Chennai 600 085

Date of formation: December 15, 1977

PAN: AAAHV2590Q

Profile:

A Vellayan HUF does not have any other ventures.

The following table sets forth details of the members of A Vellayan HUF as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation	Relationship with Karta
1.	A Vellayan	Karta	Self
2.	V Arunachalam	Member	Son
3.	V Narayanan	Member	Son
4.	Lalitha Vellayan	Member	Spouse

o. M M Muthiah HUF

Registered office: Coromandel House, Old No.12, New No.14, Boat Club Road, Chennai 600 028

Date of formation: April 26, 1951

PAN: AAAHM1999J

Profile:

M M Muthiah HUF does not have any other ventures.

The following table sets forth details of the members of M M Muthiah HUF as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation	Relationship with Karta
1.	M M Murugappan	Karta	Self
2.	M M Seethalakshmi	Member	Mother
3.	M M Venkatachalam	Member	Brother

p. M M Murugappan HUF

Registered office: Parry House, No.43, Moore Street, Parry's Corner, Chennai, 600 001

Date of formation: September 9, 1979

PAN: AAAHM2016G

Profile:

M M Murugappan HUF does not have any other ventures.

The following table sets forth details of the members of M M Murugappan HUF as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation	Relationship with Karta
1.	M M Murugappan	Karta	Self
2.	Meenakshi Murugappan	Member	Spouse
3.	M M Muthiah	Member	Son
4.	M M Veerappan	Member	Son

q. M A M Arunachalam HUF

Registered office: New No.9, Old No.4 Chittaranjan Road, Teynampet, Chennai 600 018

Date of formation: July 1, 1963

PAN: AAAHM1997G

Profile:

M A M Arunachalam HUF does not have any other ventures.

The following table sets forth details of the members of M A M Arunachalam HUF as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation	Relationship with Karta
1.	M A M Arunachalam	Karta	Self
2.	A M Meyyammai	Member	Mother

r. M V Murugappan HUF*

Registered office: New No.8/1, Boat Club Road, R.A.Puram, Chennai 600 028

Date of formation: August 23, 1957

PAN: AAFHM9112E

Profile:

M V Murugappan HUF does not have any other ventures.

The following table sets forth details of the members of M V Murugappan HUF as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation	Relationship with Karta
1.	Valli Arunachalam	Karta	Self
2.	Vellachi Murugappan	Me\mber	Sister

**Our Company has received a letter dated November 8, 2023 from Valli Arunachalam, Vellachi Murugappan and M V Murugappan HUF (through its karta Valli Arunachalam), members of Promoters and Promoter Group of our Company seeking reclassification from the 'promoter and promoter group' category to 'public' category shareholders under Regulation 31A of the SEBI Listing Regulation. Such reclassification will require approval of the Board and the Stock Exchanges, which is yet to be received as of the date of this Tranche IV Prospectus.*

s. M M Venkatachalam HUF

Registered office: No.10, Valliammai Achi Road, Kotturpuram, Chennai 600 085

Date of formation: June 9, 1986

PAN: AAAHM1996H

Profile:

M M Venkatachalam HUF does not have any other ventures.

The following table sets forth details of the members of M M Venkatachalam HUF as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation	Relationship with Karta
1.	M M Venkatachalam	Karta	Self
2.	Lakshmi Venkatachalam	Member	Spouse
3.	M V Muthiah	Member	Son
4.	M V Subramanian	Member	Son

t. A Venkatachalam HUF

Registered office: No.3/1, Bishops Garden, Greenways Road, Greenways Road, Chennai 600 028

Date of formation: November 27, 1988

PAN: AABHA5481L

Profile:

A Venkatachalam HUF does not have any other ventures.

The following table sets forth details of the members of A Venkatachalam HUF as on the date of this Tranche IV Prospectus:

Sr. No.	Name	Designation	Relationship with Karta
1.	A Venkatachalam	Karta	Self
2.	Arun Venkatachalam	Member	Son
3.	Meyyammai Venkatachalam	Member	Spouse

Confirmation for the Corporate and HUF Promoters

Our Company confirms that the PAN and bank account number of our Corporate and HUF Promoters has been submitted to the Stock Exchanges at the time of filing of the Draft Shelf Prospectus with the Stock Exchanges.

Details of our Individual Promoters

SN	Promoter	Promoter Profile
1.		***Name***: M A M Arunachalam ***Date of birth and age***: June 18,1967, aged 56 years ***Permanent account number***: AACPA9626N ***Address, Directorships and Profile:*** For his address, directorships, and profile refer to "*Our Management*" on page 175. ***Special achievements***: Nil

SN	Promoter	Promoter Profile

Other than the entities forming Subsidiaries, Group Companies and Murugappa group, M A M Arunachalam is not involved in any other ventures.

2. 

Name: Arun Alagappan

Date of birth and age: July 19, 1976, aged 47 years

Address: No.10, Chittaranjan Road, Teynampet, Chennai 600 018

Permanent account number: AACPA9627P

Directorships:

1. Coromandel International Limited
2. Lakshmi Machine Works Limited
3. Southern India Chamber of Commerce & Industry
4. Madras Race Club
5. Yanmar Coromandel Agrisolutions Private Limited
6. Parry Murray & Company Limited
7. Thirumalai Chemicals Limited
8. Dare Ventures Limited

Special achievements: Nil

Profile:

He holds a bachelor's degree in commerce from the University of Madras and completed the president/management program from Harvard Business School at Boston, USA. He has started his career with GE Capital Services India in 1997. Subsequently he joined the Murugappa group in 1999 in Parryware, part of E.I.D Parry (India) Limited. Between 2005 to 2017, he served in Tube Investments of India Limited heading various divisions and functions including as the President & Business Head of TI Cycles. In August 2017, was appointed as Executive Director of Cholamandalam Investment and Finance Company Limited and subsequently as the Managing Director in November 2019. He held this position until February 14, 2021, prior to joining Coromandel International Limited. He is acknowledged as a thought leader in the Bicycle Industry and the NBFC Industry.

Other than the entities forming Subsidiaries, Group Companies and Murugappa group, Arun Alagappan is not involved in any other ventures.

3. 

Name: M A Alagappan

Date of birth and age: December 6, 1943, aged 79 years

Address: 10 Chittaranjan, Road, Teynampet, Chennai - 600018

Permanent account number: AACPA9628C

Directorships:

1. AVT Natural Products Limited
2. Ambadi Investments Limited
3. M A Alagappan Holdings Private Limited
4. Rentasset Initiatives Private Limited
5. Murugappa Educational and Medical Foundation
6. AR Lakshmi Achi Trust

Special achievements: Awarded Doctorate by Alumni Association of University of Aston in Birmingham, United Kingdom

Profile:

He holds a bachelor's degree in commerce and has undergone a course in management studies in the University of Aston in Birmingham, United Kingdom. He was the executive chairman

SN	Promoter	Promoter Profile

of Murugappa group and was associated with the company since its inception in various capacities including as vice chairman & managing director between 1994-99 and as chairman between 2001-2006 and 2008-2010.

Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, M A Alagappan's other venture includes his role as the Honarary Council of Hungary for South India.

4.



Name: A Vellayan

Date of birth and age: January 9, 1953, aged 70 years

Address: No.5, Ambadi Road, Kotturpuram, Chennai 600 085

Permanent account number: AACPV2231L

Directorships:

1. Coromandel International Limited
2. Indian Institute of Management, Kozhikode
3. Ambadi Investments Limited
4. AMM Foundation
5. Kanoria Chemicals & Industries Limited
6. The Fertiliser Association of India
7. Nocil Limited

Special achievements: Nil

Profile:

He holds a bachelor's degree in commerce from Shri Ram College of Commerce, New Delhi and a diploma in industrial administration from Aston University, United Kingdom. He also holds a master's degree in business studies from University of Warwick Business School, United Kingdom. He has been conferred Doctor of Science (Honoris Causa) by Aston University, UK. He has experience in fertilisers business, general management and financial planning. He has held various positions in the Murugappa group in the past.

Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, A Vellayan is not involved in any other ventures.

5.



***Name*:** M M Murugappan

Date of birth and age: November 12, 1955, aged 68 years

Address: Coromandel House, New No.14 (Old No.12), Boat Club Road, Chennai – 600 028

Permanent account number: AAGPM1775L

Directorships:

1. Carborundum Universal Limited
2. Cholamandalam Financial Holdings Limited
3. Cholamandalam MS General Insurance Company Limited
4. Volzhsky Abrasive Works, Russia
5. M M Muthiah Research Foundation
6. Ambadi Investments Limited
7. Murugappa Water Technology and Solutions Private Limited
8. Idea Lab (India) Private Limited
9. Cyient Limited
10. IIT Madras Research Park

SN	Promoter	Promoter Profile

11. Chennai Willingdon Corporate Foundation

12. Carsons Cumberbatch PLC

Special achievements: He has played a pivotal role in transforming Carborundum Universal Limited into an international company and his strategic approach towards business partnerships with global leaders has been one of the key factors contributing to Carborundum Universal Limited consistent growth, internationally.

Profile:

He holds a master's degree in chemicals engineering from the University of Michigan, USA. He was the executive chairman of Murugappa group. He has over 43 years of experience in the diverse areas including strategy, planning, governance, technology, management and leadership. He was elected as a fellow of the Indian Ceramic Society and is also a member of the American Institute of Chemical Engineers, Indian Institute of Chemical Engineers, Plastics & Rubber Institute. He is a trustee of the Murugappa group's CSR arm – AMM Foundation.

Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, M M Murugappan is not involved in any other ventures.

6.



Name: A Venkatachalam

Date of birth and age: September 5, 1961, aged 62 years

Address: No 3 Bishop Garden, Greenways Road, R.A. Puram, Chennai – 600 028

Permanent account number: ACFPV9601D

Directorships:

1. Growx Projects LLP
2. Murugappa Water Technology and Solutions Private Limited
3. Murugappa Educational and Medical Foundation
4. Parry Enterprises India Limited

Special achievements: Nil

Profile:

He holds a bachelor's degree from Gallaudet University, Washington, D.C, U.S.A. Has work experience in various companies of Murugappa group of over 32 years.

Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, A Venkatachalam is not involved in any other ventures.

7.



Name: S Vellayan

Date of birth and age: August 7, 1969, aged 54 years

Permanent account number: AADPV8920B

Address, Directorships and Profile:

For his address, directorships, and profile refer to "*Our Management*" on page 175.

Special achievements: Recipient of the Extraordinary Entrepreneur of the Year - TiECON 2014 Award

Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, S Vellayan is not involved in any other ventures.

8.



Name: V Narayanan

Date of birth and age: February 7, 1986, aged 37 years

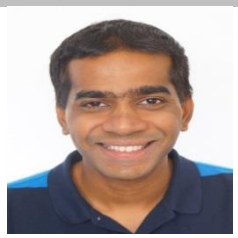
Address: 9/5 Ambadi Road, Kotturpuram, Chennai – 600 085

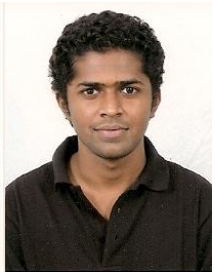
Permanent account number: ADPPN2527F

Directorships:

SN	Promoter	Promoter Profile
		1. Coromandel SQM (India) Private Ltd. 2. Southern Indian Chamber of Commerce & Industry ***Special achievements***: He has independently developed the organic and waste management business in Coromandel International Limited. He promotes the specialty nutrients required for Indian soils through Coromandel International Limited's specialty nutrients division. ***Profile***: He holds a bachelor's degree in law. He has previously held the positions KPMG, Europe. Other than the entities forming part of the Promoter Group, V Narayanan is not involved in any other ventures.
9.		***Name***: V Arunachalam ***Date of birth and age***: June 20, 1981, aged 42 years ***Address***: 9/5 Ambadi Road, Kotturpuram, Chennai 600 085 ***Permanent account number***: ADWPA5110C ***Directorships***: 1. New Ambadi Estates Private Limited ***Special achievements***: Nil ***Profile***: He holds a bachelor's degree in commerce from Loyola College and Msc. in accounting and finance from Lancaster University, United Kingdom specializing in financial analysis and liquidity evaluation. Has 13 years of experience in Murugappa group. He has worked in DBS Asset Management, Singapore and in Karma Capital Advisors. He has also been an Assistant General Manager at EID Parry India Limited. He then moved to our Company as an Assistant Vice President. In April 2013, he moved to Cholamandalam MS General Insurance Limited as Deputy Chief Investment Officer. He has been Head-CSPD at Coromandel International since October 2020. Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, V Arunachalam is not involved in any other ventures.
10.		***Name***: Arun Venkatachalam ***Date of birth and age***: November 11, 1989, aged 34 years ***Address***: No 3, Bishop Garden, Off. Greenways Road, R A Puram Chennai 600 028 ***Permanent account number***: AGIPV4181B ***Directorships***: 1. Payswiff Technologies Private Limited 2.. Shanthi Gears Limited 3. Mavco Investments Private Limited ***Special achievements***: Awarded Forbes 30 Under 30 - Asia Edition 2018 (Venture Capital & Finance) ***Profile***: He holds a master's degree in business administration from London Business School. He has professional experience in financial services from Enam Securities, Lazard India & Habrok Capital (London). Presently, he is part of the senior leadership at CG Power and Industrial Solutions Limited. He is also an early-Stage 1nvestor in Indian technology startups in domains such as, fintech, B2B, market places and SaaS. Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, Arun Venkatachalam is not involved in any other ventures.

SN	Promoter	Promoter Profile
11.		***Name***: M M Venkatachalam ***Date of birth and age***: November 24, 1958, aged 65 years ***Address***: No. 10 (Old No.20/1), Valliammai Achi Road, Kotturpuram, Chennai - 600085 ***Permanent account number***: AACPV2232K ***Directorships***: 1. E.I.D Parry (India) Limited 2. Coromandel International Limited 3. The Ramco Cements Limited 4. Ramco Systems Limited 5. Coromandel Engineering Company Limited 6. USV Private Limited 7. Alampara Hotels And Resorts Private limited 8. New Ambadi Estates Private Limited 9. Ambadi Investments Limited 10. Parry Agro Industries Limited 11. M M Muthiah Sons Private Limited 12. M M Muthiah Research Foundation 13. Ootacamund Club ***Special achievements***: Nil ***Profile***: He holds a graduate degree in agriculture and holds a master's degree in business administration from George Washington University, USA. He has held senior positions in the Murugappa group over a span of two and a half decades and he is the chairman of EID Parry (India) Limited, Parry Agro Industries Limited and also serves on the boards of Ramco Cements Limited, Ramco Systems Limited, Coromandel Engineering Company. Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, M M Venkatachalam is not involved in any other ventures.
12.		***Name***: M V Subbiah ***Date of birth and age***: February 2, 1939, aged 84 years ***Address***: No.22, Boat Club Road, Chennai – 600 028 ***Permanent account number***: ABBPS0231K ***Directorships***: Nil ***Special achievements***: Is a recipient of many awards and accolades including the National HRD Award in 1988, the Distinguished Family Business Award for Murugappa family from IMD Lausanne in 2001, the JRD Tata Business Leadership Award in 2002, and honorary doctorate from Birmingham University (UK) in 2011. In 2012, he was conferred with the Padma Bhushan by the President of India. ***Profile***: He is a third-generation member and former chairman of Murugappa group. Retired in January 2004 after working for 43 years in the family business. He has played an active role in transforming a number of group companies such as Carborundum Universal Limited, T.I. Cycles, and EID Parry India Limited. Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, M V Subbiah is not involved in any other ventures.

SN	Promoter	Promoter Profile
13.		***Name*****:** M M Veerappan ***Date of birth and age***: March 3, 1987, aged 36 years ***Address***: Coromandel House, New No.14 (Old No.12), Boat Club Road, Chennai – 600 028 ***Permanent account number***: ADZPV6217A ***Directorships***: Nil ***Special achievements***: Nil ***Profile***: He holds a bachelor's degree in BA psychology, sociology and economics. He has over 11 years of experience in media and broadcasting. He is also the founder of Coromandel Productions Limited. Has worked with NDTV, Hindu, India and IMG Worldwide Singapore. Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, M M Veerappan is not involved in any other ventures.
14.		***Name*****:** M M Muthiah ***Date of birth and age***: September 17, 1983, aged 40 years ***Address***: Coromandel House, New No.14 (Old No.12), Boat Club Road, Chennai – 600 028 ***Permanent account number***: AHEPM0936C ***Directorships***: 1. Mahindra And Mahindra Limited; 2. E.I.D Parry (India) Limited; 3. Murugappa Morgan Thermal Ceramics Limited 4. Algavista Greentech Private Limited ***Special achievements***: Nil ***Profile***: He holds a bachelor's degree in management sciences from University of Warwick (Warwick Business School) and a master's degree in business administration from London Business School. He has work experience of over 15 years in a VARIOUS areas such as brand management, general management, financial planning & analysis, strategy, sales and marketing. For over a decade now, he has been working with start-ups and micro venture capital funds in the areas of SaaS, e-commerce, deep tech & consumer. He joined Carborundum Universal Limited in 2007, where he has handled the company's trading operations in North America and has also been the head of its wear ceramics business. He has also been Head - Nutraceuticals Business of the Murugappa group flagship – E.I.D.- Parry (India) Limited in 2015. In 2020 took charge as the Head of Strategy for E.I.D.- Parry (India) Limited, in addition to the role as Head of the Nutraceuticals Business. Presently, he is the Whole-time Director and Chief Executive Director of EID Parry India Limited since May, 2022. Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, M M Muthiah is not involved in any other ventures.
15.		***Name***: M V Muthiah ***Date of birth and age***: October 5, 1987, aged 36 years ***Address***: 22, A-3,2nd Floor, The Park Residences, Vellayan Road, Kotturpuram, Chennai – 600 085. ***Permanent account number***: ANPPM1691K ***Directorships***: 1. Social Restaurants Private Limited 2. Ceres Enterprises Private Limited

SN	Promoter	Promoter Profile
		3. Murugappa Educational and Medical Foundation 4. Wendt India Limited ***Special achievements***: Nil ***Profile***: He holds a master's degree in management. He has previously worked as an analyst at Boston Consultancy Group, account executive at Lenton group in Hong Kong. He has also been associated with Chola MS General Insurance Limited and is a director on the board of several companies including Social Restaurants Private Limited. Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, M V Muthiah is not involved in any other ventures.
16.		***Name***: M V Subramanian ***Date of birth and age***: August 23, 1990, aged 33 years ***Address***: 22, A-1, The Park Residences, Vellayan Road, Kotturpuram, Chennai – 600 085 ***Permanent account number***: BKMPS7421J ***Directorships***: Ceres Enterprises Private Limited ***Special achievements***: Nil ***Profile***: He holds a bachelor's degree in business administration from University of Bath He has worked in Royal Enfield for eight years as the marketing Manager. Other than the entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, M V Subramanian is not involved in any other ventures.

Confirmation for the Individual Promoters

Our Company confirms that the PAN, driving license number, bank account number and passport number of each Individual Promoter has been submitted to the Stock Exchanges at the time of filing of the Draft Shelf Prospectus.

Interest of our Promoters in our Company

Except as a shareholder of our Company and as stated under *"Capital Structure"*, beginning on page 57 and as disclosed in "*Related Party Transactions*" on page 279, our Promoters do not have interests in our Company. Further, for details pertaining to the transactions entered into between our Promoters and Promoter Group entities and our Company, please see "*Our Management – Related Party Transactions*" on page 196.

Our Promoters do not have any interest in any transaction in relation to property of our Company within two years preceding the date of filing of this Tranche IV Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Our Promoters do not propose to subscribe to this Issue.

Our Promoters have no financial or other material interest in the Issue and no benefit / interest will accrue to our Promoters or Promoter Group out of the objects of the Issue.

Other understanding and confirmations

Our Promoters have confirmed that neither they nor its directors have been identified as Wilful Defaulters by the RBI or any other governmental authority and are not a Promoter or a whole-time directors of any such company which has been identified as a Wilful Defaulter by the RBI or any other governmental authority or which has been in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months. Further, no members of our Promoter Group have been identified as Wilful Defaulters.

Our Promoters have not been declared as a fugitive economic offender.

No violation of securities laws has been committed by our Promoters in the past and no regulatory action before SEBI, RBI or any other regulatory authority is currently pending against our Promoters except as disclosed in section titled "*Outstanding Litigations and Defaults*" on page 330.

Our Corporate and HUF Promoters were not promoters and our Individual Promoters were not promoters or directors of any company which was delisted within a period of ten years preceding the date of this Tranche IV Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Our Promoters and Promoter Group are not restrained or debarred or prohibited from accessing the capital markets or restrained or debarred or prohibited from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad and are not promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

No benefit or interest will accrue to our Promoters out of the objects of the Issue.

Payment of benefits to our Promoters during the last three years

Other than as disclosed in "*Related Party Transactions*" on page 279, our Company has not made payment of any benefit to our Promoters during the last three years preceding the date of this Tranche IV Prospectus.

Common pursuits of our Promoters

Other than some of our Promoters that may be involved in entities forming part of the Promoter Group, Subsidiaries, Group Companies and Murugappa group, none of our Promoter are not engaged in businesses similar to ours.

Details of Equity Shares allotted to our Promoters during the last three Fiscal Years

Except as disclosed under "*Capital Structure*" on page 56, our Promoters have not been allotted any Equity Shares of our Company during the last three Fiscal Years.

SECTION V: FINANCIAL INFORMATION

DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS

The total debt of our Company as on December 31, 2023 (as per IND AS) are as follows:

Sr. No.	Nature of debt	Amount (in INR) crores
1.	Secured debt*	INR 1,09,204.86
2.	Unsecured debt	INR 13,855.35
Total debt		INR 1,23,060.21

* *The secured debt includes the securitization outstanding amount of INR 20,576.05 crores as on December 31, 2023.*

DETAILS OF DEBT OF THE COMPANY, AS ON THE LATEST QUARTER ENDED, I.E., DECEMBER 31, 2023:

(a) Details of Outstanding Secured Rupee Term Loans as on last quarter end date (December 31, 2023):

Our Company's total principal amount outstanding for secured rupee term loans from banks and financial institutions as on December 31, 2023 is INR 65,739.66 crores and the total amount outstanding for secured rupee term loans from banks and financial institutions as on December 31, 2023 (as per IND AS) is INR 65,927.08 crores. The details of the borrowings are set out below:

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
1.	ICICI Bank (Term Loan Facility 1) Date of sanction: April 28, 2022 as amended on May 10, 2022.	Rupee Term Loan	INR 500.00	INR 375.00	Principal repayment will be made in 8 equal quarterly instalments with the first repayment commencing from the last date of the 15th month from the date of disbursement.	Secured by exclusive charge on standard receivables to the extent of 1.15x.	ICRA AA+ (Stable)	Standard
2.	ICICI Bank (Term Loan Facility 2) Date of sanction: May 25, 2022 as amended on June 09, 2022.	Rupee Term Loan	INR 1,000.00	INR 750.00	Principal repayment will be made in 8 equal quarterly instalments with the first repayment commencing from the last date of the 15th month from the date of disbursement.	Secured by exclusive charge on standard receivables to the extent of 1.15x.	ICRA AA+ (Stable)	Standard
3.	ICICI Bank (Term Loan Facility 3) Date of sanction: November 11, 2021, as amended on November 15, 2021 and November 18, 2021.	Rupee Term Loan	INR 500.00	INR 250.00	Principal repayment will be made in 8 equal quarterly instalments with the first repayment commencing from the last date of the 15th month from the date of disbursement.	Secured by exclusive charge on standard receivables to the extent of 1.15x.	ICRA AA+ (Stable)	Standard
4.	ICICI Bank (Term Loan Facility 4) Date of sanction: November 11, 2021, as amended on November 15, 2021 and November 18, 2021.	Rupee Term Loan	INR 500.00	INR 250.00	Principal repayment will be made in 8 equal quarterly instalments with the first repayment commencing from the last date of the 15th month from the date of disbursement.	Secured by exclusive charge on standard receivables to the extent of 1.15x.	ICRA AA+ (Stable)	Standard
5.	ICICI Bank (Term Loan Facility 5)	Rupee Term	INR 1,000.00	INR 125.00	Principal repayment will be made in 8 equal quarterly instalments with	Pari passu charge on receivables to	ICRA AA+ (Stable)	Standard

[1] *ICRA Limited vide its letter dated January 2, 2024 (further revalidated on January 4, 2024), has changed the credit rating for the borrowings of the Company for INR 80,970.04 crores from ICRA AA+ (Stable) to ICRA AA+ (Positive).*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
	Date of sanction: February 16, 2021.	Loan			the first repayment commencing from the last date of the 15th month from the date of disbursement.	the extent of 1.15 times on the facility outstanding.		
6.	ICICI Bank (Term Loan Facility 6) Date of sanction: February 27, 2023.	Rupee Term Loan	INR 1,000.00	INR 1,000.00	Principal repayment will be made in 8 equal quarterly instalments with the first repayment commencing from the last date of the 15th month from the first date of disbursement. Interest to be serviced on the principal amount outstanding from time to time on the last day of each calendar month.	Exclusive charge on standard receivables of the Company, which are now due and owing or which may at any time hereafter during the continuance of the facility become due and owing to the Company in the course of its business by any person, firm, company, or body corporate or undertaking. The Company is required to ensure that the security cover of 1.15x is maintained throughout the subsistence of the facility.	ICRA AA+ (Stable)	Standard
7.	ICICI Bank (Term Loan Facility 7) Date of sanction: August 09, 2023 as amended on September 22, 2023.	Rupee Term Loan	INR 500.00	INR 472.22	The loan shall be repaid in 36 equal monthly instalments with the first repayment commencing from the last date of 2nd month from the date of first disbursement (i.e., after a moratorium of 1 (one) month).	Secured by exclusive charge on standard receivables to the extent of 1.15x.	ICRA AA+ (Stable)	Standard
8.	Indian Bank (Term Loan Facility 1) Date of sanction: December 23, 2022.	Rupee Term Loan	INR 500.00	INR 400.00	Principal repayment will be made in 20 quarterly instalments starting from the 3rd month following the date of the drawdown of each tranche. Interest to be serviced as and when debited.	Specific charge on standard receivables/book debts. List of book debts to be submitted to the bank on quarterly basis duly certified by chartered accountant. Security cover of 1.15x to be maintained.	ICRA AA+ (Stable)	Standard
9.	Indian Bank (Term Loan Facility 2) Date of sanction:	Rupee Term Loan	INR 1,000.00	INR 750.00	Principal repayment will be made in 20 quarterly instalments starting from the 3rd month following the	Specific charge on standard receivables/book debts	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
	September 26, 2022.				date of drawdown of each tranche. There shall be a total of 20 instalments. Repayment of first tranche (INR 500 Crores) will commence from December 30, 2022 and for tranche 2 (INR 500 Crores) will commence from January 01, 2023. Interest to be serviced as and when debited.	(excluding standard receivables/book debts overdue beyond 90 days). List of book debts to be submitted to the bank on quarterly basis certified by chartered accountant. Security cover of 1.15x to be maintained.		
10.	Indian Bank (Term Loan Facility 3) Date of sanction: January 07, 2021	Rupee Term Loan	INR 500.00	INR 222.22	Principal repayment will be made in 9 equal half yearly instalments with first instalment commencing from the end of 9th month from the date of first drawdown. Repayment commenced from November 2021.	Specific charge on standard loan receivables/book debts. List of loan receivables to be submitted to the bank on a quarterly basis, duly certified by the chartered accountant. Security cover of 1.15x of the loan amount to be maintained.	ICRA AA+ (Stable)	Standard
11.	Indian Bank (Term Loan Facility 4) Date of sanction: March 26, 2019.	Rupee Term Loan	INR 1,000.00	INR 100.00	Principal repayment will be made in 10 equal half yearly instalments repayable in 5 years. Interest to be serviced as and when charged. Repayment commenced in September 2019.	(i) Exclusive charge on the receivables under loans advanced by the Company (both present and future) in the shape documents entered into between the Company and their borrower as well as other type of accruals arising from the loan agreements (both present and future) entered into by the Company and their	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						borrowers. Security cover of 1.15x to be maintained. (ii) Demand promissory note of 1,000 Crores.		
12.	Indian Bank (Term Loan Facility 5) Date of sanction: March 24, 2020.	Rupee Term Loan	INR 1,000.00	INR 300.00	Principal repayment will be made in 20 equal quarterly instalments, with the first instalment commencing from the end of 6th month from the date of first disbursement. Interest to be serviced as and when charged. Repayment commenced in September 2020.	Specific charge on hire purchase standard receivables/book debts. List of book debts to be submitted to the bank on quarterly basis duly certified by chartered accountant. Security cover of 1.15x to be maintained.	ICRA AA+ (Stable)	Standard
13.	Indian Bank (Term Loan Facility 6) Date of sanction: June 14, 2019.	Rupee Term Loan	INR 500.00	INR 50.00	Principal repayment will be made in 10 equal half yearly instalments with first instalment starting at the end of 6th month from the date of disbursement of each tranche. Interest to be serviced separately on a monthly basis, as and when due. Repayment commenced on December 2019.	First pari passu charge on identified standard receivables of the company. Security cover of 1.15x of the loan amount to be maintained.	ICRA AA+ (Stable)	Standard
14.	Kotak Mahindra Bank (Term Loan Facility 1) Date of sanction: March 29, 2022.	Rupee Term Loan	INR 100.00	INR 65.00	Principal repayment will be made in 20 quarterly instalments starting from the first instalment due at the end of 3rd month of disbursement of each tranche.	Exclusive charge on the receivables qualifying for PSL-Agri benefit under loans advanced by the Company (both present and future) in the shape of documents entered into between the Company and their borrower as well as other type of accruals arising from loan agreements (both present and future) entered into by	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						the Company and their borrower while maintaining a margin of 1.15 times of the facility outstanding on present and future loan receivables of the Company throughout the tenor of the term loan.		
15.	Kotak Mahindra Bank (Term Loan Facility 2) Date of sanction: November 19, 2021 as amended on December 08, 2021.	Rupee Term Loan	INR 100.00	INR 50.00	Principal repayment will be made in 16 quarterly instalments starting from the end of 3rd month of disbursement of each tranche within a period of 48 months from the date of first disbursement.	Pari Passu charge on the receivables under loans advanced by the Company (both present and future) in the shape of documents entered into between the Company and their borrower as well as other type of accruals arising from loan agreements (both present and future) entered into by the Company and their borrower while maintaining a margin of 1.15 times of the facility outstanding on present and future loan receivables of the Company throughout the tenor of the term loan.	ICRA AA+ (Stable)	Standard
16.	Kotak Mahindra Bank (Term Loan Facility 3) Date of sanction: September 29, 2021 as amended on December 08, 2021.	Rupee Term Loan	INR 100.00	INR 55.00	Principal repayment will be made in 20 quarterly instalments starting from the end of 3rd month of disbursement of each tranche within a period of 60 months from the date of first disbursement.	Exclusive charge on the receivables qualifying for PSL-Agri benefit under loans advanced by the Company (both present and future) in the shape of documents	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						entered into between the Company and their borrower as well as other type of accruals arising from Loan Agreements (both present and future) entered into by the Company and their borrower while maintaining a margin of 1.15 times of the facility outstanding on present and future loan receivables of the Company throughout the tenor of the term loan.		
17.	Kotak Mahindra Bank (Term Loan Facility 4) Date of sanction: September 28, 2020.	Rupee Term Loan	INR 250.00	INR 35.71	Principal repayment will be made in 14 quarterly instalments starting from the end of 3rd month of disbursement of each tranche within a period of 42 months from the date of first disbursement.	Pari Passu charge on the receivables under loans advanced by the Company (both present and future) in the shape of documents entered into between the Company and their borrower as well as other type of accruals arising from loan agreements (both present and future) entered into by the Company and their borrower while maintaining a margin of 1.15 times of the facility outstanding on present and future loan receivables of the Company throughout the tenor of the term loan.	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
18.	Kotak Mahindra Bank (Term Loan Facility 5) Date of sanction: December 29, 2020 as amended on December 08, 2021.	Rupee Term Loan	INR 200.00	INR 50.00	Principal repayment will be made in 16 quarterly instalments starting from the end of 3rd month of disbursement of each tranche within a period of 48 months from the date of first disbursement.	Pari Passu charge on the receivables under loans advanced by the Company (both present and future) in the shape of documents entered into between the Company and their borrower as well as other type of accruals arising from loan agreements (both present and future) entered into by the Company and their borrower while maintaining a margin of 1.15 times of the facility outstanding on present and future loan receivables of the Company throughout the tenor of the term loan.	ICRA AA+ (Stable)	Standard
19.	Punjab National Bank (Term Loan Facility 1) Date of sanction: June 27, 2022 as amended on June 28, 2022.	Rupee Term Loan	INR 1,000.00	INR 750.00	Principal repayment will be made in 20 quarterly instalments of INR 50 Crores each starting from the end date of moratorium, *i.e,*, 3 months from disbursement of each tranche.	Exclusive hypothecation charge on the standard receivables (both present and future) of the Company. Security cover of 1.15x of the loan amount outstanding at any point of time to be maintained.	ICRA AA+ (Stable)	Standard
20.	Punjab National Bank (Term Loan Facility 2) Date of sanction: March 8, 2022.	Rupee Term Loan	INR 1,000.00	INR 700.00	Principal repayment will be made in 20 quarterly instalments of INR 50 Crores each starting from the end date of moratorium, i.e., 3 months from disbursement of each tranche. Interest is to be paid monthly, as and when debited.	Exclusive hypothecation charge on the standard receivables of the Company (both present and future). Security cover of 1.15x of the loan amount outstanding shall	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						be maintained at any point of time.		
21.	Punjab National Bank (Term Loan Facility 3) Date of sanction: December 21, 2022.	Rupee Term Loan	INR 1,000.00	INR 833.33	Principal repayment will be made in 18 equal quarterly instalments starting after moratorium period of 3 months.	Exclusive hypothecation charge on the standard receivables of the Company (excluding receivables overdue beyond 90 days). Security cover of 1.15x of the loan amount outstanding shall be maintained at any point of time.	ICRA AA+ (Stable)	Standard
22.	Punjab National Bank (erstwhile United Bank of India) (Term Loan Facility 4) Date of sanction: June 21, 2019 and June 26, 2019.	Rupee Term Loan	INR 500.00	INR 100.00	Principal repayment will be made in 5 equal half yearly instalments starting from March 31, 2022. Interest is to be paid on a monthly basis.	1. Demand Promissory Note 2. First Pari Passu charge on the standard receivables under loans advanced by the Company (both present and future) in the shape of documents entered into between the Company and their borrower as well as other type of accruals arising from loan agreements (both present and future) entered into by the Company and their borrower while maintaining a margin of 1.15x of the facility	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						outstanding on present and future loan receivables of the Company throughout the tenor of the term loan.		
23.	Punjab National Bank (erstwhile United Bank of India) (Term Loan Facility 5) Date of sanction: December 23, 2019.	Rupee Term Loan	INR 200.00	INR 50.00	Principal repayment will be 4 equal half yearly instalments of INR 50 Crores each starting from the end date of the moratorium period, which is a period of 27 months from the date of first disbursement.	1. Demand Promissory Note 2. First Pari Passu charge on the standard receivables under loans advanced by the Company (both present and future) in the shape of documents entered into between the Company and their borrower as well as other type of accruals arising from loan agreements (both present and future) entered into by the Company and their borrower while maintaining a margin of 1.15x of the facility outstanding on present and future loan receivables of the Company throughout the tenor of the term	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						loan.		
24.	Punjab National Bank (Term Loan Facility 6) Date of sanction: March 28, 2023.	Rupee Term Loan	INR 1,000.00	INR 888.89	Principal repayment will be made in 18 equal quarterly instalments after 3 months moratorium from the date of first disbursement.	Exclusive charge on the standard receivables of the Company. Loan receivables (both present and future) in the shape documents entered into between the Company and its borrowers as well as other type of accruals arising from such agreements (both present and future) entered into by the Company and its borrowers. Company is required to maintain a security cover of 1.15x.	ICRA AA+ (Stable)	Standard
25.	Punjab National Bank (Term Loan Facility 7) Date of sanction: November 8, 2023.	Rupee Term Loan	INR 2,000.00	INR 2,000.00	Principal repayment will be made in 18 equal quarterly instalments after 3 months moratorium from the date of first disbursement.	Exclusive charge by way of hypothecation of standard receivables up to 1.15x of the loan amount during the tenor of the facility.	ICRA AA+ (Stable)	Standard
26.	IDBI Bank Limited (Term Loan Facility 1) Date of sanction: March 29, 2022 as amended on September 27, 2022.	Rupee Term Loan	INR 150.00	INR 127.50	Principal repayment will be made in 20 quarterly instalments from the date of first disbursement after a moratorium period of 6 months ending on March 31, 2022.	First and exclusive charge on the specific receivables of the company, with a minimum margin of 1.10x to be maintained, in the form and manner satisfactory to the lender.	ICRA AA+ (Stable)	Standard
27.	IDBI Bank Limited (Term Loan Facility 2) Date of sanction: December 14, 2022 as amended on January 31, 2023.	Rupee Term Loan	INR 250.00	INR 225.00	Principal repayment will be made in 20 quarterly instalments commencing from July 31, 2023 after a moratorium up to June 30, 2023.	First and exclusive charge on the loan receivables created out of specific loan agreements with the minimum asset cover to be	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						maintained at 1.20x at all times.		
28.	Union Bank of India (Term Loan Facility 1) Date of sanction: December 24, 2019 as amended on February 24, 2020.	Rupee Term Loan	INR 500.00	INR 300.00	Principal repayment will be made in 5 equal half yearly installments of INR 100.00 Crores each commencing after moratorium period of 30 months from the date of first disbursement.	1. Demand Promissory Note. 2. Letter of undertaking from the Company confirming that no scheme of merger and amalgamation will be formulated without the prior consent of the bank. 3. Hypothecation on standard receivables of the Company (non-exclusive, first pari passu basis) arising out of loan and all other book debts with security coverage of 1.15x of the loan amount.	ICRA AA+ (Stable)	Standard
29.	Union Bank of India (Term Loan Facility 2) Date of sanction: December 29, 2020.	Rupee Term Loan	INR 1,000.00	INR 400.00	Principal repayment will be made in 20 quarterly installments of INR 50.00 Crores each from the date of the first disbursement.	1. Demand Promissory Note. 2. Letter of undertaking from the Company confirming that no scheme of merger and amalgamation will be formulated without the prior consent of the bank.	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						3. Hypothecation on standard receivables of the Company (exclusive charge basis) arising out of loan and all other book debts with security coverage of 1.15x of the loan amount.		
30.	Union Bank of India (Term Loan Facility 3) Date of sanction: July 31, 2023.	Rupee Term Loan	INR 1,000.00	INR 944.44	The loan shall be repaid in 18 quarterly installments from the date of the first disbursement. Interest to be paid as and when debited in the loan account.	4. Demand Promissory Note. 5. Letter of undertaking from the Company confirming that no scheme of merger and amalgamation will be formulated without the prior consent of the bank. 6. Exclusive charge by way of hypothecation on standard receivables of the Company arising out of loan assets portfolio of the Company with security coverage of 1.15x of the loan amount.	ICRA AA+ (Stable)	Standard
31	Union Bank of India (Term Loan Facility	Rupee Term	INR 3,000.00	INR 3,000.00	The loan shall be repaid in 16 quarterly installments from the date of the first	Exclusive charge on the standard	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
	4) Date of sanction: December 29, 2023.	Loan			disbursement. Interest to be paid as and when debited in the loan account.	receivables of loan assets portfolio of the Company. The asset cover should be maintained at least 1.15x of the loan amount at all times.		
32.	Karnataka Bank Limited (Term Loan Facility 1) Date of sanction: January 31, 2022.	Rupee Term Loan	INR 200.00	INR 80.00	Principal repayment will be made in 10 equal quarterly instalments of INR 20 Crores each, after a moratorium of 4 months. Interest is to be paid on a monthly basis, as and when debited.	First specific charge exclusive by way of hypothecation on standard receivables of the Company with asset cover of 1.15x of the outstanding amount at any point of time.	ICRA AA+ (Stable)	Standard
33.	Karnataka Bank Limited (Term Loan Facility 2) Date of sanction: March 23, 2023, as amended by sanction letter dated April 13, 2023.	Rupee Term Loan	INR 150.00	INR 135.00	Principal repayment will be made in 10 equal quarterly instalments of INR 15 Crores each, after a moratorium of 4 months. Interest is to be paid on a monthly basis, as and when debited.	First specific charge exclusive by way of hypothecation on standard receivables of the Company with asset cover of 1.15x of the outstanding amount at any point of time.	ICRA AA+ (Stable)	Standard
34.	Karnataka Bank Limited (Term Loan Facility 3) Date of sanction: August 18, 2023.	Rupee Term Loan	INR 200.00	INR 200.00	Principal repayment to be made in 18 quarterly installments of INR 10.50 crores each, with the last instalment being for an amount of INR 11 crores, after an initial moratorium of 3 months. Interest to be paid on a monthly basis.	Exclusive charge by way of hypothecation on the standard receivables of the Company with an asset cover of 1.15 times the outstanding amount.	ICRA AA+ (Stable)	Standard
35.	Karur Vysya Bank Limited (Term Loan Facility) Date of sanction: February 01, 2022 and amended on February 25, 2022.	Rupee Term Loan	INR 300.00	INR 150.00	Principal repayment will be made in 4 half yearly instalments of INR 75 Crores each after a moratorium period of 24 months from the date of first disbursement. Interest is to be serviced monthly rests and as and when debited.	Exclusive charge by way of hypothecation on specific unencumbered standard loan/receivables of the Company (both present and future). Security cover of 1.15x of the term loan to be maintained.	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
36.	Mizuho Bank Limited (Term Loan Facility 1) Date of sanction: August 23, 2022.	Rupee Term Loan	INR 400.00	INR 400.00	Principal repayment will be made at the time of maturity of the term loan (i.e., after tenor of 36 months) as a bullet repayment.	Exclusive charge on the receivables under loans advanced by the Company, both present and future, in the shape of documents entered into between the Company and their debtors as well as other type of accruals arising from loan agreements, both present and future, entered into by the Company and their debtors, such that a minimum margin of 1.15x is maintained.	ICRA AA+ (Stable)	Standard
37.	Mizuho Bank Limited (Term Loan Facility 2) Date of sanction: February 08, 2023.	Rupee Term Loan	INR 150.00	INR 150.00	Principal repayment will be made in the form of bullet repayment at the end of tenor of the loan of 18 months. Interest to be paid on monthly basis.	Exclusive charge on all specific standard loan receivables, which are now due and owing or which may at any time hereafter during the continuance of this security become due and owing to the Company in the course of its business by any person, firm, company or body corporate or undertaking. Security cover of 1.15x to be maintained at all times.	ICRA AA+ (Stable)	Standard
38.	The South Indian Bank Ltd. (Term Loan Facility 1) Date of sanction: July 22, 2022.	Rupee Term Loan	INR 200.00	INR 200.00	Principal repayment will be made in 2 yearly instalments of INR 100.00 Crores each after a holiday period of 36 months.	Pari-passu first charge on receivables under loans advanced by the Company (both present and future) with an asset cover of 1.15x.	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
39.	The South Indian Bank Ltd. (Term Loan Facility 2) Date of sanction: November 24, 2022.	Rupee Term Loan	INR 100.00	INR 100.00	Principal repayment will be made in 2 yearly instalments of INR 50.00 Crores each after a holiday period of 36 months.	Pari-passu first charge on receivables under loans advanced by the Company r (both present and future) with an asset cover of 1.15x.	ICRA AA+ (Stable)	Standard
40.	State Bank of India (Term Loan Facility 2) Date of sanction: December 27, 2021.	Rupee Term Loan	INR 1,000.00	INR 600.00	Principal repayment will be made in 5 equal annual instalments each from the date of disbursement.	Exclusive specific hypothecation charge on the rentals/instalments receivables present and future, as well as other types of accruals arising from specific home equity/vehicle finance agreements entered into by the Company with a minimum asset coverage of 1.15x.	ICRA AA+ (Stable)	Standard
41.	State Bank of India (Term Loan Facility 3) Date of sanction: November 23, 2021.	Rupee Term Loan	INR 2,000.00	INR 1,200.00	Principal repayment will be made in 5 equal annual instalments each from the date of disbursement.	Exclusive specific hypothecation charge on the rentals/instalments receivables present and future, as well as other types of accruals arising from specific home equity / vehicle finance agreements entered into by the Company with a minimum asset coverage of 1.15x.	ICRA AA+ (Stable)	Standard
42.	State Bank of India (Term Loan Facility 4) Date of sanction: July 15, 2021 and September 15, 2021.	Rupee Term Loan	INR 2,000.00	INR 1,080.00	Principal repayment will be made in 5 equal annual instalments each, due from the date of disbursement.	Exclusive specific hypothecation charge on the rentals/instalments receivables present and future, as well as other types of accruals arising from specific home equity / vehicle finance	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						agreements entered into by the Company with a minimum asset coverage of 1.15x.		
43.	State Bank of India (Term Loan Facility 5) Date of sanction: March 31, 2022.	Rupee Term Loan	INR 3,000.00	INR 2,400.00	Principal repayment will be made in 5 equal annual instalments each, due from the date of disbursement.	Exclusive specific hypothecation charge on the rentals/instalments receivables present and future, as well as other types of accruals arising from specific home equity / vehicle finance agreements entered into by the Company with a minimum asset coverage of 1.15x.	ICRA AA+ (Stable)	Standard
44.	State Bank of India (Term Loan Facility 6) Date of sanction: February 23, 2023.	Rupee Term Loan	INR 3,000.00	INR 3,000.00	Principal will be made in three equal annual instalments with the first instalment of INR 1,000 crores due one year from the date of first disbursement and annually thereafter.	Exclusive specific hypothecation charge on rentals/instalments receivables present and future as well as other type of accruals arising from specific home equity/loan against property/housing loan/vehicle finance agreements entered into by the Company. The Company is required to maintain a minimum security cover of 1.15 times.	ICRA AA+ (Stable)	Standard
45.	State Bank of India (Term Loan Facility 7) Date of sanction: September 27, 2023	Rupee Term Loan	INR 3000.00	INR 3000.00	Principal repayment to be made in 5 equal annual instalments of INR 600,00,00,000/- (i.e., door to door tenor of 5 years), without any moratorium with the first instalment beginning from the end of 12 months from the date of drawdown of each tranche under the loan. Interest to	Exclusive specific hypothecation charge on rentals/instalments receivables present and future, as well as other types of accruals arising from specific	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
					be paid on a monthly basis.	home equity, LAP, housing loan, vehicle finance and other loan agreements entered into by the Company with a minimum asset cover of 1.15 times.		
46.	Axis Bank Limited (Term Loan Facility 1) Date of sanction: September 3, 2022.	Rupee Term Loan	INR 1,000.00	INR 888.88	Principal repayment will be made in 9 equal half yearly instalments post moratorium period of 6 months.	Exclusive charge on the standard assets portfolio of receivables with asset cover of 1.15x to be maintained at all times.	ICRA AA+ (Stable)	Standard
47.	Axis Bank Limited (Term Loan Facility 2) Date of sanction: June 16, 2021.	Rupee Term Loan	INR 1,250.00	INR 1,250.00	Principal repayment will be made in 3 equal yearly instalments post moratorium period of 3 years.	Exclusive charge on the standard assets portfolio of tractor receivables with asset cover of 1.15x to be maintained at all times for INR 850.00 Crore (Tranche A). Exclusive charge on the standard assets portfolio of receivables (other than tractor loans) qualifying for priority sector classification with asset cover of 1.15x to be maintained at all times for INR 400.00 Crore (Tranche B).	ICRA AA+ (Stable)	Standard
48.	Axis Bank Limited (Term Loan Facility 3) Date of sanction: February 11, 2022.	Rupee Term Loan	INR 300.00	INR 300.00	Principal repayment will be made in 3 equal yearly instalments post moratorium period of 3 years.	Exclusive charge on the standard assets portfolio of MSME category assets (other than receivables from micro enterprises category) with asset cover of 1.15x to be maintained at all	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						times.		
49.	Axis Bank Limited (Term Loan Facility 4) Date of sanction: November 23, 2021.	Rupee Term Loan	INR 2,000.00 [2]	INR 2,000.00	Principal repayment will be made in 3 equal yearly instalments post moratorium period of 3 years.	Exclusive charge on the standard assets portfolio of: (i) tractor assets; (ii) micro category assets; (iii) MSME category assets (other than receivables from micro category) with asset cover of 1.15x to be maintained at all times.	ICRA AA+ (Stable)	Standard
50.	Axis Bank Limited (Term Loan Facility 6) Date of sanction: February 24, 2021.	Rupee Term Loan	INR 550.00	INR 550.00	Principal repayment will be made in 3 equal yearly instalments post moratorium period of 3 years.	Exclusive charge on the standard assets portfolio of tractor receivables with asset cover of 1.15x to be maintained at all times for INR 300.00 Crore (Tranche A). Exclusive charge on the standard assets portfolio of receivables (other than tractor loans) qualifying for priority sector classification with asset cover of 1.15x to be maintained at all times for INR 250.00 Crore (Tranche B).	ICRA AA+ (Stable)	Standard
51.	Axis Bank Limited (Term Loan Facility 7) Date of sanction: March 5, 2021.	Rupee Term Loan	INR 450.00	INR 450.00	Principal repayment will be made in 3 equal yearly instalments post moratorium period of 3 years.	Exclusive charge on the standard assets portfolio of tractor receivables with asset cover of 1.15x to be maintained at all times for INR 250.00 Crore	ICRA AA+ (Stable)	Standard

[2] Sanction limits consists of term loan limits of INR 2,000 Crore along with cash credit facility of INR 100 Crore and loan equivalent risk of INR 300 Crore.

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						(Tranche A). Exclusive charge on the standard assets portfolio of receivables (other than tractor loans) qualifying for priority sector classification with asset cover of 1.15x to be maintained at all times for INR 200.00 Crore (Tranche B).		
52.	Axis Bank Limited (Term Loan Facility 8) Date of sanction: March 08, 2023.	Rupee Term Loan	INR 500.00	INR 500.00	Principal repayment will be made in 9 equal half yearly instalments each after 6 months of moratorium period from the date of first disbursement.	Exclusive charge on the standard assets portfolio of receivables. Company is required to maintain security cover of 1.15x at all times.	ICRA AA+ (Stable)	Standard
53.	Axis Bank Limited (Term Loan Facility 9) Date of sanction: June 14, 2023.	Rupee Term Loan	INR 2000.00	INR 1800.00	Principal repayment will be made in 10 equal half yearly instalments each after 6 months of moratorium period from the date of first disbursement.	Priority sector lending: Exclusive charge on the standard assets portfolio of priority sector lending receivables with asset cover to be maintained at least 1.15x at all times for INR 800.00 Crore. Non-priority sector lending: Exclusive charge on the standard assets portfolio of receivables (non priority sector lending) with asset cover of 1.15x at all times for INR 1200.00 Crore.	ICRA AA+ (Stable)	Standard
54.	Axis Bank Limited (Term Loan Facility 10) Date of sanction:	Rupee Term Loan	INR 1000.00	INR 500.00	Principal repayment will be made in 10 equal half yearly instalments each after 6 months of moratorium period from	Exclusive charge on the standard assets portfolio of specific	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
	December 14, 2023.				the date of first disbursement.	receivables. Asset cover should be maintained at at least 1.15x at all times.		
55.	Bank of Baroda (Term Loan Facility 1) Date of sanction: June 8, 2022.	Rupee Term Loan	INR 1,500.00	INR 1,100.00	Principal repayment will be made in 60 months repayable in 20 equal quarterly instalment commencing from the date of expiry of 3rd month from the date of disbursement without any moratorium. Interest is to be serviced as and when due.	Exclusive charge on the standard loan receivables (both present and future) (excluding receivables overdue beyond 90 days) of the Company with asset cover of 1.15x to be maintained at all times.	ICRA AA+ (Stable)	Standard
56.	Bank of Baroda (Term Loan Facility 2) Date of sanction: December 7, 2019.	Rupee Term Loan	INR 500.00	INR 103.95	Principal repayment will be made in 60 months repayable in 20 equal quarterly instalments commencing from the date of expiry of 3rd month from the date of disbursement without any moratorium.	Exclusive charge on the specific standard loan receivables of new vehicle loans and home loan (both present and future) of the Company with asset cover of 1.15x to be maintained at all times.	ICRA AA+ (Stable)	Standard
57.	Bank of Baroda (Term Loan Facility 3) Date of sanction: December 11, 2020.	Rupee Term Loan	INR 1,000.00	INR 435.00	Principal repayment will be made in 60 months repayable in 20 equal quarterly instalments commencing from the date of expiry of 3rd month from the date of disbursement without any moratorium. Interest is to be serviced as and when debited.	Exclusive charge on the specific standard loan receivables of new vehicles and home loans (both present and future) of the company with asset cover of 1.15x to be maintained at all times.	ICRA AA+ (Stable)	Standard
58.	Bank of Baroda (Term Loan Facility 4) Date of sanction: March 13, 2019.	Rupee Loan Facility	INR 2,500.00	INR 125.00	Principal repayment will be made in 60 months repayable in 20 equal quarterly instalments commencing from the date of expiry of 3rd month from the date of disbursement without any moratorium. Interest is to be serviced as and when debited.	Exclusive charge on the specific standard loan receivables of new vehicles (both present and future) of the company with asset cover of 1.15x to be maintained at all times.	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
59.	Bank of Baroda (Term Loan Facility 5) Date of sanction: January 22, 2019.	Rupee Loan Facility	INR 1,000.00	INR 50.00	Principal repayment will be made in 60 months repayable in 20 equal quarterly instalments commencing from the date of expiry of 3rd month from the date of disbursement without any moratorium. Interest is to be serviced as and when debited. Interest is to be serviced as and when debited.	Exclusive charge on the specific standard receivables (new vehicles) (both present and future). Security cover of 1.15x to be maintained.	ICRA AA+ (Stable)	Standard
60.	Bank of Baroda (Term Loan Facility 6) Date of sanction: December 21, 2022.	Rupee Term Loan	INR 800.00	INR 600.00	Principal repayment will be made in 12 equal quarterly instalments. Interest to be serviced as and when due.	Exclusive charge on standard loan receivables (both present and future) in respect of loans advanced to various customers of the Company. Company is required to maintain a security cover of 1.15x of the outstanding amount at all times.	ICRA AA+ (Stable)	Standard
61.	Bank of Baroda (Term Loan Facility 7) Date of sanction: August 08, 2023.	Rupee Term Loan	INR 3000.00	INR 3000.00	Principal repayment to be made in 10 equal half-yearly installments for each tranche commencing from the 180th day from the date of first disbursement and every half-yearly thereafter.	Exclusive charge on standard loan receivables (both present and future) in respect of loans advanced to various customers of the Company. Company is required to maintain a security cover of 1.15x of the outstanding amount at all times.	-	Standard
62.	Federal Bank (Term Loan Facility 1) Date of sanction: September 21, 2022.	Rupee Term Loan	INR 250.00	INR 250.00	Principal repayment will be made in 3 yearly instalments after a moratorium period of 24 months.	Floating first pari passu charge on the receivables (excluding receivables overdue beyond 90 days) under the loans advanced by the Company (both	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						present and future) with asset cover of 1.15x to be maintained at all times under the security trustee agreement.		
63.	Federal Bank (Term Loan Facility 2) Date of sanction: September 29, 2022.	Rupee Term Loan	INR 250.00	INR 250.00	Principal repayment will be made in 3 yearly instalments after a moratorium period of 24 months.	Floating first pari passu charge on the receivables (excluding receivables overdue beyond 90 days) under the loans advanced by the Company (both present and future) with asset cover of 1.15x to be maintained at all times under the security trustee agreement.	ICRA AA+ (Stable)	Standard
64.	Federal Bank (Term Loan Facility 3) Date of sanction: March 15, 2021.	Rupee Term Loan	INR 250.00	INR 83.33	Principal repayment will be made in 37 months repayable in 3 equal yearly instalments.	Floating first pari passu charge on the receivables (excluding receivables overdue beyond 60 days) under the loans advanced by the Company (both present and future) with asset cover of 1.15x to be maintained at all times under the security trustee agreement.	ICRA AA+ (Stable)	Standard
65.	Federal Bank (Term Loan Facility 4) Date of sanction: December 29, 2023.	Rupee Term Loan	INR 200.00	INR 200.00	Post moratorium period of 12 months, 8 equal half yearly principal repayment of 25 crores starting from 18th month onwards.	Floating first pari passu charge on present and future receivables with asset cover of 1.15x under the security trustee agreement.	ICRA AA+ (Stable)	Standard
66.	HDFC Bank Limited (Term Loan Facility 1) Date of sanction:	Rupee Term Loan	INR 1,500.00	INR 1,071.43	Principal repayment will be made in 14 equal quarterly instalments during tenor of 42 months.	Exclusive charge on specific standard receivables with a margin cover	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
	December 26, 2022.					of 1.15x on POS basis.		
67.	HDFC Bank Limited (Term Loan Facility 2) Date of sanction: February 23, 2022.	Rupee Term Loan	INR 2,000.00	INR 1,000.00	Principal repayment will be made in 14 equal quarterly instalments during tenor of 42 months.	Exclusive charge on specific standard receivables with a margin cover of 1.15x.	ICRA AA+ (Stable)	Standard
68.	HDFC Bank Limited (Term Loan Facility 3) Date of sanction: July 19, 2022.	Rupee Term Loan	INR 2,000.00	INR 1,285.71	Principal repayment will be made in 14 equal quarterly instalments during tenor of 42 months.	Exclusive charge on specific standard receivables with a margin cover of 1.15x.	ICRA AA+ (Stable)	Standard
69.	HDFC Bank Limited (Term Loan Facility 6) Date of sanction: February 17, 2021.	Rupee Term Loan	INR 1,500.00	INR 468.75	Principal repayment will be made in 16 equal quarterly instalments during a tenor of 48 months.	Exclusive charge on specific standard receivables with a margin cover of 1.15x.	ICRA AA+ (Stable)	Standard
70.	HDFC Bank Limited (Term Loan Facility 7) Date of sanction: May 29, 2021.	Rupee Term Loan	INR 2,000.00	INR 642.86	Principal repayment will be made in 14 equal quarterly instalments during tenor of 42 months.	Exclusive charge on specific standard receivables with a margin cover of 1.15x.	ICRA AA+ (Stable)	Standard
71.	HDFC Bank Limited (Term Loan Facility 8) Date of sanction: February 15, 2023.	Rupee Term Loan	INR 1,500.00	INR 1,178.57	Principal repayment will be made in 42 months repayable in 14 equal quarterly principal instalments.	Exclusive charge on all specific standard loan receivables, which are now due and owing or which may at any time hereafter during the continuance of this security become due and owing to the Company in the course of its business by any person, firm, company, or body corporate or undertaking. The Company is required to maintain an asset cover of 1.15x.	ICRA AA+ (Stable)	Standard
72.	HDFC Bank Limited (Term Loan Facility 9) Date of sanction: March 21, 2023.	Rupee Term Loan	INR 945.00	INR 742.50	Principal repayment will be made in 42 months repayable in 14 equal quarterly principal instalments.	Exclusive charge on all specific standard loan receivables, which are now due and owing or which may at any time hereafter during	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						the continuance of this security become due and owing to the Company in the course of its business by any person, firm, company, or body corporate or undertaking. The Company is required to maintain an asset cover of 1.15x.		
73.	HDFC Bank Limited (Term Loan Facility 10) Date of sanction: May 30, 2023.	Rupee Term Loan	INR 500.00	INR 428.57	Principal repayment will be made in 42 months repayable in 14 equal quarterly principal instalments.	Exclusive charge on all specific standard loan receivables, which are now due and owing or which may at any time hereafter during the continuance of this security become due and owing to the Company in the course of its business by any person, firm, company, or body corporate or undertaking. The Company is required to maintain an asset cover of 1.15x.	ICRA AA+ (Stable)	Standard
74.	HDFC Bank Limited (Term Loan Facility 11) Date of sanction: May 13, 2023.	Rupee Term Loan	INR 1,000.00	INR 857.14	Principal repayment will be made in 42 months repayable in 14 equal quarterly principal instalments.	Exclusive charge on all specific standard loan receivables, which are now due and owing or which may at any time hereafter during the continuance of this security become due and owing to the Company in the course of its business by any person, firm, company, or body corporate or undertaking. The Company is required to maintain an asset	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						cover of 1.15x.		
75.	HDFC Bank Limited (Term Loan Facility 12) Date of sanction: August 23, 2023	Rupee Term Loan	INR 1500.00	INR 1392.86	Principal repayment to be made in 14 equal quarterly instalments of INR 107,14,28,572/- without any moratorium (i.e., the tenor is 42 months). Interest to be paid on a monthly basis.	Exclusive charge on specific standard receivables with an asset cover of 1.15 times the principal outstanding amount.	-	Standard
76.	HDFC Bank Limited Date of sanction: September 27, 2023	Rupee Term Loan	INR 1000.00	INR 928.57	Principal repayment to be made in 14 equal quarterly instalments of INR 71,42,85,715/- without any moratorium (i.e., the tenor is 42 months). Interest to be paid on a monthly basis.	Exclusive charge on specific standard receivables with an asset cover of 1.15 times the principal outstanding amount.	-	Standard
77.	HDFC Bank Limited Date of sanction: November 27, 2023	Rupee Term Loan	INR 1,500.00	INR 1,500.00	Principal repayment to be made in 14 equal quarterly instalments of INR 1,07,14,28,572/- without any moratorium (i.e., the tenor is 42 months). Interest to be paid on a monthly basis.	Exclusive charge on specific standard receivables with an asset cover of 1.15 times the principal outstanding amount.	-	Standard
78.	HDFC Bank Limited Date of sanction: December 7, 2023	Rupee Term Loan	INR 1,000.00	INR 1,000.00	Principal repayment to be made in 14 equal quarterly instalments of INR 71,42,85,715/- without any moratorium (i.e., the tenor is 42 months). Interest to be paid on a monthly basis.	Exclusive charge on specific standard receivables with an asset cover of 1.15 times the principal outstanding amount.	-	Standard
79.	IndusInd Bank Limited (Term Loan Facility 1) Date of sanction: March 1, 2022.	Rupee Term Loan	INR 475.00	INR 360.21	Principal repayment will be made in 60 months repayable in 20 quarterly instalments.	Exclusive charge on the standard assets portfolio of loan receivables with asset cover of 1.15x to be maintained at all times.	ICRA AA+ (Stable)	Standard
80.	IndusInd Bank Limited (Term Loan Facility 2) Date of sanction: March 27, 2021.	Rupee Term Loan	INR 750.00	INR 437.50	Principal repayment will be made in 60 months repayable in 20 quarterly instalments.	Exclusive charge on the standard assets portfolio of loan receivables (excluding receivables overdue for more than 90 days) with asset cover of 1.15x to be maintained at	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						all times.		
81.	Small Industries Development Bank of India ("**SIDBI**") Date of sanction: November 21, 2019.	Rupee Term Loan	INR 975.00	INR 182.00	Principal repayment is to be made in 16 quarterly instalments commencing after a moratorium period of 12 months from the date of disbursement commencing from the 10th day of the month in which the moratorium ends.	First pari passu charge by way of hypothecation on all the book debts and receivables of the secured loans provided by the Company to micro, small and medium enterprise beneficiaries which are standard assets in the books of the Company. The Company is required to maintain an asset cover of 1.15x.	ICRA AA+ (Stable)	Standard
82.	SIDBI Date of sanction: March 22, 2021.	Rupee Term Loan	INR 500.00	INR 250.00	Principal repayment is to be made in 10 half yearly instalments after a moratorium period of 6 months from the date of each disbursement commencing from the 10th day of the month in which the moratorium period ends.	First pari passu charge by way of hypothecation of the book debts and receivables of the secured loans provided by the Company which are standard assets on the books of the company with a minimum asset cover of 1.10x of the outstanding amount.	ICRA AA+ (Stable)	Standard
83.	SIDBI Date of sanction: November 18, 2022.	Rupee Term Loan	INR 2,500.00	INR 2,045.48	Principal repayment is to be made in equal quarterly instalments after a moratorium period of 3 months from the date of disbursement commencing from the 10th day of the month in which the moratorium period ends.	Exclusive charge by way of hypothecation on specified book debts and receivables of the secured loans provided by the Company to the beneficiaries including MSME which are standard assets in the books of the Company. The Company is required to maintain a security cover of 1.15x. The facility is also secured by	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						demand promissory notes equivalent to the amount sanctioned.		
84.	SIDBI Date of sanction: March 17, 2023.	Rupee Term Loan	INR 1,000.00	INR 863.65	Principal repayment to be made in 66 months in quarterly instalments including a moratorium period of 3 months from the date of each tranche of disbursement commencing from the 10th day of the month in which the moratorium period ends.	Exclusive charge by way of hypothecation on specified book debts and receivables of the secured loans provided by the Company to the beneficiaries including MSME which are standard assets in the books of the Company. The Company is required to maintain a security cover of 1.15x. The facility is also secured by demand promissory notes equivalent to the amount sanctioned.	ICRA AA+ (Stable)	Standard
85.	SIDBI Date of sanction: April 18, 2023.	Rupee Term Loan	INR 500.00	INR 454.56	Principal repayment will be made in 66 months in quarterly instalments including a moratorium period of 3 months from the date of each tranche of disbursement commencing from the 10th day of the month in which the moratorium period ends.	Exclusive charge by way of hypothecation on specified book debts and receivables of the secured loans provided by the Company to the beneficiaries including MSME which are standard assets in the books of the Company. The Company is required to maintain a security cover of 1.15x. The facility is also secured by demand promissory notes equivalent to the amount sanctioned.	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
86.	SIDBI Date of sanction: July 20, 2023.	Rupee Term Loan	INR 1,500.00	INR 1500.00	The loan shall be repayable in quarterly instalments after a moratorium period of 6 months from the date of each disbursement commencing from the 10th day of the month in which the moratorium period ends.	Exclusive charge by way of hypothecation on specific book debts and receivables of the secured loans provided by the Company to Micro and Small enterprises (as per Micro, Small and Medium Enterprises Development Act, 2006/ as per definition contained in GOI Gazette Notification S.O.2119(E) dated June 26, 2020, as amended from time to time) which are standard assets in the books of the company with a minimum asset cover of 1.15x of the outstanding amount. Demand promissory note for the term loan has been provided.	ICRA AA+ (Stable)	Standard
87.	SIDBI Date of sanction: December 27, 2023.	Rupee Term Loan	INR 900.00	INR 900.00	The loan shall be repayable in quarterly instalments after a moratorium period of 3 months from the date of each disbursement commencing from the 10th day of the month in which the moratorium period ends.	Exclusive charge by way of hypothecation on specific book debts and receivables of the secured loans provided by the Company to Micro and Small enterprises (as per MSMED Act 2006/ as per definition contained in GOI Gazette Notification S.O.2119(E) dated June 26, 2020, as amended from time to time) which are standard assets	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						on the books of the company with a minimum asset cover of 1.15x of the outstanding amount.		
88.	MUDRA Date of sanction: February 4, 2022.	Rupee Term Loan	INR 375.00	INR 136.30	Repayable by the Company in a period not exceeding 3 years in quarterly instalments, commencing after moratorium of 3 months from date of first disbursement.	Exclusive first charge by way of hypothecation of all book debts and receivables of loans (collateral free MUDRA compliant loans provided by the Company) and which are standard assets in the books of the borrower with a minimum asset cover of 1.10x.	ICRA AA+ (Stable)	Standard
89.	UCO Bank Date of sanction: February 25, 2023.	Rupee Term Loan	INR 250.00	INR 212.50	Principal repayment will be made in 5 years in 20 equal quarterly instalments from the date of first disbursement. The first instalment will be paid after 3 months from the date of first disbursement. Interest will be services as and when charged.	Pari passu charge by way of hypothecation on the receivables under loans advanced by the Company (both present and future). Company is required to maintain a security cover of 1.15x of the facility amount. The facility is also secured by a demand promissory note equivalent to the amount sanctioned.	ICRA AA+ (Stable)	Standard
90.	UCO Bank Date of sanction: December 19, 2023.	Rupee Term Loan	INR 2,000.00	INR 2,000.00	Principal repayment to be made in 20 equal quarterly instalments from the date of first disbursement without any moratorium. Interest will be services as and when charged.	Pari passu charge by way of hypothecation on the receivables under loans advanced by the Company (both present and future). Company is required to maintain a security cover of	ICRA AA+ (Stable)	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable[1]	Asset Classification
						1.15x of the facility amount. The facility is also secured by a demand promissory note equivalent to the amount sanctioned.		
91.	Punjab and Sind Bank Date of sanction: December 19, 2023.	Rupee Term Loan	INR 300.00	INR 300.00	Principal repayment tol be made in 20 equal quarterly instalments of INR 15 crores each starting from March 2024. Interest will be serviced on monthly basis.	Exclusive charge over the standard loan assets or book debts funded out of the bank loan with asset coverage of 1.15x of the outstanding principal at any point of time during the tenor of the loan.	ICRA AA+ (Stable)	Standard
92.	Yes Bank Date of sanction: November 7, 2023.	Rupee Term Loan	INR 750.00	INR 750.00	Principal repayment to be made in 10 equal half yearly principal repayments from disbursement of each tranche, post 6 months from the date of first disbursement.	First and exclusive charge on all specific standard loan assets /book debts, both present and future, assigned/created out of bank finance, to the extent of 1.15x of the facility amount outstanding at any point of time.	-	Standard
93.	HSBC Date of sanction: September 26, 2023.	Rupee Term Loan	INR 100.00	INR 100.00	Repayment in quarterly installments with no moratorium.	Exclusive charge over identified receivables with cover of 1.1x.	ICRA AA+ (Stable)	Standard
Total			**INR** 89,670.00	**INR** 65,739.66				

* *The total amount outstanding of secured rupee term loans from banks and financial institutions after IND AS adjustment is INR 65,927.08 crores.*

** *Note: This table only captures details relating to scheduled payments. Under the financing documents other amounts such as default, penal or additional interest or premium may be payable on the occurrence of (or absence of) certain events, such prepayment, as also other costs, fees, and indemnity payments and reimbursements. The prepayment premium, where payable, is typically in the range of up to 1-3% of the prepaid amount.*

(b) Details of cash credit, working capital demand loans and overdraft facilities:

Our Company's total principal amount outstanding for loan repayable on demand secured from banks (cash credit, working capital demand loans and overdraft facilities) as on December 31, 2023 is INR 700.00 crores and the total amount outstanding for loan repayable on demand secured from banks (cash credit, working capital demand loans and overdraft facilities) as on December 31, 2023 (as per IND AS) is INR 700.00 crores. Further, as part of the ordinary course of business

of the Company, cheques to the tune of INR 2,458.96 crores were issued but not presented as of December 31, 2023. The details of the borrowings are set out below:

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
1.	State Bank of India Date of sanction: February 23, 2023.	Working capital demand loan/cash credit/bank guarantee	INR 1,000.00	INR 700.00	Repayable on demand. Sanction is valid till February 12, 2024.	Pari passu first charge among consortium of banks on whole of the current assets and hypothecation of instalments, receivables arising from loan assets (excluding assets charged to term lenders/debenture holders/on an exclusive basis). The Company is required to maintain a minimum asset cover of 1.15x.	ICRA A1+	Standard
Total			**INR 1,000.00**	**INR 700.00**				

* *The total amount outstanding for loan repayable on demand secured from banks (cash credit, working capital demand loans and overdraft facilities) after IND AS adjustment is INR 3,158.96 crores.*

(c) Details of External Commercial Borrowings:

Our Company's total principal amount outstanding for external commercial borrowings availed from banks and other parties as on December 31, 2023 is INR 2,663.28 crores and the total amount outstanding for external commercial borrowings availed from banks and other parties as on December 31, 2023 (as per IND AS) is INR 2,671.01 crores. The details of the borrowings are set out below:

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
1.	International Finance Corporation ("**IFC**") Date of sanction: May 07, 2019.	External Commercial Borrowing	INR 642.38	INR 765.51	Repayable in a single bullet instalment 5 years from the date of disbursement.	First ranking exclusive charge on the receivables of the Company from a list of sub-loans provided by the Company to its borrowers including all present and future right, title and interest in and to such receivables and all claims, awards and judgments in favor of the Company under or in connection with such receivables. The Company is required to maintain a security cover of 1.15x.	N.A.	Standard
2.	IFC Date of sanction: June 30, 2022.	External Commercial Borrowing	INR 798.80	INR 832.08	Principal repayment will be made in full on the date falling 3 years from the date of disbursement. Interest shall be paid on January 15 and July 15 of every year until the	First ranking exclusive charge on the receivables of the Company from a list of sub-loans provided by the Company to its borrowers including all present and future right, title and interest in and to such receivables and all claims, awards and judgments in	N.A.	Standard

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in cr.)	Principal Amount outstanding (as on December 31, 2023) (in cr.)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
					maturity date.	favor of the Company under or in connection with such receivables. The Company is required to maintain a security cover of 1.15x.		
3.	Overseas Private Investment Corporation Date of sanction: September 16, 2019.	External Commercial Borrowing	INR 1,025.16[3]	INR 1,065.70	Principal repayment will be made in approximately equal quarterly instalments commencing from the 18th month from the date of execution of the facility agreement, *i.e*, March 26, 2020. Interest shall be payable by the Company on the 20th day of each quarter till the final payment date which is 8 years form the date of execution of the facility agreement *i.e*, March 26, 2020.	Exclusive charge on the Company's current, non-impaired loan receivables in relation to the loans provided to SMEs and in connection with the vehicles purchased by SMEs for commercial purposes, together with all rights, title and interest thereto. The Company is required to a maintain a minimum security cover of 1.10x.	N.A.	Standard
Total			**INR 2,466.34**	**INR 2,663.28**				

* *The total amount outstanding of external commercial borrowings from banks and other parties after IND AS adjustment is INR 2,671.01 crores.*

(d) Details of Outstanding Non-Convertible Securities as of last quarter end date (December 31, 2023):

Secured:

The total principal amount of outstanding secured non-convertible securities (redeemable non-convertible debentures, perpetual debt and subordinated debt) issued by our Company as on December 31, 2023 is INR 16,201.37 crores and the total outstanding amount as on December 31, 2023 (as per IND AS, after considering interest accrued thereon) is INR 16,871.76 crores, the details of which are set forth below:

Unsecured:

The total principal amount of outstanding unsecured non-convertible securities (redeemable non-convertible debentures, perpetual debt and subordinated debt) issued by our Company as on December 31, 2023 is INR 4,873.40 crores and the total outstanding amount as on December 31, 2023 (as per IND AS, after considering interest accrued thereon) is INR 5,090.51 crores, the details of which are set forth below:

[3] *The sanction amount is lower than outstanding amount as the outstanding amount is restated value giving effect to the exchange rate as on December 31, 2023.*

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
1.	INE121A07MZ5 (Series 516)	3650 days from the deemed date of allotment.	8.55% p.a.	INR 25.00	November 15, 2016	November 13, 2026	ICRA AA+ (Stable)	Secured	Exclusive charge by way of hypothecation on standard receivables of the company (excluding loans overdue by more than 120 days) and a pari passu charge over an immovable property. Minimum security cover of 1x to be maintained.
2.	INE121A07OI7 (Series 555)	2191 days from the deemed date of allotment.	8.62% p.a.	INR 80.00	April 12, 2018	April 11, 2024	IND AA+ (Stable)	Secured	Exclusive charge by way of hypothecation on standard receivables of the company (excluding loans overdue by 90 days) and a subservient charge over an immovable property. Minimum security cover of 1x to be maintained.
3.	INE121A07OI7 (Series 556)	2186 days from the deemed date of allotment.	8.6179% p.a.	INR 70.00	April 17, 2018	April 11, 2024	IND AA+ (Stable)	Secured	Exclusive charge by way of hypothecation on standard receivables of the company (excluding loans overdue by 90 days) and a subservient charge over an immovable property. Minimum security cover of 1x to be maintained.
4.	INE121A07PM6 (Series 588)	1826 days from the deemed date of allotment.	7.92% p.a.	INR 500.00	July 08, 2020	July 08, 2025	IND AA+(Stable)/ICRA AA+ (Stable)	Secured	Exclusive charge on standard receivables/PTC assets of the company (excluding loans overdue by 90 days) and a subservient charge over an immovable property. Minimum security cover of 1x to be maintained.
5.	INE121A07PL8 (Series 589)	1826 days from the deemed date of allotment.	7.88% p.a.	INR 125.00	July 08, 2020	July 08, 2025	IND AA+(Stable)/ICRA AA+ (Stable)	Secured	Exclusive charge on standard receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
6.	INE121A07PN4	1461 days from the	7.38% p.a.	INR	July 31,	July 31, 2024	IND AA+(Stable	Secured	Exclusive charge on standard receivables of

[4] *ICRA Limited vide its letter dated January 2, 2024 (further revalidated on January 4, 2024), has changed the credit rating for (i) INR 20,170.30 crores non-convertible debenture programme of the Company, (ii)INR 2,525.00 crores subordinated debentures programme of the Company and (iii) INR 2,401.80 crores perpetual debt programme of the Company, from ICRA AA+ (Stable) to ICRA AA+ (Positive).*

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
	(Series 590)	deemed date of allotment.		200.00	2020		)/ICRA AA+ (Stable)		the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
7.	INE121A07PN4 (Series 591)	1454 days from the deemed date of allotment.	7.38% p.a.	INR 100.00	August 07, 2020	July 31, 2024	IND AA+(Stable)/ICRA AA+ (Stable)	Secured	Exclusive charge on standard receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
8.	INE121A07PP9 (Series 593)	1460 days from the deemed date of allotment.	6.80% p.a.	INR 150.00	October 26, 2020	October 25, 2024	IND AA+(Stable)/ICRA AA+ (Stable)	Secured	Exclusive charge on standard receivables/PTC assets of the company (excluding loans overdue by 90 days) and a subservient charge over immovable property. Minimum security cover of 1x to be maintained.
9.	INE121A07PQ7 (Series 594)	1460 days from the deemed date of allotment.	6.80% p.a.	INR 35.00	October 26, 2020	October 25, 2024	IND AA+(Stable)/ICRA AA+ (Stable)	Secured	Exclusive charge on standard receivables/PTC assets of the company (excluding loans overdue by 90 days) and a subservient charge over immovable property. Minimum security cover of 1x to be maintained.
10.	INE121A07PT1 (Series 597)	1461 days from the deemed date of allotment.	6.65% p.a.	INR 25.00	December 02, 2020	December 02, 2024	ICRA AA+ (Stable)	Secured	Exclusive charge on standard receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
11.	INE121A07PX3 (Series 601)	1654 days from the deemed date of allotment.	6.90% p.a.	INR 85.00	January 19, 2021	July 31, 2025	ICRA AA+ (Stable)	Secured	Exclusive charge on standard receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
12.	INE121A07PZ8 (Series 603)	1095 days from the deemed date of allotment.	6.45% p.a.	INR 585.00	February 23, 2021	February 23, 2024	ICRA AA+ (Stable)	Secured	Exclusive charge on standard receivables of the company. Minimum security cover of 1x to be maintained.
13.	INE121A07QB7 (Series 607)	1096 days from the deemed date of	3M T-Bill + 1.80 bps spread.	INR 300.00	July 30, 2021	July 30, 2024	ICRA AA+(Stable)	Secured	Exclusive charge on standard receivables of the company. Minimum security

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
		allotment.							cover of 1x to be maintained.
14.	INE121A07QD3 (Series 609)	1096 days from the deemed date of allotment.	3M T-Bill + 1.80 bps spread.	INR 200.00	August 04, 2021	August 04, 2024	ICRA AA+(Stable)	Secured	Exclusive charge on standard receivables of the company. Minimum security cover of 1x to be maintained.
15.	INE121A07QE1 (Series 610)	1096 days from the deemed date of allotment.	3M T-Bill + 1.80 bps spread.	INR 200.00	August 17, 2021	August 17, 2024	ICRA AA+(Stable)	Secured	Exclusive charge on standard receivables of the company. Minimum security cover of 1x to be maintained.
16.	INE121A07QG6 (Series 612)	1095 days from the deemed date of allotment.	3M T-Bill + 1.86 bps spread.	INR 500.00	December 07, 2021	December 06, 2024	ICRA AA+(Stable)	Secured	Exclusive charge on the standard receivables of the company as per applicable relevant Reserve Bank of India regulations. Minimum security cover of 1x to be maintained.
17.	INE121A07QH4 (Series 613)	1094 days from the deemed date of allotment.	6.30% p.a.	INR 360.00	December 29, 2021	December 27, 2024	ICRA AA+(Stable)	Secured	Exclusive charge on the standard receivables of the company. Minimum security cover of 1x to be maintained.
18.	INE121A07QI2 (Series 614)	1096 days from the deemed date of allotment.	3M T-Bill + 2.10 bps spread.	INR 200.00	February 11, 2022	February 11, 2025	ICRA AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
19.	INE121A07QJ0 (Series 615)	1124 days from the deemed date of allotment	7.08% p.a.	INR 400.00	February 11, 2022	March 11, 2025	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
20.	INE121A07QK8 (Series 616)	730 days from the deemed date of allotment.	6.25% p.a.	INR 100.00	February 21, 2022	February 21, 2024	ICRA AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
21.	INE121A07QJ0 (Series 617)	1078 days from the deemed date of allotment.	7.08% p.a.	INR 97.40	March 29, 2022	March 11, 2025	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
22.	INE121A07QM4 (Series 618)	1826 days from the deemed date of allotment.	7.30% p.a.	INR 270.00	March 29, 2022	March 29, 2027	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
23.	INE121A07QL6 (Series 619)	1826 days from the deemed date of allotment.	7.30% p.a.	INR 100.00	March 29, 2022	March 29, 2027	ICRA AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
24.	INE121A07QN2 (Series 620)	1826 days from the deemed date of allotment.	7.50% p.a.	INR 275.00	April 28, 2022	April 28, 2027	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
25.	INE121A07QO0 (Series 621)	1461 days from the deemed date of allotment.	7.32% p.a.	INR 700.00	April 28, 2022	April 28, 2026	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
26.	INE121A07QP7 (Series 622)	1826 days from the deemed date of allotment.	7.95% p.a.	INR 350.00	May 18, 2022	May 18, 2027	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
27.	INE121A07QP7 (Series 623)	1797 days from the deemed date of allotment.	7.95% p.a.	INR 105.00	June 16, 2022	May 18, 2027	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
28.	INE121A07QQ5 (Series 624)	1097 days from the deemed date of allotment.	7.90% p.a.	INR 500.00	June 29, 2022	June 30, 2025	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
29.	INE121A07QR3 (Series 625)	1280 days from the deemed date of allotment.	7.9217% p.a.	INR 800.00	July 14, 2022	January 14, 2026	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
									cover of 1x to be maintained.
30.	INE121A07PN4 (Series 626)	713 days from the deemed date of allotment.	7.38% p.a.	INR 1,000.00	August 18, 2022	July 31, 2024	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
31.	INE121A07QS1 (Series 627)	547 days from the deemed date of allotment.	7.3075%	INR 320.00	August 29, 2022	February 27, 2024	ICRA AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
32.	INE121A07PP9 (Series 628)	767 days from the deemed date of allotment.	6.80% p.a.	INR 200.00	September 19, 2022	October 25, 2024	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
33.	INE121A07OI7 (Series 629)	513 days from the deemed date of allotment.	8.6179% p.a.	INR 1,000.00	November 15, 2022	April 11, 2024	IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
34.	INE121A07QT9 (Series 630)	1096 days from the deemed date of allotment.	8.45% p.a.	INR 500.00	November 21, 2022	November 21, 2025	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
35.	INE121A07QH4 (Series 631)	767 days from the deemed date of allotment.	6.30% p.a.	INR 500.00	November 21, 2022	December 27, 2024	ICRA AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
36.	INE121A07QU7 (Series 632)	1096 days from the deemed date of allotment.	8.30% p.a.	INR 605.00	December 12, 2022	December 12, 2025	ICRA AA+(Stable)/CARE AA+(Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
37.	INE121A07QV5	1128 days from the deemed	8.50% p.a.	INR 602.00	February 23, 2023	March 27, 2026	ICRA AA+(Stable)/IND AA+	Secured	Exclusive charge on the charged receivables of the company

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
	(Series 633)	date of allotment.					(Stable)		(excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
38.	INE121A07RC3 (Series 634)	1096 days from the deemed date of allotment.	8.25% p.a.	INR 700.00	May 15, 2023	May 15, 2026	ICRA AA+(Stable)/IND AA+ (Stable)	Secured	Exclusive charge on the charged receivables of the company (excluding loans overdue by 90 days). Minimum security cover of 1x to be maintained.
39.	INE121A07RB5 (Series 01)	670 days from the deemed date of allotment.	8.25% p.a.	INR 335.00	May 04, 2023	March 04, 2025	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
40.	INE121A07RA7 (Series 02)	670 days from the deemed date of allotment.	8.25% p.a.	INR 16.72	May 04, 2023	March 04, 2025	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
41.	INE121A07QW3 (Series 03)	1127 days from the deemed date of allotment.	8.30% p.a.	INR 187.21	May 04, 2023	June 04, 2026	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
42.	INE121A07QZ6 (Series 04)	1127 days from the deemed date of allotment.	8.30% p.a.	INR 8.35	May 04, 2023	June 04, 2026	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
43.	INE121A07QY9 (Series 05)	1827 days from the deemed date of allotment.	8.40% p.a.	INR 440.29	May 04, 2023	May 04, 2028	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
44.	INE121A07QX1 (Series 06)	1827 days from the deemed date of allotment.	8.40% p.a.	INR 12.43	May 04, 2023	May 04, 2028	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
45.	INE121A07RH2 (Series 01)	670 days from the deemed date of allotment	8.25% p.a.	INR 328.50	August 09, 2023	June 09, 2025	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
46.	INE121A07RG4 (Series 02)	670 days from the deemed date of	8.25% p.a.	INR 07.45	August 09, 2023	June 09, 2025	ICRA AA+(Stable)/IND AA+(Stable	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
		allotment					)		be maintained.
47.	INE121A07RF6 (Series 03)	1127 days from the deemed date of allotment	8.30% p.a.	INR 201.88	August 09, 2023	September 09, 2026	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
48.	INE121A07RD1 (Series 04)	1127 days from the deemed date of allotment	8.30% p.a.	INR 11.29	August 09, 2023	September 09, 2026	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
49.	INE121A07RE9 (Series 05)	1827 days from the deemed date of allotment	8.40% p.a.	INR 896.39	August 09, 2023	August 09, 2028	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
50.	INE121A07RI0 (Series 06)	1827 days from the deemed date of allotment	8.40% p.a.	INR 9.65	August 09, 2023	August 09, 2028	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
51.	INE121A07RJ8 (Series 01)	731 days from the deemed date of allotment	8.40% p.a.	INR 173.42	December 07, 2023	December 07, 2025	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
52.	INE121A07RL4 (Series 02)	731 days from the deemed date of allotment	8.40% p.a.	INR 12.63	December 07, 2023	December 07, 2025	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
53.	INE121A07RO8 (Series 03)	1096 days from the deemed date of allotment	8.50% p.a.	INR 228.19	December 07, 2023	December 07, 2026	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
54.	INE121A07RK6 (Series 04)	1096 days from the deemed date of allotment	8.50% p.a.	INR 11.27	December 07, 2023	December 07, 2026	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
55.	INE121A07RM2 (Series 05)	1827 days from the deemed date of allotment	8.60% p.a.	INR 447.37	December 07, 2023	December 07, 2028	ICRA AA+(Stable)/IND AA+(Stable)	Secured	Exclusive charge on the identified charged receivables of the company. Minimum security cover of 1x to be maintained.
56.	INE121A07RN0 (Series 06)	1827 days from the deemed date of	8.60% p.a.	INR 8.91	December 07, 2023	December 07, 2028	ICRA AA+(Stable)/IND AA+(Stable	Secured	Exclusive charge on the identified charged receivables of the company. Minimum

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
		allotment					)		security cover of 1x to be maintained.
57.	XS2099030244 (Series RDB 1)	3653 days from the deemed date of allotment.	9.75% p.a. payable semi-annually[5]	INR 400.00	January 10, 2020	January 10, 2030	-	Unsecured	-
58.	INE121A08NG1 (Series SD 35)	3652 days from the deemed date of allotment.	11.00% p.a.	INR 25.00	January 30, 2014	January 30, 2024	ICRA AA+ (Stable)/CARE AA+(Stable)	Unsecured	-
59.	INE121A08NH9 (Series SD 36)	3651 days from the deemed date of allotment.	11.00% p.a.	INR 20.00	February 24, 2014	February 23, 2024	ICRA AA+ (Stable)/CARE AA+(Stable)	Unsecured	-
60.	INE121A08NL1 (Series SD 38)	3653 days from the deemed date of allotment.	11.00% p.a.	INR 25.00	March 26, 2014	March 26, 2024	ICRA AA+ (Stable)/CARE AA+(Stable)	Unsecured	-
61.	INE121A08NN7 (Series SD 40)	3653 days from the deemed date of allotment.	11.00% p.a.	INR 25.00	April 25, 2014	April 25, 2024	ICRA AA+ (Stable)/CARE AA+(Stable)	Unsecured	-
62.	INE121A08NO5 (Series SD 41)	3653 days from the deemed date of allotment.	11.00% p.a.	INR 5.00	May 20, 2014	May 20, 2024	ICRA AA+ (Stable)/CARE AA+(Stable)/IND AA+(Stable)	Unsecured	-
63.	INE121A08NQ0 (Series SD 43)	3653 days from the deemed date of allotment.	11.00% p.a.	INR 15.00	June 11, 2014	June 11, 2024	ICRA AA+ (Stable)/CARE AA+(Stable)/IND AA+ (Stable)	Unsecured	-
64.	INE121A08NY4 (Series SD 48)	3652 days from the deemed date of allotment.	9.20% p.a.	INR 10.00	November 10, 2016	November 10, 2026	ICRA AA+ (Stable)/IND AA+ (Stable)	Unsecured	-
65.	INE121A08OC8 (Series SD 52)	3652 days from the deemed date of allotment.	8.80% p.a.	INR 125.00	June 15, 2017	June 15, 2027	ICRA AA+ (Stable)/ IND AA+ (Stable)	Unsecured	-
66.	INE121A08OD6 (Series SD 53)	3650 days from the deemed date of allotment.	8.78% p.a.	INR 50.00	June 20, 2017	June 18, 2027	ICRA AA+ (Stable)/ IND AA+ (Stable)	Unsecured	-

[5] *The coupon rate is variable and is 9.25% p.a. till July 10, 2022 and 9.75% thereafter.*

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
67.	INE121A08OE4 (Series SD 54)	3652 days from the deemed date of allotment.	8.80% p.a.	INR 75.00	June 28, 2017	June 28, 2027	ICRA AA+ (Stable)/ IND AA+ (Stable)	Unsecured	-
68.	INE121A08OF1 (Series SD 55)	3652 days from the deemed date of allotment.	8.53% p.a.	INR 150.00	August 30, 2017	August 30, 2027	CARE AA+ (Stable)/IN D AA+ (Stable)	Unsecured	-
68.	INE121A08OG9 (Series SD 56)	3651 days from the deemed date of allotment.	9.05% p.a.	INR 200.00	March 26, 2018	March 24, 2028	CARE AA+ (Stable)/IN D AA+ (Stable)	Unsecured	-
70.	INE121A08OG9 (Series SD 57)	3649 days from the deemed date of allotment.	9.05% p.a.	INR 115.00	March 28, 2018	March 24, 2028	CARE AA+ (Stable)/IN D AA+ (Stable)	Unsecured	-
71.	INE121A08OG9 (Series SD 58)	3641 days from the deemed date of allotment.	9.05% p.a.	INR 165.00	April 5, 2018	March 24, 2028	CARE AA+ (Stable)/IN D AA+ (Stable)	Unsecured	-
72.	INE121A08OG9 (Series SD 59)	3641 days from the deemed date of allotment.	9.05% p.a.	INR 50.00	April 5, 2018	March 24, 2028	CARE AA+ (Stable)/IN D AA+ (Stable)	Unsecured	-
73.	INE121A08OH7 (Series SD 60)	3653 days from the deemed date of allotment.	9.75% p.a.	INR 300.00	August 23, 2018	August 23, 2028	CARE AA+ (Stable)/IN D AA+ (Stable)	Unsecured	-
74.	INE121A08OR6 (Series SD 62)	3654 days from the deemed date of allotment.	7.90% p.a.	INR 200.00	October 04, 2021	October 06, 2031	ICRA AA+(Stable)/IND AA+(Stable)	Unsecured	-
75.	INE121A08OS4 (Series SD 63)	3651 days from the deemed date of allotment.	8.10% p.a.	INR 150.00	February 28, 2022	February 27, 2032	ICRA AA+(Stable)/IND AA+(Stable)	Unsecured	-
76.	INE121A08OZ9 (Series SD 64)	3653 days from the deemed date of allotment.	8.65% p.a.	INR 290.00	December 06, 2022	December 06, 2032	ICRA AA+(Stable)/IND AA+(Stable)	Unsecured	-
77.	INE121A08PC5 (Series SD 65)	2405 days from the deemed date of allotment.	9.00% p.a.	INR 200.00	March 13, 2023	October 12, 2029	ICRA AA+(Stable)/IND AA+ (Stable)	Unsecured	-
78.	INE121A08PF8	2557 days from the deemed	8.75% p.a.	INR 300.00	May 23, 2023	May 23, 2030	ICRA AA+(Stable)/IND AA+	Unsecured	-

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
	(Series SD 66)	date of allotment.					(Stable)		
79.	INE121A08PK8 (Series SD 67)	3654 days from the deemed date of allotment.	8.85% p.a.	INR 205.00	October 16, 2023	Oct 17, 2033	ICRA AA+(Stable)/IND AA+ (Stable)	Unsecured	-
80.	INE121A08PL6 (Series SD 68)	3654 days from the deemed date of allotment.	8.85% p.a.	INR 200.00	November 20, 2023	Nov 21, 2033	ICRA AA+(Stable)/IND AA+ (Stable)	Unsecured	-
81.	INE121A08NF3 (Series PDI 16E)	Perpetual[6]	12.60% p.a. with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 5.00	January 23, 2014	Perpetual	[ICRA]AA(Stable) CARE AA(Stable)	Unsecured	-
82.	INE121A08NJ5 (Series PDI 16F)	Perpetual[7]	12.90% p.a. with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 25.00	February 25, 2014	Perpetual	[ICRA]AA (Stable) CARE-AA(Stable)	Unsecured	-
83.	INE121A08NS6 (Series PDI 17)	Perpetual[8]	12.90% p.a. with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 25.00	June 27, 2014	Perpetual	[ICRA]AA (Stable) CARE-AA(Stable)	Unsecured	-
84.	INE121A08NT4 (Series PDI 18)	Perpetual[9]	12.90% p.a. with step-up option of 100 bps which shall come into effect if the call option is not exercised	INR 17.40	July 9, 2014	Perpetual	[ICRA]AA (Stable) CARE-AA(Stable)	Unsecured	-

[6] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[7] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[8] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[9] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
			after 10 years.						
85.	INE121A08NU2 (Series PDI 19)	Perpetual[10]	12.80% p.a with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 25.00	August 27, 2014	Perpetual	[ICRA]AA(Stable) CARE-AA(Stable)	Unsecured	-
86.	INE121A08OI5 (Series PDI 20)	Perpetual[11]	10.88% p.a for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 250.00	February 12, 2019	Perpetual	IND AA Stable ICRA AA(Stable)	Unsecured	-
87.	INE121A08OJ3 (Series PDI 21)	Perpetual[12]	10.83% p.a for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 56.00	March 29, 2019	Perpetual	IND AA Stable ICRA AA(Stable)	Unsecured	-
88.	INE121A08OK1 (Series PDI 22)	Perpetual[13]	10.75% for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 50.00	December 13, 2019	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
89.	INE121A08OL9	Perpetual[14]	9.30% for the first 10	INR 45.00	November	Perpetual	IND	Unsecured	-

[10] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[11] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[12] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[13] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[14] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
	(Series PDI 23)		years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.		3, 2020		AA(Stable) ICRA AA(Stable)		
90.	INE121A08OM7 (Series PDI 24)	Perpetual[15]	9.25% for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 100.00	March 08, 2021	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
91.	INE121A08ON5 (Series PDI 25)	Perpetual[16]	9.20% p.a for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 100.00	May 25, 2021	Perpetual	ICRA AA(Stable) IND AA(Stable)	Unsecured	-
92.	INE121A08OO3 (Series PDI 26)	Perpetual[17]	9.05% for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 40.00	June 30, 2021	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
93.	INE121A08OQ8 (Series PDI 27)	Perpetual[18]	8.98% p.a for the first 10 years with step-up option of 100 bps	INR 30.00	September 6, 2021	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-

[15] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[16] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[17] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[18] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
			which shall come into effect if the call option is not exercised after 10 years.						
94.	INE121A08OT2 (Series PDI 28)	Perpetual[19]	9.10% for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 25.00	March 7, 2022	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
95.	INE121A08OU0 (Series PDI 29)	Perpetual[20]	9.20% for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 45.00	May 30, 2022	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
96.	INE121A08OV8 (Series PDI 30)	Perpetual[21]	9.15% for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 60.00	August 23, 2022	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
97.	INE121A08OW6 (Series PDI 31)	Perpetual[22]	9.15% for the first 10 years with step-up option of 100 bps which shall come into effect if the call option	INR 24.00	September 27, 2022	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-

[19] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[20] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[21] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[22] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
			is not exercised after 10 years.						
98.	INE121A08OX4 (Series PDI 32)	Perpetual[23]	9.15% for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 21.00	October 28, 2022	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
99.	INE121A08OY2 (Series PDI 33)	Perpetual[24]	9.15% for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 20.00	November 30, 2022	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
100.	INE121A08PA9 (Series PDI 34)	Perpetual[25]	9.15 % p.a. for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 20.00	January 12, 2023	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
101.	INE121A08PB7 (Series PD 35)	Perpetual[26]	9.45 % p.a. for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10	INR 300.00	February 28, 2023	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-

[23] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[24] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[25] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[26] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
			years.						
102.	INE121A08PD3 (Series PD 36)	Perpetual[27]	9.40 % p.a. for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 23.00	March 16, 2023	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
103.	INE121A08PE1 (Series PD 37)	Perpetual[28]	9.40 % p.a. for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 17.00	March 24, 2023	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
104.	INE121A08PG6 (Series PD 38)	Perpetual[29]	9.40 % p.a. for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercises after 10 years.	INR 30.00	May 31, 2023	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
105.	INE121A08PH4 (Series PD 39)	Perpetual[30]	9.25 % p.a. for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 200.00	June 28, 2023	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-

[27] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[28] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[29] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.
[30] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating[4]	Secured / unsecured	Security
106.	INE121A08PI2 (Series PD 40)	Perpetual[31]	9.25 % p.a. for the first 10 years with step-up option of 100 bps which shall come into effect if the call option is not exercised after 10 years.	INR 20.00	September 25, 2023	Perpetual	IND AA(Stable) ICRA AA(Stable)	Unsecured	-
Total				**INR 21,074.77**					

* *The total amount outstanding for secured non-convertible securities (redeemable non-convertible debentures, perpetual debt and subordinated debt) after IND AS adjustment is INR 16,871.76 crores and unsecured non-convertible securities after IND AS adjustment is INR 5,090.51 crores.*

(e) List of top 10 holders of non-convertible securities in terms of value (in cumulative basis) as on last quarter end date (December 31, 2023):

Sr. No	Name of Holder of Non-convertible Securities	Category of Holder	Amount (INR in cr.)	% of total non-convertible securities outstanding
1.	State Bank of India	BNK	1,470.00	6.98%
2.	Aditya Birla Sun Life Mutual Fund	MUT	730.00	3.46%
3.	SBI Mutual Fund	MUT	705.00	3.35%
4.	HDFC Life Insurance Company Limited	INS	675.00	3.20%
5.	ICICI Prudential Life Insurance Company Limited	INS	597.00	2.83%
6.	ICICI Lombard General Insurance Company Limited	INS	572.24	2.72%
7.	Kotak Mutual Fund	MUT	550.00	2.61%
8.	Cholamandalam MS General Insurance Company Limited	INS	540.00	2.56%
9.	SBI Life Insurance Company Limited	INS	533.16	2.53%
10.	Wipro Enterprises	LTD	460.00	2.18%
	TOTAL		**6,832.40**	**32.42%**

(f) Details of Outstanding Commercial Paper as at the end of the last quarter in the following format:

[31] Perpetual with call option with the issuer after 10 years from the date of allotment, only with prior approval of RBI.

	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
1.	INE121A14VF4 (Series SA25)	359 days	Discount rate- 8.20% p.a.	INR 275.00	April 12, 2023	April 05, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
2.	INE121A14VF4 (Series SA26)	359 days	Discount rate- 8.20% p.a.	INR 150.00	April 12, 2023	April 05, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
3.	INE121A14VF4 (Series SA27)	359 days	Discount rate- 8.20% p.a.	INR 100.00	April 12, 2023	April 05, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
4.	INE121A14VF4 (Series SA28)	359 days	Discount rate- 8.20% p.a.	INR 25.00	April 12, 2023	April 05, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
5.	INE121A14VG2 (Series SA29)	365 days	Discount rate- 8.20% p.a.	INR 125.00	April 12, 2023	April 11, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
6.	INE121A14VG2 (Series SA30)	365 days	Discount rate- 8.20% p.a.	INR 75.00	April 12, 2023	April 11, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
7.	INE121A14VG2 (Series SA31)	365 days	Discount rate- 8.20% p.a.	INR 25.00	April 12, 2023	April 11, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.

8.	INE121A14VG2 (Series SA32)	365 days	Discount rate- 8.20% p.a.	INR 250.00	April 12, 2023	April 11, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
9.	INE121A14VG2 (Series SA33)	365 days	Discount rate- 8.00% p.a.	INR 50.00	April 12, 2023	April 11, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
10.	INE121A14VG2 (Series SA34)	365 days	Discount rate- 8.20% p.a.	INR 50.00	April 12, 2023	April 11, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
11.	INE121A14VH0 (Series SA36)	276 days	Discount rate- 7.95% p.a.	INR 100.00	May 19, 2023	February 19, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
12.	INE121A14VH0 (Series SA37)	276 days	Discount rate- 7.95% p.a.	INR 50.00	May 19, 2023	February 19, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
13.	INE121A14VH0 (Series SA38)	276 days	Discount rate- 7.95% p.a.	INR 50.00	May 19, 2023	February 19, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
14.	INE121A14VH0 (Series SA39)	276 days	Discount rate- 7.95% p.a.	INR 25.00	May 19, 2023	February 19, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
15.	INE121A14VI8 (Series SA40)	238 days	Discount rate- 7.90% p.a.	INR 150.00	May 19, 2023	January 12, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
16.	INE121A14VI8 (Series SA41)	238 days	Discount rate- 7.90% p.a.	INR 125.00	May 19, 2023	January 12, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.

17.	INE121A14VI8 (Series SA42)	238 days	Discount rate- 7.90% p.a.	INR 25.00	May 19, 2023	January 12, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
18.	INE121A14VJ6 (Series SA43)	243 days	Discount rate- 7.90% p.a.	INR 100.00	May 19, 2023	January 17, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
19.	INE121A14VJ6 (Series SA44)	240 days	Discount rate- 7.90% p.a.	INR 100.00	May 22, 2023	January 17, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
20.	INE121A14VK4 (Series SA45)	305 days	Discount rate- 7.95% p.a.	INR 100.00	May 22, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
21.	INE121A14VM0 (Series SA46)	275 days	Discount rate- 7.95% p.a.	INR 200.00	May 23, 2023	February 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
22.	INE121A14VM0 (Series SA47)	275 days	Discount rate- 7.95% p.a.	INR 100.00	May 23, 2023	February 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
23.	INE121A14VM0 (Series SA48)	275 days	Discount rate- 7.95% p.a.	INR 75.00	May 23, 2023	February 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
24.	INE121A14VN8 (Series SA53)	356 days	Discount rate- 7.98% p.a.	INR 250.00	June 9, 2023	May 30, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
25.	INE121A14VN8 (Series SA54)	356 days	Discount rate- 7.98% p.a.	INR 100.00	June 9, 2023	May 30, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.

26.	INE121A14VN8 (Series SA55)	356 days	Discount rate- 7.98% p.a.	INR 25.00	June 9, 2023	May 30, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
27.	INE121A14VN8 (Series SA56)	356 days	Discount rate- 7.98% p.a.	INR 100.00	June 9, 2023	May 30, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL.
28.	INE121A14VN8 (Series SA57)	356 days	Discount rate- 7.98% p.a.	INR 25.00	June 9, 2023	May 30, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
29.	INE121A14VZ2 (Series SA76)	85 days	Discount rate- 7.79% p.a.	INR 500.00	November 7, 2023	January 31, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
30.	INE121A14WA3 (Series SA77)	79 days	Discount rate- 7.79% p.a.	INR 50.00	November 7, 2023	January 25, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
31.	INE121A14WA3 (Series SA78)	79 days	Discount rate- 7.79% p.a.	INR 400.00	November 7, 2023	January 25, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
32.	INE121A14WA3 (Series SA79)	79 days	Discount rate- 7.79% p.a.	INR 50.00	November 7, 2023	January 25, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
33.	INE121A14WB1 (Series SA80)	76 days	Discount rate- 7.79% p.a.	INR 100.00	November 7, 2023	January 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
34.	INE121A14WB1 (Series SA81)	76 days	Discount rate- 7.79% p.a.	INR 50.00	November 7, 2023	January 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL

35.	INE121A14WB1 (Series SA82)	76 days	Discount rate- 7.79% p.a.	INR 25.00	November 7, 2023	January 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
36.	INE121A14WB1 (Series SA83)	76 days	Discount rate- 7.79% p.a.	INR 100.00	November 7, 2023	January 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
37.	INE121A14WB1 (Series SA84)	76 days	Discount rate- 7.79% p.a.	INR 100.00	November 7, 2023	January 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
38.	INE121A14VN8 (Series SA85)	181 days	Discount rate- 8.25% p.a.	INR 250.00	December 1, 2023	May 30, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
39.	INE121A14VN8 (Series SA86)	181 days	Discount rate- 8.25% p.a.	INR 200.00	December 1, 2023	May 30, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
40.	INE121A14VN8 (Series SA87)	181 days	Discount rate- 8.25% p.a.	INR 100.00	December 1, 2023	May 30, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
41.	INE121A14VN8 (Series SA88)	181 days	Discount rate- 8.25% p.a.	INR 10.00	December 1, 2023	May 30, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
42.	INE121A14WC9 (Series SA89)	79 days	Discount rate- 8.30% p.a.	INR 250.00	December 27, 2023	March 15, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
43.	INE121A14WC9 (Series SA90)	79 days	Discount rate- 8.30% p.a.	INR 250.00	December 27, 2023	March15, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL

44.	INE121A14WC9 (Series SA91)	79 days	Discount rate- 8.30% p.a.	INR 500.00	December 27, 2023	March 15, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
45.	INE121A14WC9 (Series SA92)	79 days	Discount rate- 8.30% p.a.	INR 200.00	December 27, 2023	March 15, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
46.	INE121A14VK4 (Series SA93)	86 days	Discount rate- 8.30% p.a.	INR 250.00	December 27, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
47.	INE121A14VK4 (Series SA94)	86 days	Discount rate- 8.30% p.a.	INR 100.00	December 27, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
48.	INE121A14VK4 (Series SA95)	86 days	Discount rate- 8.30% p.a.	INR 75.00	December 27, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
49.	INE121A14VK4 (Series SA96)	86 days	Discount rate- 8.30% p.a.	INR 50.00	December 27, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
50.	INE121A14VK4 (Series SA97)	86 days	Discount rate- 8.30% p.a.	INR 25.00	December 27, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
51.	INE121A14VK4 (Series SA98)	86 days	Discount rate- 8.30% p.a.	INR 40.00	December 27, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
52.	INE121A14VK4 (Series SA99)	85 days	Discount rate- 8.30% p.a.	INR 100.00	December 28, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL

53.	INE121A14VK4 (Series SA100)	85 days	Discount rate- 8.30% p.a.	INR 50.00	December 28, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
54.	INE121A14VK4 (Series SA101)	85 days	Discount rate- 8.30% p.a.	INR 5.00	December 28, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
55.	INE121A14VK4 (Series SA102)	85 days	Discount rate- 8.30% p.a.	INR 75.00	December 28, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
56.	INE121A14VK4 (Series SA103)	85 days	Discount rate- 8.30% p.a.	INR 10.00	December 28, 2023	March 22, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
57.	INE121A14WD7 (Series SA104)	89 days	Discount rate- 8.30% p.a.	INR 100.00	December 29, 2023	March 27, 2024	ICRA A1+/CRISIL A1+	Unsecured	-	IPA – HDFC Bank. Credit Agencies – ICRA and CRISIL
Total				**INR 6840.00**						

* *The total amount outstanding of commercial papers – unsecured after IND AS adjustment is INR 6,730.87 crores.*

(g) List of top 10 holders of commercial papers in terms of value (in cumulative basis) as on last quarter end date (December 31, 2023):

	Name of holder of Commercial Paper	**Category of Holder**	**Amount (INR in cr.)***	**% of total non-convertible securities outstanding**
1.	SBI Mutual Fund	MUT	1,775.00	25.95%
2.	HDFC Mutual Fund	MUT	975.00	14.250%
3.	Aditya Birla Sun Life Mutual Fund	MUT	625.00	9.14%
4.	Axis Bank Limited	BNK	450.00	6.58%
5.	AU Small Finance Bank Limited	BNK	250.00	3.65%
6.	Azim Premji Trust	TRU	250.00	3.65%
7.	Kotak Mahindra Bank Limited	BNK	200.00	2.92%
8.	Max Life Insurance Company Limited	INS	200.00	2.92%
9.	ICICI Securities Primary Dealership Limited	LTD	200.00	2.92%
10.	ICICI Bank Limited	BNK	200.00	2.92%
	TOTAL		**5,125.00**	**74.93%**

** The total outstanding amount of the commercial papers issued by the Company to the top 10 holders is INR 5,040.10 crores.*

(i) Details of the rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures/Preference

Shares):

As of December 31, 2023, our Company has no outstanding amounts in relation to hybrid debt like FCCB, optionally convertible debentures/preference shares, except the following compulsorily convertible debentures:

Sr. No.	Series of NCS/ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (in cr.)	Date of Allotment	Conversion Date	Credit Rating	Secured / unsecured	Security
1.	INE121A08PJ0	1091 days / 3 years from the date of Allotment (up to September 30, 2026)	7.50% p.a.	INR 2,000.00	October 05, 2023	September 26, 2023	Not Applicable	Unsecured	-

** The total principal amount of outstanding unsecured compulsorily convertible debentures issued by our Company as on December 31, 2023 is INR 2,000.00 crores and the total outstanding amount as on December 31, 2023 (as per IND AS, after considering interest accrued & netting of prepaid thereon) is INR 2,033.97 crores, the details of which are in the table above*.

(j) Restrictive Covenants: The loans availed by our Company contain certain restrictive covenants, including requirement for the Company to obtain prior written consent of the lenders for:

(i) entering into any merger and amalgamation.
(ii) winding up or liquidating its affairs.
(iii) changing the general nature of its business.
(iv) making any amendments to its constitutional documents except in relation to the amendments made in the constitutional documents in compliance with regulatory requirements.

This is an indicative list and there may be such other additional terms under the various borrowing arrangements entered into by our Company and certain of our Subsidiaries.

For the purpose of the Issue, our Company has obtained the necessary consents from our lenders, as required under the relevant borrowing arrangements for undertaking activities relating to the Issue.

(k) The amount of corporate guarantee or letter of comfort issued by the Issuer along with details of the counterparty (viz. name and nature of the counterparty, subsidiary, Joint Venture entity, group company etc) on behalf of whom it has been issued and contingent liability including debt service reserve account guarantees/ any put option etc.:

As of December 31, 2023, no corporate guarantees and letter of comfort have been issued by the Issuer.

(l) Details of inter corporate loans:

As of December 31, 2023, our Company has no outstanding inter-corporate deposits.

(m) As of December 31, 2023, there has been no rescheduling, default in payment of principal or interest on any existing term loan, debt security, commercial paper or other financial indebtedness issued by the Issuer and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 (three) years:

As of December 31, 2023, our Company has not rescheduled or defaulted in payment of principal or interest on any existing term loan, debt security and other financial indebtedness (including corporate guarantee or letters of comfort issued by the company) including corporate guarantees issued by our Company, in the past 3 (three) years.

(n) As of December 31, 2023, there has been no default and non-payment of statutory dues, except:

As of December 31, 2023, there are no subsisting instances of non-payment or defaults in the payment of statutory dues by our Company.

(o) Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash; whether (i) in whole or part; (ii) at a premium or discount, or (iii) in pursuance of an option or not:

As on December 31, 2023, our Company has no outstanding borrowings taken / debt securities issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, other than (i) commercial papers, which are issued at discount and redeemable at face value, and (ii) non-convertible securities issued at a premium or discount as set out at point 15 of the Capital Structure under Section III of this Tranche IV Prospectus, or (c) in pursuance of an option.

MATERIAL DEVELOPMENTS

There have been no material developments since March 31, 2023 and there haven't arisen any circumstances that would materially or adversely affect the operations, or financial condition or profitability of our Company or the value of its assets or its ability to pay its liabilities within the next 12 months, except as stated below.

(i) ESOP allotments

During the period subsequent to March 31, 2023, the Company has made allotments of 7,23,082 Equity Shares with a face value of Rs. 2 per share at various rates to employees who are eligible for Equity Shares of the Company under ESOP, 2016 of the Company. The total consideration received by the Company for the issue of Equity Shares is ₹ 23.55 crore.

(ii) Share Swap Agreement dated March 28, 2023 ("Share Swap Agreement") entered into amongst our Company and TVS Supply Chain Solutions Limited ("TVSSCSL"), White Data Systems India Private Limited ("WDSIPL"), Vellayan Narayanan, Vellayan Lakshmanan and S Ramesh Kumar

Our Company has entered into the Share Swap Agreement with TVSSCPL dated March 28, 2023 for the sale of all the equity shares held by our Company in WDSIPL to TVSSCSL and allotment of compulsory convertible preference shares of TVSSCSL to our Company for consideration other than cash. Our Company had sold shares held in WDSIPL to TVSSCSL. In consideration for such sale, TVSSCSL issued compulsorily convertible preference shares to the Company, through preferential allotment via private placement, for consideration other than cash. Consequently, on April 20, 2023 TVSSCSL has issued to Company 22,35,265 compulsorily convertible preference at an issue price of ₹ 180 per share with a conversation ration of 1:1 where each compulsorily convertible preference share will convert into one equity share of ₹1 each of TVSSCSL.

(iii) Approval from the shareholders for increasing the borrowing limits as per Section 180(i)(c) of the Companies Act, 2013

Our Company had obtained an approval from the Shareholders for increase in borrowing limits up to ₹ 2,00,000 crores for FY 2023-24 in the AGM held on 1st August, 2023.

(iv) Qualified Institutions Placement ("QIP") of Equity Shares and compulsory convertible debentures (the "CCDs", and collectively with the Equity Shares, the "Securities") under Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations") and applicable provisions of the Companies Act, 2013, as amended and the rules framed thereunder ("Companies Act") by our Company.

Following the resolution of the Board dated August 1, 2023, our Company had sought for the approval of shareholders for the proposed QIP of Equity Shares and CCDs, not exceeding ₹ 4,000 crores through a single or separate offer documents, in one or more tranches, by way of qualified institutions placement to eligible qualified institutional buyers in accordance with Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.The Shareholders have provided their approval vide resolution approved through postal ballot (Ref. Exchange filings made on September 8, 2023 titled "Outcome of Postal Ballot and Disclosure of Voting Results of Postal Ballot through Remote E-voting in accordance with Regulations 30 and 44(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015" **)** for the QIP of Equity Shares and CCDs. Accordingly, the QIP was completed and allotments were made to the allottees on October 5, 2023.

(v) Allotment of NCDs

Our Company has allotted 3,33,69,669 secured, redeemable, non-convertible debentures of face value of ₹1,000 each, aggregating up to ₹3,336.97 crores, pursuant to the shelf prospectus dated April 19, 2023, the Tranche II prospectus dated July 27, 2023 and Tranche III prospectus dated November 23, 2023.

(vi) Allotment of Unlisted Perpetual un-secured non-convertible securities

Our Company has allotted 400 unlisted perpetual un-secured non convertible securities on September 25, 2023.

(vii) Corporate agent License obtained from IRDAI

Our Company has obtained a license (with a validity of 3 years) from IRDAI to carry on the business of a 'corporate agent' with effect from October 20, 2023.

(viii) Changes in Ratings by Rating Agency

Our Company has received revision in credit rating outlook from Stable to Positive across the instruments mentioned following table vide the credit rating letter received from ICRA Limited dated January 2, 2024 and revalidated vide its letter on January 4, 2024:

Instrument	Rating Action
Non-convertible debenture (NCD)	[ICRA]AA+ (Positive); reaffirmed and outlook revised to Positive from Stable
NCD programme (public issue)	[ICRA]AA+ (Positive); reaffirmed and outlook revised to Positive from Stable
Subordinated debentures	[ICRA]AA+ (Positive); reaffirmed and outlook revised to Positive from Stable
Perpetual debt instrument (PDI)	[ICRA]AA (Positive); reaffirmed and outlook revised to Positive from Stable
Market linked debentures (MLD)	PP-MLD[ICRA]AA+ (Positive); reaffirmed and outlook revised to Positive from Stable
Fund based – Term loans	[ICRA]AA+ (Positive); assigned/reaffirmed and outlook revised to Positive from Stable
Fund-based facilities from banks#	[ICRA]AA+ (Positive)/[ICRA]A1+; reaffirmed and outlook revised to Positive from Stable
Sub-limit – Non-fund based limits from banks^	[ICRA]AA+ (Positive); reaffirmed and outlook revised to Positive from Stable
Commercial paper	[ICRA]A1+; reaffirmed

(ix) Letter from Promoters and Promoter Group

Our Company has received a letter dated November 8, 2023 from Valli Arunachalam, Vellachi Murugappan and M V Murugappan HUF (through its karta Valli Arunachalam), members of Promoters and Promoter Group of our Company seeking reclassification from the 'promoter and promoter group' category to 'public' category shareholders under Regulation 31A of the SEBI Listing Regulation. Such reclassification will require approval of the Board and the Stock Exchanges, which is yet to be received as of the date of this Tranche IV Prospectus.

RELATED PARTY TRANSACTIONS

For details of the related party transaction as at and for each of the years ended March 31, 2023, 2022 and 2021, as per the requirements under the applicable accounting standards, see "*Financial Information*" on page 222.

Related party transactions entered during the preceding three Financial Years with regard to loans made or, guarantees given or securities provided

Name of Related Party	Loans Made			Guarantees Given			Securities Provided		
	FY 2023	FY 2022	FY 2021	FY 2023	FY 2022	FY 2021	FY 2023	FY 2022	FY 2021
White Data Systems India Private Limited	Nil	3.00	3.40	Nil	Nil	Nil	Nil	Nil	Nil
Payswiff Solutions Private Limited	Nil	3.00	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Zetwerk Manufacturing Businesses Private Limited	2.48	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Related party transactions entered during the current financial year upto September 30, 2023 with regard to loans made or, guarantees given or securities provided

Name of Related Party	Loans Made	Guarantees Given	Securities Provided
Zetwerk Manufacturing Businesses Private Limited	1.27	Nil	Nil

SECTION VI: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

Authority for the Issue

At the meeting of the Board of Directors of our Company held on January 31, 2023, the Board of Directors approved the issuance of NCDs of the face value ₹ 1,000 each, for an amount up to ₹ 5,000 crores in one or more tranches. Further, the present borrowing is within the borrowing limits of ₹2,00,000 crores under Section 180(1)(c) of the Companies Act, 2013 duly approved by the members of our Company vide their resolution passed at the AGM held on August 1, 2023.

The NCDs pursuant to this Tranche IV Issue will be issued on terms and conditions as set out in this Tranche IV Prospectus for the Tranche IV Issue.

Principal terms and conditions of the Issue

The NCDs being offered as part of this Tranche IV Issue are subject to the provisions of the SEBI NCS Regulations, the relevant provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche IV Prospectus the Application Forms, the Abridged Prospectus, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government of India, the Stock Exchanges, RBI and/or any other statutory or regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of the NCDs

The NCDs would constitute secured and senior obligations of our Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall be secured by way of an exclusive charge by way of hypothecation of Charged Receivables of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover at least of 100% of the outstanding principal amounts and interest thereon is maintained at all times until the Maturity Date. The NCDs proposed to be issued under this Tranche IV Issue and all earlier issues of debentures, bond issuances and loans outstanding in the books of our Company having corresponding assets as security, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment. We have received necessary consent from the relevant lenders, debenture trustees and security trustees for creating an exclusive charge in favour of the Debenture Trustee in relation to the NCDs.

In terms of SEBI Master Circular for Debenture Trustees, our Company is required to obtain permissions or consents from or provide intimations to the prior creditors for proceeding with the Issue, if pari passu security is sought to be created. However, exclusive charge by way of hypothecation of Charged Receivables of the Company is being provided as security for the Issue and these assets have no prior charge by any creditor of our Company.

Security

The principal amount of the NCDs to be issued in terms of this Tranche IV Prospectus together with all interest due and payable on the NCDs, subject to any obligations under applicable statutory and/or regulatory requirements shall be secured by way of an exclusive charge by way of hypothecation of Charged Receivables of the Company, with security cover of 100% on the outstanding principal amounts and interest thereon the interest due thereon issued pursuant to the Issue, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed. The security is estimated to be created prior to the listing of the NCDs with the stock exchanges.

Further, NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and RoC or Central Registry of Securitisation Asset Reconstruction and Security Interest ("**CERSAI**") or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee

Pursuant to the SEBI Master Circular for Debenture Trustees, our Company has entered into the Debenture Trustee Agreement with the Debenture Trustee and proposes to complete the execution of the Debenture Trust Deed before making the application for listing of the NCDs for the benefit of the NCD Holders, the terms of which shall govern the appointment of the Debenture Trustee and the issue of the NCDs.

Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders, the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on NCDs on the rate specified in the relevant Tranche Prospectus for each Tranche Issue and in the Debenture Trust Deed.

The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or higher value ensuring the minimum security cover is maintained till the Maturity Date of the NCDs.

Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18 of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate

on the NCDs specified in this Tranche IV Prospectus for each Tranche IV Issue, till the execution of the Debenture Trust Deed and in accordance with the applicable laws.

Debenture Redemption Reserve

In accordance with the recent amendments to the Companies Act, 2013, and the Companies (Share Capital and Debentures) Rules 2014, read with Rule 16 of the SEBI NCS Regulations, any non-banking finance company registered with Reserve Bank of India under section 45- IA of the RBI Act, 1934 ("**NBFCs**") that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Financial Year 2019-2020 had announced that NBFCs raising funds in public issues would be exempt from the requirement of creating a DRR.

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules, 2014, notified on August 16, 2019, and as on the date of filing this Tranche IV Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 3lst day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;

2. in unencumbered securities of the Central Government or any State Government;

3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;

4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Face Value

The face value of each of the NCDs shall be ₹ 1,000.

NCD Holder not a shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder, the SEBI LODR Regulations and any other applicable law.

Rights of the NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the NCD Holders thereof any rights or privileges available to our members including the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members, the said resolution will first be placed before the concerned registered NCD Holders for their consideration. In terms of Section 136 of the Companies Act, 2013, the NCD Holders shall be entitled to inspect a copy of the financial statements and copy of the Debenture Trust Deed at the Registered Office of our Company during business hours on a specific request made to us.

2. Subject to applicable statutory/ regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.

3. In case of NCDs held in (i) dematerialized form, the person for the time being appearing in the register of beneficial owners of the Depositories; and (ii) physical form on account of re-materialization, the registered NCD Holders or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such

NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.

4. The NCDs are subject to the provisions of the SEBI NCS Regulations, provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of the Draft Shelf Prospectus the Shelf Prospectus, this Tranche IV Prospectus. The terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to this issue and listing, of securities and any other documents that may be executed in connection with the NCDs.

5. For NCDs in physical form on account of re-materialization, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depositories. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD Holders as given thereunder.

6. Subject to compliance with RBI, NCDs can be rolled over only with the consent of the NCD Holders of at least 75% of the outstanding amount of the NCDs after providing at least 15 days prior notice for such roll over and in accordance with the SEBI NCS Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD Holders are merely indicative. The final rights of the NCD Holders will be as per the terms of this Tranche IV Prospectus and the Debenture Trust Deed.

Trustees for the NCD holders

We have appointed IDBI Trusteeship Services Limited to act as the Debenture Trustees for the NCD Holder(s) in terms of Regulation 8 of the SEBI NCS Regulations and Section 71(5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us with respect to NCDs. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holder(s) in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, give notice to our Company specifying that the NCDs and/or any particular series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice, *inter alia*, if any of the events listed below occurs and is not cured within the cure period(s) (except in relation to (i) and (ii) below), as mutually agreed between the Company and the Debenture Trustee under the Transaction Documents. The description below is indicative and a complete list of events of default, its consequences and the cure periods will be specified in the Debenture Trust Deed. It is hereby clarified that point i and ii below shall not have a cure period, unless the failure to pay is caused by a technical error, in which case a cure period of 1 (one) Working Day shall be available with the Company.

Indicative list of Events of Default:

i. default is committed in payment of the principal amount of the NCDs on the due date(s);

ii. default is committed in payment of any interest on the NCDs on the due date(s);

iii. Default is committed in the performance or observance of any material term, any covenants, conditions or agreements on the part of the Company under the Debenture Trust Deed or the other Transaction Documents or deeds entered into between the Company and the Debenture Holder(s)/ Beneficial Owner(s)/ Debenture Trustee;

iv. Default is committed if any information given to the Company in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche IV Prospectus, the Transaction Documents and/or other information furnished and/or the representations and

warranties given/deemed to have been given by the Company to the Debenture Holder(s)/ Beneficial Owner(s) for financial assistance by way of subscription to the Debenture is or proves to be misleading or incorrect in any material respect or is found to be incorrect;

v. a petition for winding up of the Company have been admitted and an order of a court of competent jurisdiction is made for the winding up of the Company or an effective resolution is passed for the winding up of the Company by the members of the Company is made otherwise than in pursuance of a scheme of amalgamation or reconstruction previously approved in writing by the Debenture Trustee and duly carried out into effect or consents to the entry of an order for relief in an involuntary proceeding under any such law, or consents to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property or any action is taken towards its re-organisation, liquidation or dissolution;

vi. an application is filed by the Company, the financial creditor or the operational creditor (as defined under the Insolvency and Bankruptcy Code, 2016, as amended from time to time) before a National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, as amended from time to time and the same has been admitted by the National Company Law Tribunal;

vii. proceedings are initiated against the Company under the insolvency laws or a resolution professional has been appointed under the insolvency laws;

viii. if in the opinion of the Debenture Trustee further receivables are to be included as security to meet the security cover and on advising the Company, the Company fails to include such receivables as part of the Charged Receivables created in favour of the Debenture Trustee to its reasonable satisfaction;

ix. if without the prior written approval of the Debenture Trustee, the security or any part thereof is sold, disposed off, charged, encumbered or alienated, pulled down or demolished, other that as provided in the Debenture Trust Deed;

x. an encumbrancer, receiver or liquidator takes possession of the assets charged as security or any part thereof, or has been appointed or allowed to be appointed of all or any part of the undertaking of the Company and such appointment is, in the opinion of the Debenture Trustee, prejudicial to the security hereby created;

xi. if an attachment has been levied on the assets charged as security or any part thereof or certificate proceedings have been taken or commenced for recovery of any dues from the Company;

xii. the Company without the consent of Secured NCD Holders / Debenture Trustee cease to carry on its business or gives notice of its intention to do so;

xiii. one or more extra ordinary events, conditions or circumstances whether related or not, (including any change in Applicable Law) has occurred or might occur which could collectively or otherwise be expected to affect the ability of the Company to discharge its obligations under the Issue;

xiv. the Company enters into amalgamation, reorganisation or reconstruction without the prior consent of the Debenture Trustee in writing;

xv. in the opinion of the Debenture Trustee, the Security created for the benefit of Secured NCD Holders is in jeopardy; and

xvi. Any other event described as an Event of Default in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche III Prospectus and the Transaction Documents.

Any event of default shall be called by the Debenture Trustee, upon request in writing of or by way of resolution passed by holders of 75% (seventy five percent) of the outstanding nominal value of all NCDs at any point of time, as set out in the Debenture Trust Deed, except for any default relating to points i, ii, under the "Indicative list of Events of Default" given above, where no such consent/ resolution of NCD holders will be required for calling of event of default.

In accordance with the SEBI Master Circular for Debenture Trustees issued by SEBI on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities", post the occurrence of a "default", the consent of the NCD Holders for entering into an inter-creditor agreement (the "**ICA**")/enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Regulation 51 read with the Explanation to Clause A (11) in Part B of Schedule III of the SEBI Listing Regulations, defines 'default' as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest or principal on debt.

It is hereby confirmed, in case of an occurrence of a "default", the Debenture Trustee shall abide and comply with the procedures mentioned in the abovementioned circular SEBI Master Circular for Debenture Trustees issued by SEBI.

Minimum Subscription

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue size (i.e., Rs. 375 crore). If our Company does not receive the minimum subscription of 75% of the Base Issue size (i.e., Rs. 375 crore), prior to the Tranche IV Issue Closing Date, the entire Application Amount shall be unblocked in the ASBA Accounts of the Applicants within eight Working Days from the Tranche IV Issue Closing Date. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Market Lot and Trading Lot

The NCDs shall be allotted in dematerialized form. As per the SEBI NCS Regulations, the trading of the NCDs is in dematerialised form and the tradable lot is one NCD.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable interest for such NCDs) prior to redemption of the NCDs.

Allotment in this Tranche IV Issue will be in electronic form multiples of one NCD. For further details of Allotment, see the "*Issue Procedure*" beginning on page 300.

Nomination facility to NCD Holders

In accordance with Section 72 of the Companies Act, 2013 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the sole NCD Holder or first NCD Holder, along with other joint NCD Holders (being individual(s) may nominate any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the NCDs. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate any person as nominee. A person, being a nominee, becoming entitled to the NCDs by reason of the death of the NCD Holder(s), shall be entitled to the same rights to which he would be entitled if he were the registered holder of the NCD. Where the nominee is a minor, the NCD Holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the NCDs, in the event of his death, during the minority. A nomination shall stand rescinded upon sale/transfer/alienation of the NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such NCD Holders. Fresh nominations can be made only in the prescribed form available on request at our Registered/ Corporate Office, at such other addresses as may be notified by us, or at the office of the Registrar to the Issue or the transfer agent.

NCD Holders are advised to provide the specimen signature of the nominee to enable us to expedite the transmission of the NCDs to the nominee in the event of demise of the NCD Holders. The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with the Section 72 read with the Companies (Share Capital and Debentures) Rules, 2014, any person who becomes a nominee by virtue of the above said Section, shall upon the production of such evidence as may be required by our Board, elect either:

(a) To register himself or herself as the holder of the NCDs; or

(b) To make such transfer of the NCDs, as the deceased holder could have done.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the Secured NCD Holder who has made the nomination, by giving a notice of such cancellation or variation in the prescribed manner as per applicable laws. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received.

Since the allotment of Secured NCDs will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depositories and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

For further details, see "*Issue Structure*" beginning on page 295, for the implications on the interest applicable to NCDs held by individual NCD Holders on the Record Date and NCDs held by non-individual NCD Holders on the Record Date.

NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition. Any trading of the NCDs issued pursuant to this Tranche IV Issue shall be compulsorily in dematerialized form only. The procedure for transmission of securities has been further simplified vide the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 Gazette Notification no. SEBI/LAD-NRO/GN/2022/80 dated April 25th, 2022.

Title

In case of:

- NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depositories; and

- the NCDs held in physical form pursuant to rematerialization, the person for the time being appearing in the register of NCD Holders shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person, as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the consolidated NCD certificates issued in respect of the NCDs and no person will be liable for so treating the NCD holder.

No transfer of title of an NCD will be valid unless and until entered on the register of NCD holders or the register of beneficial owners maintained by the Depositories prior to the Record Date. In the absence of transfer being registered, interest and/or maturity amount, as the case may be, will be paid to the person, whose name appears first in the register of the NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the relevant provisions of the Companies Act, 2013, shall apply, *mutatis mutandis* (to the extent applicable) to the NCD(s) as well.

Succession

Where NCDs are held in joint names and one of the joint NCD Holder dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the NCDs. In the event of demise of the sole or first holder of the NCDs, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the NCDs only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. Our Board of Directors or any other person authorised by our Board of Directors in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of NCD Holders who are holding NCDs in dematerialised form, third person is not required to approach our Company to register his name as successor of the deceased NCD Holder. The successor of the deceased NCD Holder shall approach the respective Depository Participant for this purpose and submit necessary documents as required by the Depository Participant.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the legacy cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.

2. Proof that the non-resident Indian is an Indian national or is of Indian origin.

3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles of Association.

Procedure for re-materialisation of NCDs

NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of NCDs who propose to rematerialise their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to the Company and the DP. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to the Issue. Pursuant to the SEBI LODR IV Amendment, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Tranche IV Issue shall be compulsorily in dematerialised form only.

Period of subscription

ISSUE SCHEDULE*	
TRANCHE IV ISSUE OPENING DATE	January 19, 2024
TRANCHE IV ISSUE CLOSING DATE	February 2, 2024
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors/or Debenture Committee approves the Allotment of the NCDs for each Tranche Issue or such date as may be determined by the Board of Directors/ or a committee approved by the Board of Directors thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the NCD Holders from the Deemed Date of Allotment.

* *This Tranche IV Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m.(Indian Standard Time) during the period indicated in this Tranche IV Prospectus, except that this Tranche IV Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or Debenture Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations and subject to not exceeding thirty days from filing this Tranche IV Prospectus with ROC. In the event of an early closure or extension of this Tranche IV Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche IV Issue have been given on or before such earlier or initial date of Tranche IV Issue closure. Application Forms for this Tranche IV Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Tranche IV Issue Period. On the Tranche IV Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 280.*

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Manager or Trading Members of the Stock Exchanges are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on the basis of date of upload of each application into the electronic book of the Stock Exchanges in accordance with the SEBI Master Circular. However, in the event of oversubscription, on such date, the allotments would be made to the applicants on proportionate basis.

Taxation

Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of section 193 of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest paid is less than 5,000 and interest is paid by way of account payee cheque). For further details, please see Section titled "*Statement of Possible Tax Benefits*" on page 134.

Further, tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

a. When the assessing officer issues a certificate on an application by a debenture holder on satisfaction that the total income of the debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company/ Registrar, atleast 7 days before the relevant record date for payment of debenture interest;

b. When the resident debenture holder with permanent account number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be Nil. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of 236 Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

c. Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be Nil.

In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13.

Further, eligible NCD Holders other than resident individuals or resident HUF investors, the following documents should be submitted with the Company/ Registrar, atleast 7 days before the relevant record date for payment of debenture interest (i) copy of registration certificate issued by the regulatory authority under which the investor is registered, (ii) self-declaration for non-deduction of tax at source, and (iii) such other document a may be required under the Income Tax Act, for claiming non-deduction / lower deduction of tax at source and/or specified by the Company/ Registrar, from time to time.

The aforesaid documents, as may be applicable, should be submitted atleast seven days before the relevant Record Date for payment of interest on the NCDs quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The aforesaid documents for claiming non-deduction or lower deduction of tax at source, as the case may be, shall be submitted to the Registrar as per below details or any other details as may be updated on the website of the Issuer at www.cholamandalam.com or the Registrar at https://ris.kfintech.com/form15/forms.aspx?q=0, from time to time.

Registrar to the Issue:

KFIN Technologies Limited
Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally, Rangareddi,
Hyderabad – 500 032, Telangana
Tel: +91 40 6716 2222
Fax: +91 40 6716 1563
Email: chola.ncdipo@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: Mr. M. Murali Krishna
Compliance Officer : Anshul Kumar Jain

Company:

Cholamandalam Investment and Finance Company Limited
Chola Crest, C54-55 and Super B-4
Thiru-Vi-Ka Industrial Estate
Guindy, Chennai 600 032
Tamil Nadu, India
Contact Number: +91 44 4090 7172
Facsimile: +91 44 2534 6464

Email: investors@chola.murugappa.com
Website: www.cholamandalam.com
Contact Person: P. Sujatha

Link for availability of formats of declaration/ certificates and online submission of tax exemption forms: https://ris.kfintech.com/form15/forms.aspx?q=0

The investors need to submit Form 15H/ 15G/certificate in original from the Assessing Officer for each Fiscal during the currency of the NCD to claim non-deduction or lower deduction of tax at source from interest on the NCD. Tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Please also see, "*Statement of Possible Tax Benefits"* on page 134. Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled "*Terms of the Issue"* on page 280, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Tranche IV Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Tranche IV Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Maturity and Redemption

The relevant interest will be paid in the manner set out in *"Issue Structure"* on page 295. The last interest payment will be made at the time of redemption of the NCDs.

Series	Maturity Period/ Redemption (as applicable)
Series I	24 months
Series II	24 months
Series III	36 months
Series IV	36 months
Series V	60 months
Series VI	60 months

Put / Call Option

Not Applicable.

Deemed Date of Allotment

The date on which our Board of Directors or the Debenture Committee approves the Allotment of the NCDs for the Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified in this Tranche IV Prospectus) shall be available to the Debenture holders from the deemed date of allotment.

Application in the Issue

NCDs being issued through this Tranche IV Prospectus can be applied for, through a valid Application Form filled in by the applicant along with attachments, as applicable. Further, Applications in this Tranche IV Issue shall be made through the ASBA facility only.

In terms of Regulation 7 of SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in the terms of Section 8(1) of the Depositories Act, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialised form only.

Application Size

Each Application should be for a minimum of 10 NCDs across all series collectively and in multiples of one NCD thereafter (for all series of NCDs taken individually or collectively), as specified in this Tranche IV Prospectus.

Applicants can apply for any or all series of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price per NCD, is blocked in the ASBA Account on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall unblock the excess amount paid on application to the applicant in accordance with the terms of the Shelf Prospectus and this Tranche IV Prospectus.

Record Date

15 (fifteen) days prior to the interest payment date, and/or Redemption Date for NCDs issued under this Tranche IV Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date.

Interest/Premium and Payment of Interest/ Premium

Interest/ Coupon on NCDs

1. Annual interest payment options

Interest would be paid annually under Series I, Series III and Series V at the following rates of interest in connection with the relevant categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of NCDs:

Category of NCD Holders	Coupon (per annum) for following Series		
	Series I	Series III	Series V
All categories	8.45%	8.50%	8.60%

Series I, Series III and Series V NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 24 months, 36 months and 60 months respectively from the Deemed Date of Allotment.

2. Cumulative interest payment options

In case of Series II, Series IV and Series VI, NCDs shall be redeemed at the end of 24 months, 36 months and 60 months, respectively from the Deemed Date of Allotment as mentioned below

The Tenor, Coupon Rate / Yield and

Category of NCD Holders	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
Series II - All categories	1,000	₹ 1,175.88
Series IV - All categories	1,000	₹ 1,277.58
Series VI - All categories	1,000	₹ 1,511.28

Payment of Interest

Amount of interest payable shall be rounded off to the nearest Rupee. In the event, the interest / payout of total coupon /redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment.

Basis of payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of NCDs shall be determined at the time of Allotment of NCDs pursuant to this Tranche IV Prospectus. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment irrespective of the category of NCD Holder on any Record Date, and such tenor, coupon/ yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

Mode of payment of Interest to NCD Holders

Payment of interest will be made (i) in case of NCDs in dematerialised form, the persons who, for the time being appear in the register of beneficial owners of the NCDs as per the Depositories, as on the Record Date and (ii) in case of NCDs in physical form on account of re-materialization, to the persons whose names appear in the register of debenture holders maintained by us (or to first holder in case of joint-holders) as on the Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the NCD Holders. In such cases, interest, on the interest payment date, would be directly credited to the account of those investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI.

Manner of Payment of Interest / Refund / Redemption[*]

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below[*]:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants who are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Neither the Lead Manager, nor our Company, nor the Registrar to the Issue shall have any responsibility and undertake any liability arising from such details not being up to date.

The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to unblocked for the Applicants.

[*]In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838.

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. Direct Credit

   Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank.

2. NACH

   National Automated Clearing House which is a consolidated system of ECS. Payment would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition ("**MICR**") code wherever applicable from the depository. Payments through NACH are mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get payments through NEFT or Direct Credit or RTGS.

3. RTGS

   Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹ 200,000, or such amount as may be fixed by RBI from time to time, have the option to receive payments through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. NEFT

   Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants' banks have been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to a MICR, if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. Registered Post/Speed Post

   For all other applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through speed post/ registered post.

   Please note that applicants are eligible to receive payments through the modes detailed in (1), (2) (3), and (4) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

   Please note that our Company shall not be responsible to the holder of NCDs, for any delay in receiving credit of interest / refund / redemption so long as our Company has initiated the process of such request in time.

6. The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

Printing of bank particulars on interest / redemption warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/ redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs applied and held in dematerialized form, these particulars would be taken directly from the Depositories. In case of NCDs held in physical form on account of rematerialisation, the NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the orders/ warrants will be dispatched to the postal address of the NCD Holders as available in the records of our Company either through speed post, registered post.

Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against NCDs

Pursuant to RBI Circular dated June 27, 2013, our Company, being an NBFC, is not permitted to extend any loans against the security of its NCDs.

Right to recall or redeem prior to maturity.

Not Applicable

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buy-back the NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Form of allotment and Denomination of NCDs

In case of Secured NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the Secured NCD Holder for the aggregate amount of the Secured NCDs held ("**Consolidated Certificate**"). The Applicant can also request for the issue of Secured NCD certificates in denomination of one NCD ("**Market Lot**"). In case of NCDs held under different Options, as specified in the Prospectus, by a Secured NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the Secured NCDs held under each Option. It is however distinctly to be understood that the Secured NCDs pursuant to the issue shall be traded only in demat form.

In respect of Consolidated Certificates, we will, only upon receipt of a request from the Secured NCD Holder, split such Consolidated Certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of Secured NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the Secured NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us.

As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchange shall be in dematerialized form only in multiples of 1 (one) NCD ("**Market Lot**"). Allotment in the Issue to all Allottees, will be in electronic form i.e., in dematerialised form and in multiples of one NCD. For details of allotment see "*Issue Procedure*" beginning on page 300.

Procedure for Redemption by NCD holders

The procedure for redemption is set out below:

NCDs held in physical form on account of rematerialisation

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment. We may at our discretion redeem the Secured NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the Secured NCD certificates would be deemed to have been cancelled. Also see the para "*Payment on Redemption*" given below.

Secured NCDs held in electronic form

No action is required on the part of Secured NCD holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of rematerialisation

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least seven days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

Our liability to NCD Holders towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque/ pay order/ electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holders towards his/their rights including for payment/ redemption in all events shall end when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

Right to reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, where we have fully redeemed or repurchased any NCDs, we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or re-issue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or re-issuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Common form of transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs, if applicable and the provisions of the Companies Act, 2013 and all applicable laws including the FEMA and the rules and regulations thereunder shall be duly complied with in respect of all transfer of debentures and registration thereof.

Sharing of information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper at the place where the registered office of the Company is situated and/or will be sent by post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Issue of duplicate NCD certificate(s)

If NCD certificate(s), issued pursuant to rematerialisation, is/ are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/ security and/or documents as we may deem adequate, duplicate NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Lien

As per the RBI circular dated June 27, 2013, the Company is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. The Company shall have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD holders or deposits held in the account of the NCD holders, whether in single name or joint name, to the extent of all outstanding dues by the NCD holders to the Company, subject to applicable law.

Lien on pledge of NCDs

Our Company may, at its discretion, note a lien on pledge of NCDs if such pledge of NCD is accepted by any third party bank/institution or any other person for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding, subject to applicable law.

Future Borrowings

We shall be entitled to make further issue of secured or unsecured debentures and/or raise term loans or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency by creating a charge on any assets, (a) subject to such consents and approvals and other conditions, as may be required under applicable law or existing financing agreements, including any intimation, if applicable under the Transaction Documents (b) provided the stipulated security cover for the Issue is maintained and compliance with other terms of the Transaction Documents.

Illustration for guidance in respect of the day count convention and effect of holidays on payments.

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Master Circular will be as disclosed in this Tranche IV Prospectus.

Payment of Interest

If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount will be unblocked within the time prescribed under applicable law, failing which interest may be due to be paid to the Applicants, for the delayed period, as prescribed in applicable law. Our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. For further details, see "*Issue Procedure - Rejection of Applications*" beginning on page 300.

Listing

The NCDs proposed to be offered in pursuance of this Tranche IV Prospectus will be listed on the BSE and NSE. Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number DCS/BM/Pi-BOND/002/23-24

dated April 13, 2023 and from NSE by way of its letter bearing reference number NSE/LIST/D/2023/0090 dated April 13, 2023. The application for listing of the NCDs will be made to the Stock Exchanges at an appropriate stage.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Tranche IV Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days from the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

Guarantee/Letter of comfort

This Tranche IV Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. Our Board shall monitor the utilisation of the proceeds of the Issue. For the relevant quarters, our Company will disclose in our quarterly financial statements, the utilisation of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue

Pre-Issue Advertisement

Subject to Regulation 30(1) of SEBI NCS Regulations our Company will issue a statutory advertisement on or before the Tranche IV Issue Opening Date. This advertisement will contain the information as prescribed in Schedule V of SEBI NCS Regulations in compliance with the Section 30 of the Companies Act. Material updates, if any, between the date of filing of the Shelf Prospectus and the this Tranche IV Prospectus with RoC and the date of release of the statutory advertisement will be included in the statutory advertisement information as prescribed under SEBI NCS Regulations.

Pre-closure

Our Company, in consultation with the Lead Manager reserves the right to close this Tranche IV Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in this Tranche IV Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described herein and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement has been given.

Recovery Expense Fund

Our Company has created a recovery expense fund in the manner as specified by SEBI in SEBI Master Circular for Debenture Trustees as amended from time to time and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹2,500,000 at the time of making the application for listing of NCDs and informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

ISSUE STRUCTURE

The following are the key terms of the NCDs. This section should be read in conjunction with, and is qualified in its entirety by more detailed information in "*Terms of the Issue*" beginning on page 280.

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Debt Listing Agreement, SEBI Listing Regulations, and the Companies Act, 2013, the RBI Act, the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche IV Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, RBI, the Government of India, and other statutory/regulatory authorities relating to the offer, issue and listing of NCDs and any other documents that may be executed in connection with the NCDs.

The key common terms and conditions of the Term Sheet are as follows:

Issuer	Cholamandalam Investment and Finance Company Limited
Type of instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Nature of the Instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Mode of the Issue	Public Issue
Mode of Allotment*	In dematerialised form
Mode of Trading*	NCDs will be traded in dematerialised form
Lead Manager	A. K. Capital Services Limited.
Debenture Trustee	IDBI Trusteeship Services Limited
Depositories	NSDL and CDSL
Registrar to the Issue	KFIN Technologies Limited (*formerly known as KFIN Technologies Private Limited*)
Issue	Public issue of secured, rated, listed, redeemable, non-convertible debentures of our Company of face value of ₹1,000 each for an amount aggregating up to ₹ 5,000 crores ("**Shelf Limit**") ("**Issue**"), on the terms and in the manner set forth herein.
Minimum Subscription	₹375 crore
Seniority	Senior
Tranche IV Issue Size	₹1,663crore
Base Issue Size	₹500 crore
Option to Retain Oversubscription / Green shoe option (Amount)	₹1,163 crore
Eligible Investors	Please see "*Issue Procedure –Who can apply?"* on page 300.
Objects of the Issue / Purpose for which there is requirement of funds	Please see "*Object of the Issue*" on page 131.
Details of Utilization of the Proceeds	Please see "*Objects of the Issue*" on page 131.
Coupon rate	Please refer to *"Specified Terms of the NCDs"* on page 298.
Coupon Payment Date	Please refer to *"Specified Terms of the NCDs"* on page 298.
Coupon Type	Please refer to *"Specified Terms of the NCDs"* on page 298.
Coupon reset process	NA
Interest Rate on each category of investor	Please refer to *"Specified Terms of the NCDs"* on page 298.
Step up/ Step Down Coupon rates	NA
Coupon payment frequency	Please refer to *"Specified Terms of the NCDs"* on page 298.
Day count basis	Actual / Actual
Interest on application money	NA
Default Coupon rate	Our Company shall pay interest, over and above the agreed coupon rate, in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws. Our Company shall pay at least two percent per annum to the debenture holder, over and above the agreed coupon rate, till the execution of the trust deed if our Company fails to execute the trust deed within such period as prescribed under applicable law.
Tenor	Please refer to *"Specified Terms of the NCDs"* on page 298.
Redemption Date	Please refer to *"Specified Terms of the NCDs"* on page 298.
Redemption Amount	Please refer to *"Specified Terms of the NCDs"* on page 298.

Redemption Premium/ Discount	Please refer to *"Specified Terms of the NCDs"* on page 298.
Face Value	₹ 1,000 per NCD.
Issue Price	₹ 1,000 per NCD.
Discount at which security is issued and the effective yield as a result of such discount	Please refer to *"Specified Terms of the NCDs"* on page 298.
Transaction Documents	Transaction Documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche IV Prospectus, Abridged Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed, the Deed of Hypothecation and other documents, if applicable, the letters issued by the Rating Agency, the Debenture Trustee and/or the Registrar; and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Manager and/or other intermediaries for the purpose of the Issue including but not limited to the Issue Agreement, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account and Sponsor Bank Agreement, the Registrar Agreement and the Consortium Agreement, and any other document that may be designated as a Transaction Document by the Debenture Trustee. For further details see, "*Material Contracts and Document for Inspection*" on page 410.
Put option date	NA
Put option price	NA
Call option date	NA
Call option price	NA
Put notification time	NA
Call notification time	NA
Minimum Application size and in multiples of NCD thereafter	₹ 10,000 (10 NCDs) and in multiple of ₹ 1,000 (1 NCD) thereafter.
Market Lot / Trading Lot	One NCD
Pay-in date	Application Date. The entire Application Amount is payable on Application.
Credit Ratings / Rating of the instrument	The NCDs proposed to be issued under the Issue have been rated ICRA AA+ / Positive and IND AA+ / Stable for an amount of ₹ 5,000 crores by ICRA Limited and India Ratings & Research Private Limited, respectively, vide their rating letter dated January 2, 2024 (further revalidated on January 4, 2024) and February 15, 2023 (further revalidated on March 20, 2023, April 13, 2023, July 12, 2023, November 1, 2023 and January 2, 2024), respectively.
Stock Exchange/s proposed for listing of the NCDs	BSE Limited and National Stock Exchange of India Limited.
Listing and timeline for listing	The NCDs are proposed to be listed on BSE and NSE. The NCDs shall be listed within six Working Days from the date of Tranche IV Issue Closure. NSE has been appointed as the Designated Stock Exchange. For more information see "*Other Regulatory and Statutory Disclosures*" on page 349.
Modes of payment	Please see *"Issue Structure – Terms of Payment"* on page 295.
Tranche IV Issue opening date	January 19, 2024
Tranche IV Issue closing date**	February 2, 2024
Date of earliest closing of the Tranche IV Issue, if any	NA
Record date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the relevant interest payment date or relevant Redemption Date for NCDs issued under this Tranche IV Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the record date and the date of redemption. In event the Record Date falls on day when the stock exchanges are having a trading holiday, the immediately subsequent trading day or a date notified by the Company to the stock exchanges shall be considered as Record Date.
Settlement mode of instrument	Redemption
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	As agreed in the Debenture Trust Deed, to be executed in accordance with applicable law.
Issue Schedule	January 19, 2024 to February 2, 2024**
Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum	The principal amount of the NCDs to be issued in terms of this Tranche IV Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by an exclusive charge by way of hypothecation of the Receivables of the Company as identified or to be identified under the Deed of Hypothecation ("**Charged Receivables**") for each Tranche Issue, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover minimum 100% of the outstanding principal amounts and interest thereon is maintained at all times until the Maturity Date.

security cover, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed this Tranche IV Prospectus	Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in this Tranche IV Prospectus, till the execution of the Debenture Trust Deed. The security shall be created prior to making the listing application for the NCDs with the Stock Exchange(s). For further details on date of creation of security/likely date of creation of security minimum security cover etc., please see "*Terms of the Issue – Security*" on page 280.
Security Cover	Our Company shall maintain a minimum 100% security cover on the outstanding principal amounts and interest thereon.
Condition precedent to the Issue	Other than the conditions set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations, there are no conditions precedents to the Issue.
Condition subsequent to the Issue	Other than the conditions set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations, there are no conditions subsequent to the Issue.
Events of default (including manner of voting/conditions of joining Inter Creditor Agreement)	Please see "*Terms of the Issue – Events of Default*" on page 280.
Creation of recovery expense fund	Our Company has maintained the required amount towards recovery expense fund in the manner as specified by SEBI in SEBI Master Circular for Debenture Trustees as amended from time to time and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹2,500,000 at the time of making the application for listing of NCDs and informed the Debenture Trustee regarding transfer of amount toward such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in this Tranche IV Prospectus and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy within the cure period, as set out in the Debenture Trust Deed (in which case no notice shall be required), it shall constitute an event of default. The Debenture Trustee may, at any time, waive, on such terms and conditions as to it shall seem expedient, any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof. Please see "*Terms of the Issue - Events of default*" on page 280.
Deemed date of Allotment	The date on which the Board of Directors/or the Debenture Committee approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Debenture Committee thereof and notified to the Designated Stock Exchanges. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Roles and responsibilities of the Debenture Trustee	As per SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, Companies Act, the simplified listing agreement(s), and the Debenture Trust Deed, each as amended from time to time. Please see section titled "*Terms of the Issue-Trustees for the NCD Holders*" on page 280.
Provisions related to Cross Default Clause	In accordance with the Debenture Trust Deed.
Risk factors pertaining to the Issue	Please see section titled "*Risk Factors*" on page 18.
Governing law and Jurisdiction	Any dispute in relation to NCDs shall be governed by laws of India and courts and tribunals in Chennai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the proposed issuance of NCDs.
Working day convention / Day count convention / Effect of holidays on payment	Working Day means all days on which commercial banks in Mumbai are open for business. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (the "**Effective Date**"), however the dates of the future interest payments would continue to be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment.

* *In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this public issue of the NCDs in dematerialised form. Trading in NCDs shall be compulsorily in dematerialized form.*

** *This Tranche IV Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m.(Indian Standard Time) during the period indicated in the Prospectus, except that this Tranche IV Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or Debenture Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations and subject to not exceeding thirty days from filing this Tranche IV Prospectus with ROC. In the event of an early closure or extension of this Tranche IV Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche IV Issue have been given on or before such earlier or initial date of Tranche IV Issue closure. Application Forms for this Tranche IV Issue will*

be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Tranche IV Issue Period. On the Tranche IV Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. For further details please refer to the chapter titled "Issue Related Information" on page 280.
For the list of documents executed/ to be executed, please see "Material Contracts and Documents for Inspection" on page 410.
For the details of the utilization of the proceeds, please see "Objects of the Issue" on page 131.
While the NCDs are secured at least 100% of the outstanding principal amounts and interest thereon in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor the security cover is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.
Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar or Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

The specific terms of each instrument to be issued pursuant to an Issue shall be as set out in this Tranche IV Prospectus for this Tranche IV Issue. Please see "*Issue Procedure*" on page 300 for details of category wise eligibility and allotment in the Issue.

Participation by any of the above-mentioned investor classes in this Tranche IV Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Tranche IV Issue.

For further details, see *"Issue Procedure"* beginning on page 300.

Specified Terms of the NCDs

Series	I	II	III*	IV	V	VI
Frequency of Interest Payment	**Annual**	**Cumulative**	**Annual**	**Cumulative**	**Annual**	**Cumulative**
Minimum Application	₹ 10,000 (10 NCDs) across all series					
In Multiples of thereafter (₹)	₹ 1,000 (1 NCD)					
Face Value/ Issue Price of NCDs (₹/ NCD)	₹ 1,000					
Tenor	24 months	24 months	36 months	36 months	60 months	60 months
Coupon (% per annum) for NCD Holders in all Categories of Investors	8.45%	NA	8.50%	NA	8.60%	NA
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.44%	8.45%	8.49%	8.50%	8.59%	8.60%
Mode of Interest Payment	Through various modes available					
Redemption Amount (₹ / NCD) on Maturity for NCD Holders in all Categories of Investors	₹ 1,000	₹ 1,175.88	₹ 1,000	₹ 1,277.58	₹ 1,000	₹ 1,511.28
Maturity / Redemption Date (from the Deemed Date of Allotment)	24 months	24 months	36 months	36 months	60 months	60 months
Put and Call Option	Not Applicable					

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

With respect to Series where interest is to be paid on an annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under annual Series will be made at the time of redemption of the NCDs. Subject to applicable tax deducted at source, if any. For further details, please see the section entitled "*Statement of Possible Tax Benefits Available to the Debenture Holders*" on page 134.

Please refer to "*Annexure D*" of this Tranche IV Prospectus, for details pertaining to the cash flows of the Company in accordance with the SEBI Master Circular.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue. For further details, see "*Issue Procedure*" and "*Terms of the Issue*" on pages 300 and 280.

Terms of Payment

The entire amount of face value of NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms of specified in "*Terms of the Issue*" on page 280.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States and may not be offered or

sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Tranche IV Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. In case of Application Form being submitted in joint names, the Applicants should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Application Form. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Day Count Convention

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Master Circular**.**

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/ consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

For further details, see the section titled "*Issue Procedure*" on page 300.

Undertaking from the Company

The Company undertakes that the assets on which the charge or security has been created to meet the hundred percent security cover or higher security cover is free from any encumbrances and in case the assets are encumbered, the permissions or consent to create any further charge on the assets has been obtained from the existing creditors to whom the assets are charged, prior to creation of the charge.

ISSUE PROCEDURE

This section applies to all Applicants. Pursuant to the SEBI Master Circular, all Applicants are required to apply for in the Issue through the ASBA process. Please note that all Applicants are required to pay the full Application Amount or to ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. An amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. Applicants should note that they may submit their Applications to the Designated Intermediaries.

Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Tranche IV Prospectus.

Please note that this section has been prepared based on the SEBI Master Circular SEBI/HO/DDHS/PoD1/P/CIR/ 2023/119 *dated August 10, 2021 and as updated on July 7, 2023, as amended from time to time (the "**SEBI Master Circular**") and other related circulars. Retail Individual Investors should note that they may use the UPI mechanism to block funds for application value up to UPI Application Limit (an amount up to ₹ 500,000 for issues of debt securities pursuant to SEBI Master Circular or any other investment limit, as applicable and prescribed by SEBI from time to time) submitted through the app/web interface of the Stock Exchange or through intermediaries (Syndicate Members, Registered Stockbrokers, Registrar and Transfer agent and Depository Participants).*

ASBA Applicants must ensure that their respective ASBA Accounts can be blocked by the SCSBs, in the relevant ASBA accounts for the full Application Amount. Applicants should note that they may submit their Applications to the Lead Manager or Members of the Syndicate or Registered Brokers at the Broker Centres or CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form ASBA Applicants should note that they may submit their ASBA Applications to the Designated Intermediaries. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Tranche IV Prospectus. Specific attention is drawn to the SEBI Master Circular that provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application.

Specific attention is drawn to the SEBI Master Circular that provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE WILL NEED TO APPROACH THE STOCK EXCHANGE(S) AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE STOCK EXCHANGE. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THE DRAFT SHELF PROSPECTUS, THE SHELF PROPSECTUS, THIS TRANCHE IV PROSPECTUS, THE TRANCHE IV ISSUE OPENING DATE AND THE TRANCHE IV ISSUE CLOSING DATE.

THE LEAD MANAGER, THE CONSORTIUM MEMBER AND THE COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS / DESIGNATED INTERMEDIARIES IN CONNECTION WITH THE RESPONSIBILITY OF SUCH TRADING MEMBERS / DESIGNATED INTERMEDIARIES IN RELATION TO COLLECTION AND UPLOAD OF APPLICATIONS IN THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE. FURTHER, THE RELEVANT STOCK EXCHANGE SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBER/ DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGE.

Please note that for the purposes of this section, the term "Working Day" shall mean all days on which the commercial banks in Mumbai are open for business, except with reference to the Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holidays on which commercial banks in Mumbai are open for business. Furthermore, for the purpose the time period between the bid/ issue closing date and the listing of the NCDs, Working Days shall mean all days of the Stock Exchange excluding Saturdays, Sundays and bank holidays as specified by SEBI.

The information below is given for the benefit of Applicants. Our Company and the Members of the Consortium are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Tranche IV Prospectus.

PROCEDURE FOR APPLICATION

Who can apply?

The following categories of persons are eligible to apply in the Issue.

Category I

- Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds each with a minimum corpus of ₹ 25 crore, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Company registered with the RBI or Non-Banking Financial Company registered with the RBI having a total assets of ₹ 500 crore or more as per the last audited financial statements;
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II

- Companies within the meaning of Section 2(20) of the Companies Act, 2013;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners;
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009);
- Association of Persons; and
- Any other incorporated and/ or unincorporated body of persons.

Category III

Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all options of NCDs in the Issue.

Category IV

Retail individual investors – resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all options of NCDs in the Issue and shall include retail individual investors, who have submitted bid for an amount not more than UPI Application Limit (i.e., ₹ 500,000 for issue of debt securities) in any of the bidding options in the Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism.

Please note that it is clarified that Persons Resident outside India shall not be entitled to participate in the Issue and any applications from such persons are liable to be rejected.

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to the Issue.

The Lead Manager, Members of Consortium and their respective associates and affiliates are permitted to subscribe in this Tranche IV Issue.

Applications cannot be made by:

The following categories of persons and entities, shall not be eligible to participate in the Issue and any Applicatiosn from such persons and entities are liable to be rejected:

(a) Minors without a guardian name* (A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);

(b) Foreign nationals NRI inter-alia including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;

(c) Persons resident outside India and other foreign entities;

(d) Foreign Institutional Investors;

(e) Foreign Portfolio Investors;

(f) Non Resident Indians;

(g) Qualified Foreign Investors;

(h) Overseas Corporate Bodies**;

(i) Foreign Venture Capital Funds; and

(j) Persons ineligible to contract under applicable statutory/ regulatory requirements.

* *Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges by the Designated Intermediaries.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges.

** *The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.*

Please refer to "*Rejection of Applications*" on page 321 for information on rejection of Applications.

How to apply?

Availability of the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche IV Prospectus, Abridged Prospectus and Application Forms.

Physical copies of the Abridged Prospectus containing the salient features of the Shelf Prospectus, this Tranche IV Prospectus together with Application Forms may be obtained from our Registered Office and Corporate Office, offices of the Lead Manager, offices of the Consortium Member, the Registrar to the Issue, Designated RTA Locations for RTAs, Designated CDP Locations for CDPs and the Designated Branches of the SCSBs.

Additionally, electronic copies of the Draft Shelf Prospectus, Shelf Prospectus, this Tranche IV Prospectus and the Application Forms will be available.

(i) for download on the website of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, and the website of the Lead Manager at www.akgroup.co.in.

(ii) at the designated branches of the SCSBs and the Members of the Consortium at the Specified Locations.

Electronic copies of the Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Manager, the Stock Exchanges, SEBI and SCSBs

Electronic Application Forms will also be available on the website of the Stock Exchanges and on the websites of the SCSBs that permit the submission of Applications electronically. A hyperlink to the website of the Stock Exchange for this facility will be provided on the website of the Lead Manager and the SCSBs. Further, Application Forms will also be provided to Designated Intermediaries at their request. A Unique Application number ("**UAN**") will be generated for every Application Form downloaded from the websites of Stock Exchanges

Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchanges can download Application Forms from the websites of the Stock Exchanges. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request.

Please note that there is a single Application Form for all Applicants who are Persons Resident in India.

Please note that only ASBA Applicants shall be permitted to make an application for the NCDs.

Method of Application

In terms of SEBI Master Circular, an eligible investor desirous of applying in the Issue can make Applications only through the ASBA process only.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries. Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a retail individual investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants are requested to note that in terms of the SEBI Master Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("**Direct Online Application Mechanism**"). In this regard, SEBI has, through the SEBI Master Circular, directed recognized Stock Exchange in India to put in necessary systems and infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism. The Direct Online Application facility will be available for this Issue as per mechanism provided in the SEBI Master Circular

Applicants should submit the Application Form only at the bidding centres, *i.e.* to the respective Members of the Consortium at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at http://www.sebi.gov.in.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchanges and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained.

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. Further, the Application may also be submitted through the app or web interface developed by Stock Exchanges wherein the Application is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism, as applicable.

Designated Intermediaries (other than SCSBs) shall not accept any Application Form from a RIB who is not applying using the UPI Mechanism. For RIBs using UPI Mechanism, the Stock Exchange shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. An Applicant shall submit the Application Form, in physical form, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, our Directors, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further,

all grievances against Designated Intermediaries in relation to this Tranche IV Issue should be made by Applicants directly to the relevant Stock Exchanges.

In terms of the SEBI Master Circular, an eligible investor desirous of applying in this Tranche IV Issue can make Applications through the following modes:

1. **Through Self-Certified Syndicate Bank (SCSB) or intermediaries** (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)

    a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchange bidding platform and blocking of funds in investors account by the SCSB would continue.

    b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

    c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is Rs.5 Lakh or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI mechanism in this case.

2. Through Stock Exchanges

    a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchange (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism.

    b. The Stock Exchanges have extended their web-based platforms i.e., 'BSEDirect' and 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value up to Rs. 5 Lakh. To place bid through 'BSEDirect' and 'NSE goBID' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.

    c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: https://www.bsedirect.com; and NSE: https://www.nseindiaipo.com

    d. The BSE Direct and NSE goBID mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications

    e. To further clarify the submission of bids through the App or web interface, the BSE has issued operational guidelines and circulars dated December 28, 2020 available at https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60, and https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61. Similar circulars by NSE can be found here: x https://www1.nseindia.com/content/circulars/IPO46907.zip x https://www1.nseindia.com/content/circulars/IPO46867.zip. Further, NSE has allowed its 'GoBid' mobile application which is currently available for placing bids for non-competitive bidding shall also be available for applications of public issues of debt securities. For further details, see "*Process for investor application submitted with UPI as mode of payment*" on page 315.

Application Size

Each Application should be for a minimum of 10 NCDs and in multiples of one NCD thereafter for all options of NCDs, as specified in this Tranche IV Prospectus.

Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019 ("**SEBI Circular 2019**"), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20 % of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not

exceeding 10 % of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. However the overall exposure in HFCs shall not exceed the sector exposure limit of 20 % of the net assets of the scheme. Further, the group level limits for debt schemes and the ceiling be fixed at 10 % of net assets value extendable to 15 % of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the asset management companies or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must also be accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (iii) a resolution authorising investment and containing operating instructions and (iv) specimen signatures of authorized signatories. **Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled commercial banks, co-operative banks and regional rural banks can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) a board resolution authorising investments; and (ii) a letter of authorisation. Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Pursuant to SEBI Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non-Banking Financial Companies can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) their memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (iv) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Application by Insurance Companies

Insurance companies registered with IRDAI can apply in the Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) certificate registered with the IRDAI; (ii) memorandum and articles of association/charter of constitution; (iii) power of attorney; (iv) resolution authorising investments/containing operating instructions; and (v) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by alternative investments funds

Applications made by 'alternative investment funds' eligible to invest in accordance with the SEBI AIF Regulations for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The alternative investment funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by public financial institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof. Applications made by companies, bodies corporate and societies registered under the applicable laws in India**

The Application must be accompanied by certified true copies of: (i) any Act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications made by Indian scientific and/ or industrial research organizations, which are authorized to invest in the NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications made by Partnership firms formed under applicable Indian laws in the name of the partners and limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form.

In case of Applications made pursuant to a power of attorney by Applicants who are HNI Investors or Retail Individual Investors, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Manager may deem fit.

Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof; (iii) a board resolution authorising investments; (iv) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (v)

specimen signature of authorized person; (vi) a certified copy of the registered instrument for creation of such fund/trust; and (vii) any tax exemption certificate issued by the Income Tax authorities. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by National Investment Funds

Application made by a national investment fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by non-banking financial companies

Non-banking financial companies can apply in the Issue based on their own investment limits and approvals. Applications made by non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) board resolution authorising investments; and (ii) specimen signature of authorized person.

For each of the above applicant categories if the Application is not made in the form and along with the requirements set out above, the Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

APPLICATIONS FOR ALLOTMENT OF NCDs IN THE DEMATERIALISED FORM

Submission of Applications

This section is for the information of the Applicants proposing to subscribe to the Issue. The Lead Manager and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Tranche IV Prospectus. Applicants are advised to make their independent investigations and to ensure that the Application Form is correctly filled up.

Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Member, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount payable on Application has been blocked in the relevant ASBA Account. The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Members of the Syndicate at Specified Locations, see the website of the SEBI http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated CRTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Applications can be submitted through either of the following modes:

a. Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Applicant's bank records, as mentioned in the Application Form, prior to uploading such Application into the electronic system of the Stock Exchange. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such Application and shall not upload such Application in the electronic system of the Stock Exchange. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application being made in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Application.

b. Physically through the Members of Consortium, or Trading Members of the Stock Exchanges only at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and

Surat), i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Members of Consortium or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

c. A UPI Investor making an Application in the Issue under the UPI Mechanism, where the Application Amount is up to the UPI Application Limit, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchange's bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

A UPI Investor may also submit the Application Form for the Issue through BSE Direct, wherein the Application will be automatically uploaded onto the Stock Exchange's bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by the relevant Designated Intermediary, giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Collection Center, named by such SCSB to accept such Applications from the Designated Intermediaries (a list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). Upon receipt of the Application Form, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form. If sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of this Tranche IV Issue or until withdrawal/ rejection of the Application Form, as the case may be. In case of an Application not involving an Application by an RIB through UPI Mechanism, if sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

In case of Application involving an Application by an RIB through UPI Mechanism, if an Applicant submits the Application Form with a Designated Intermediary and uses his/ her bank account linked UPI ID for the purpose of blocking of funds, where the application value is up to UPI Application Limit, the Application Amount will be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant and the Designated Intermediary shall upload the Application on the bidding platform developed by the Stock Exchange. If an Applicant submits the Application Form through the application or web interface developed by Stock Exchange, the bid will automatically be uploaded onto the Stock Exchange bidding platform and the amount will be blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Applicants must note that:

a. Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Designated Intermediaries (other than Trading Members of the Stock Exchanges) at the respective Collection Centers; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Tranche IV Issue Opening Date. Physical Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the electronic version of the Shelf Prospectus and this Tranche IV Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.

b. The Designated Branches of the SCSBs shall accept Applications directly from Applicants only during the Issue Period. The SCSB shall not accept any Application directly from Applicants after the closing time of acceptance of Applications on the Tranche IV Issue Closing Date. However, the relevant branches of the SCSBs at Specified Locations can accept Application Forms from the Designated Intermediaries, after the closing time of acceptance of Applications on the Issue Closing Date, if the Applications have been uploaded. For further information on the Issue programme, please refer to "*Issue Structure*" on page 295.

c. Physical Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that ASBA Applicants can make an Application for Allotment of NCDs in the dematerialized form only.

Submission of Direct Online Applications

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

In the event the Direct Online Application facility is implemented by the Stock Exchanges, relevant "know your customer" details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number ("**UAN**") and an SMS or an email confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant's bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

As per the SEBI Master Circular, the availability of the Direct Online Applications facility is subject to the Stock Exchanges putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI.

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to Designated Intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

ASBA Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the relevant Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalization of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 6 (six) Working Days of the relevant Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the relevant Issue or until rejection of the ASBA Application, as the case may be.

In case of Application involving an Application by an RIB through UPI Mechanism, an Applicant may submit the Application Form with a SCSB or the Designated mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is up to the UPI Application Limit. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account and Sponsor Bank Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within six Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application, as the case may be.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.

2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

3. Applications should be submitted on the Application Form only. In the event that physical Application Forms do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.

4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

Applicants are advised not to submit Application Forms to Public Issue Account Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Shelf Prospectus and the relevant Tranche Prospectus with ROC

A copy of the Shelf Prospectus and the relevant Tranche Prospectus have been filed with the ROC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement in compliance with of SEBI NCS Regulations on or before the Tranche IV Issue Opening Date of this Tranche IV Issue. This advertisement will contain the information as prescribed under the SEBI NCS Regulations and Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of the Shelf Prospectus and this Tranche IV Prospectus with the ROC and the date of release of the statutory advertisement will be included in the statutory advertisement.

General Instructions for completing the Application Form

a. Applications must be made in prescribed Application Form only;

b. All Applicants should check if they are eligible to apply as per the terms of the Shelf Prospectus, this Tranche IV Prospectus and applicable laws.

c. ASBA Applicants should ensure that their Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the stock exchange(s) at the Specified Cities, and not directly to the escrow collecting banks (assuming that such bank is not a SCSB) or to the Company or the Registrar to the Issue.

d. In case of ASBA Applications through Syndicate ASBA, before submitting the physical Application Form to the Members of the Syndicate or Trading Members of the stock exchange(s), ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Members of the Syndicate or Trading Members of the stock exchange(s), as the case may be, to deposit ASBA Forms (A list of such branches is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognised-Intermediaries).

e. ASBA Applicants should ensure that the Application Form is signed by the ASBA Account holder in case the ASBA Applicant is not the account holder. ASBA Applicants should ensure that they receive an acknowledgement from the Designated Branch or the concerned Members of the Syndicate or Trading Members of the Stock Exchange(s), as the case may be, for the submission of the Application Form.

f. Application Forms must be completed in block letters in English, as per the instructions contained in the Shelf Prospectus, this Tranche IV Prospectus, the Abridged Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Members of the Syndicate, or the Trading Members, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Application Forms

g. Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialised form) and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.

h. Applicants applying for Allotment in dematerialized form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the

Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs

i. Applications must be for a minimum of 10 (Ten) NCDs and in multiples of 1 NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 (Ten) NCDs, an Applicant may choose to apply for 10 (Ten) NCDs or more in a single Application Form. Applications for all series of NCDs may be made in a single Application Form only.

j. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

k. Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta.

l. Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;

m. No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Members of Consortium, Trading Members of the Stock Exchanges or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the Transaction Registration Slip ("**TRS**"). This TRS will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the Lead Manager, Trading Member of the Stock Exchanges or the Designated Branch of the SCSBs, as the case may be.

n. The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be.

o. Every Applicant should hold a valid PAN and mention the same in the Application Form and submit the same. Applicant without PAN is liable to be rejected, irrespective of the amount

p. All Applicants are required to tick the relevant column of "Category of Investor" and "Series of NCDs" in the Application Form.

q. Applicants should correctly mention the ASBA Account number and UPI ID in case applying through UPI mechanism, and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and also ensure that the signature in the Application Form matches with the signature in Applicant's bank records, otherwise the Application is liable to be rejected

r. Applicants must provide details of valid and active DP ID, UPI ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, UPI ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder, in accordance with the instructions provided in the Application Form. Not more than five Applications can be made from one single ASBA Account;

s. For Applicants, the Applications in physical mode should be submitted to the SCSBs or a member of the Syndicate or to the Trading Members of the Stock Exchanges on the prescribed Application Form. SCSBs may provide the electronic mode for making Application either through an internet enabled banking facility or such other secured, electronically enabled mechanism for Application and blocking funds in the ASBA Account;

t. Application Forms should bear the stamp of the Member of the Syndicate, Trading Member of the Stock Exchanges, Designated Intermediaries and/or Designated Branch of the SCSB. Application Forms which do not bear the stamp will be rejected.

u. Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the

Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Please note in accordance with SEBI Circular SEBI/HO/DDHS/PoD1/CIR/P/2023/150 dated September 4, 2023, instructions to investors for completing the application form as specified in Annex- II of the aforesaid circular shall be disclosed on the websites of the Company, Lead Manager and Consortium Member during the Tranche IV Issue Period and a copy of the Abridged Prospectus shall be made available on the websites of Company, Lead Manager and Registrar to the Issue and a link for downloading the Abridged Prospectus shall be provided in issue advertisement for the Issue.

Applicants should note that neither the Designated Intermediaries nor the SCSBs, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in this Tranche IV Prospectus for the Issue to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM), CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, UPI ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, UPI ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

Applicants applying for Allotment in dematerialised form must mention their DP ID and Client ID in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialised form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialised form and entered into the electronic system of the Stock Exchanges do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialised form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialised form, whose beneficiary accounts are inactive, will be rejected

On the basis of the DP ID, UPI ID, Client ID and PAN provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and refunds, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Consortium nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchanges by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Tranche IV Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall

be at such Applicants' sole risk and neither our Company, Banker(s) to the Issue, Registrar to the Issue nor the Lead Manager shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Tranche IV Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through speed post or registered post, the Demographic Details obtained from the Depository of the Applicant shall be used.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Tranche IV Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. **Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, UPI ID, Client ID and PAN, then such Applications are liable to be rejected.**

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for retail individual investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

Unified Payments Interface (UPI)

Pursuant to the SEBI Master Circular, the UPI Mechanism is an applicable payment mechanism for public debt issues (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchange and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

Permanent Account Number (PAN)

The Applicant should mention his or her PAN allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the central or state government officials and the officials appointed by the courts in terms of a SEBI master circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 for registrars to an issue and share transfer agents dated May 17, 2023 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with SEBI master circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 for registrars to an issue and share transfer agents dated May 17, 2023 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction.

Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the general index register number i.e. GIR number instead of the PAN as the Application is liable to be rejected on this ground.

However, the exemption for the central or state government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.

Joint Applications

Applications can be made in joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to first named in the Application whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs, for the same or other Options of NCDs, as specified in this Tranche IV Prospectus, subject to a minimum Application size of ₹10,000 and in multiples of ₹1,000 thereafter as specified in this Tranche IV Prospectus. **Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected.** Any Application made by any person in his individual capacity and an Application made by such person in his capacity as a karta of a HUF and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application.

Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Electronic registration of Applications

a. The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchanges. Direct Online Applications will be registered by Applicants using the online platform offered by the Stock Exchanges. The Lead Manager, our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (v) Applications accepted and uploaded by Trading members of the Stock Exchanges or (vi) the Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Member, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms.

   In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchanges. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for allotment/rejection of Application.

b. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of the Designated Intermediaries and the SCSBs during the Issue Period. Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Tranche IV Issue Closing Date. On the Tranche IV Issue Closing Date, the Designated Intermediaries and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Designated Intermediaries and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please refer to "*Issue Structure*" on page 295.

c. With respect to Applications submitted directly to the SCSBs at the time of registering each Application, other than Direct Online Applications, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:

   - Application Form number
   - PAN (of the first Applicant, in case of more than one Applicant)
   - Investor category and sub-category
   - DP ID
   - Client ID
   - UPI ID (if applicable)
   - Number of NCDs applied for
   - Price per NCD
   - Bank code for the SCSB where the ASBA Account is maintained
   - Bank account number
   - Application amount

d. With respect to Applications submitted to the Designated Intermediaries at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:

   - Application Form number
   - PAN (of the first Applicant, in case of more than one Applicant)

- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Number of NCDs applied for
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Location
- Application amount

e. A system generated acknowledgement will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.**

f. Applications can be rejected on the technical grounds listed on page 321 or if all required information is not provided or the Application Form is incomplete in any respect.

g. The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Tranche IV Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.

h. Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment. The Lead Manager, Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchanges. In order that the data so captured is accurate the Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Tranche IV Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

Process for investor application submitted with UPI as mode of payment

a. Before submission of the application with the intermediary, the investor would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).

b. An investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface, or any other methods as may be permitted.

c. The intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchange bidding platform using appropriate protocols.

d. Once the bid has been entered in the bidding platform, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of investor with the depository.

e. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.

f. Once the bid details are uploaded on the Stock Exchange platform, the Stock Exchange shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.

g. Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.

h. The Sponsor Bank shall initiate a mandate request on the investor i.e., request the investor to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment

i. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.

j. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the public issue.

k. An investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.

l. An investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.

m. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 day till 1 PM.

n. The facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.

o. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.

p. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the intermediary.

q. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.

r. Post closure of the offer, the Stock Exchange shall share the bid details with RTA. Further, the Stock Exchange shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.

s. The allotment of debt securities shall be done as per SEBI Master Circular.

t. The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

u. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.

v. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.

w. Thereafter, Stock Exchange will issue the listing and trading approval.

x. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSEDirect issued by BSE on December 28, 2020 the investor shall also be responsible for the following:

   i. Investor shall check the Issue details before placing desired bids;

   ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;

iii. The receipt of the SMS for mandate acceptance is dependent upon the system response/ integration of UPI on Debt Public Issue System;

iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;

v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;

vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and

vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.

y. Further, in accordance with circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 5, 2021 the investor shall also be responsible for the following:

i. After successful registration & log-in, the investors shall view and check the active Debt IPO's available from IPO dashboard.

ii. Investors shall check the issue/series details. Existing registered users of NSE goBID shall also be able to access once they accept the updated terms and condition.

iii. After successfully bidding on the platform, investors shall check the NSE goBID app/psp/sms for receipt of mandate & take necessary action.

iv. UPI mandate can be accepted latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.

v. For UPI bid the facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.

vi. Investors can use the re-initiation/ resending facility only once in case of any issue in receipt/acceptance of mandate.

The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and the circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 before investing through the through the app/ web interface of Stock Exchange(s)

Kindly note, the Stock Exchange(s) shall be responsible for addressing investor grievances arising from Applications submitted online through the App based/ web interface platform of Stock Exchanges or through their Trading Members

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non-confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar to the Issue.

General Instructions

Do's and Don'ts Applicants are advised to take note of the following while filling and submitting the Application Form

Do's

- Check if you are eligible to apply as per the terms of the this Tranche IV Prospectus and applicable law;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue;
- Ensure that the DP ID and Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID and Client ID are correct and beneficiary account is activated. The requirement for providing Depository Participant details shall be mandatory for all Applicants;

- Ensure that you have mentioned the correct ASBA Account number (i.e., bank account number or UPI ID, as applicable) in the Application Form;

- Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder;

- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be;

- Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Bidding Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediaries/Designated branch of the SCSB as the case may be;

- Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;

- Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;

- In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes;

- Ensure that signatures other than in the languages specified in the 8th Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

- Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;

- In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;

- Ensure that the Applications are submitted to the Designated Intermediaries, or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Tranche IV Issue Closing Date. For further information on the Issue programme, please refer to "*Issue Structure*" on page 295.

- Ensure that you have correctly signed the authorisation /undertaking box in the Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.

- **Permanent Account Number:** Except for Application (i) on behalf of the central or state government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the central or state government and officials appointed by the courts and for investors residing in the state of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;

- Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form.

- Retail individual investors using the UPI Mechanism to ensure that they submit bids up to the application value of up to the UPI Application Limit as applicable and prescribed by SEBI from time to time.

- Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form.

- Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchange App/ Web interface.

- Ensure that you have mentioned the correct details of ASBA Account (i.e., bank account number or UPI ID, as applicable) in the Application Form;

- Ensure that the Demographic Details including PAN are updated, true and correct in all respects;

- In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.

- Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40

- Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form.

  In terms of SEBI Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

SEBI Master Circular stipulates the time between closure of the Issue and listing at 6 (six) Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts

- Do not apply for lower than the minimum application size;

- Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest;

- Do not send Application Forms by post instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be;

- Do not submit the Application Form to any non-SCSB bank or our Company.

- Do not submit an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.

- Do not fill up the Application Form such that the NCDs applied for exceeds the Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;

- Do not submit incorrect details of the DP ID, Client ID, UPI ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

- Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;

- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;

- Do not apply if you are not competent to contract under the Indian Contract Act, 1872;

- Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;

- Do not submit Application Forms to a Designated Intermediary at a location other than Collection Centers**;**
- Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
- Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by persons resident outside India, NRI (*inter-alia* including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA);
- Do not make an application of the NCD on multiple copies taken of a single form.
- Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue;
- Do not submit more than five Application Forms per ASBA Account.
- Do not submit an Application Form using UPI ID, if the Application is for an amount more than UPI Application Limit;
- Do not submit a bid using UPI ID, if you are not a Retail Individual Investor;
- Do not apply through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;
- Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;
- If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID.

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit such Application Forms. (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

Please refer to "*Rejection of Applications*" on page 321 for information on rejection of Applications.

Submission of completed Application Forms

For details in relation to the manner of submission of Application Forms, see "*Issue Procedure*" beginning on page 300.

OTHER INSTRUCTIONS

Depository Arrangements

We have made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in dematerialised form. In this context:

(i) Tripartite Agreement dated November 26, 1997 entered into between our Company, Registrar to the Issue (*formerly known as Karvy Consultants Limited*) and NSDL.

(ii) Tripartite Agreement dated January 28, 2000 entered into between our Company, Registrar to the Issue (*formerly known as Karvy Consultants Limited*) and CDSL.

(iii) An Applicant must have at least one beneficiary account with any of the Depository Participants of NSDL or CDSL prior to making the Application.

(iv) The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.

(v) NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

(vi) Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to the Issue.

(vii) It may be noted that NCDs in electronic form can be traded only on Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.

(viii) Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of

those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

(ix) The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to rematerialise the NCDs Allotted under Tranche IV Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable premium and interest for such NCDs) prior to redemption of the NCDs

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGES SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

For further information relating to Applications for Allotment of the NCDs in dematerialised form, see "*Issue Procedure"* beginning on page 300.

Communications

All future communications in connection with Applications made in this Tranche IV Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre Issue related problems and/or post Issue related problems such as non-receipt of Allotment Advice non-credit of NCDs in depository's beneficiary account/ etc. Please note that Applicants who have applied for the NCDs through Designated Intermediaries should contact the Stock Exchanges in case of any post Issue related problems, such as non-receipt of Allotment Advice / non-credit of NCDs in depository's beneficiary account/ etc.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, our Board of Directors and / or any committee reserves it's full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

i. Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

ii. Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Applicant's ASBA Account maintained with an SCSB;

iii. Applications not being signed by the sole/joint Applicant(s);

iv. Applications not made through the ASBA facility;

v. Number of NCDs applied for or Applications for an amount being less than the minimum Application size;

vi. Applications submitted without blocking of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;

vii. Investor Category in the Application Form not being ticked;

viii. Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;

ix. ASBA Bank account details to block Application Amount not provided in the Application Form;

x. Applications where a registered address in India is not provided for the Applicant;

xi. In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s);

xii. Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;

xiii. PAN not mentioned in the Application Form, except for Applications by or on behalf of the central or state government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned;

xiv. DP ID and Client ID not mentioned in the Application Form;

xv. GIR number furnished instead of PAN;

xvi. Applications by OCBs;

xvii. Applications for an amount below the minimum application size;

xviii. Submission of more than five Application per ASBA Account;

xix. Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;

xx. Applications under power of attorney or by limited companies, corporate, trust etc., submitted without relevant documents;

xxi. Applications accompanied by Stock invest/ cheque/ money order/ postal order/ cash;

xxii. Signature of sole Applicant missing, or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);

xxiii. Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.

xxiv. Date of birth for first/sole Applicant (in case of Category III) not mentioned in the Application Form.

xxv. Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant

xxvi. Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained;

xxvii. Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediaries, as the case may be;

xxviii. Applications not having details of the ASBA Account to be blocked;

xxix. In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID, UPI ID and PAN or if PAN is not available in the Depository database;

xxx. Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;

xxxi. SCSB making an Application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;

xxxii. Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;

xxxiii. Authorization to the SCSB for blocking funds in the ASBA Account not provided or acceptance of UPI Mandate Request raised has not been provided;

xxxiv. Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;

xxxv. Applications by any person outside India;

xxxvi. Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements;

xxxvii. Applications not uploaded on the online platform of the Stock Exchanges;

xxxviii. Submission of more than five ASBA Forms per ASBA Account

xxxix. Applications uploaded after the expiry of the allocated time on the Tranche IV Issue Closing Date, unless extended by the Stock Exchanges, as applicable;

xl. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the this Tranche IV Prospectus;

xli. Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;

xlii. Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchanges, are not as per the records of the Depositories;

xliii. Applications providing an inoperative demat account number;

xliv. Applications submitted to the Designated Intermediaries, at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and Applications submitted directly to the Public Issue Account Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;

xlv. Category not ticked;

xlvi. Forms not uploaded on the electronic software of the Stock Exchanges;

xlvii. In case of cancellation of one or more orders within an Application, leading to total order quantity falling under the minimum quantity required for a single Application;

xlviii. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Shelf Prospectus and as per the instructions in the Application Form;

xlix. Application Amounts paid not tallying with the number of NCDs applied for;

l. UPI Mandate Request is not approved by Retail Individual Investors.

Kindly note that Applications submitted to the Lead Manager, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Lead Manager, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries, as the case may be, to deposit Applications.

Mode of making refunds

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Tranche IV Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret by registered post/speed post at the Applicant's sole risk, within six Working Days from the Tranche IV Issue Closing Date. We may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT/NACH.

Further,

(a) Allotment of NCDs in this Tranche IV Issue shall be made within the time period stipulated by SEBI;

(b) Credit to dematerialised accounts will be given within one Working Day from the Date of Allotment;

(c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund effected within five Working days from the Tranche IV Issue Closing Date, for the delay beyond five Working days; and

(d) Our Company will provide adequate funds to the Registrar to the Issue for this purpose.

Retention of oversubscription

The base issue size of this Tranche IV Issue is ₹ 500 crore. Our Company may at its discretion have the option to retain any amount of oversubscription up to ₹1,163 crore.

Basis of Allotment for NCDs

The Registrar to the Issue will aggregate the Applications based on the Applications received through an electronic book from the Stock Exchange and determine the valid Applications for the purpose of drawing the Basis of Allotment. Grouping of the Applications received will be then done in the following manner:

Grouping of Applications and allocation ratio

For the purposes of the basis of allotment:

A. *Applications received from Category I Applicants:* Applications received from Applicants belonging to Category I shall be grouped together, **("Institutional Portion")**;

B. *Applications received from Category II Applicants:* Applications received from Applicants belonging to Category II, shall be grouped together, **("Non-Institutional Portion")**.

C. *Applications received from Category III Applicants:* Applications received from Applicants belonging to Category III shall be grouped together, **("High Net Worth Individual Investors Portion")**.

D. *Applications received from Category IV Applicants:* Applications received from Applicants belonging to Category IV shall be grouped together, **("Retail Individual Investors Portion")**.

For removal of doubt, the terms "**Institutional Portion**", "**Non-Institutional Portion**", "**High Net Worth Individual Investors Portion**" and "**Retail Individual Investors Portion**" are individually referred to as "**Portion"** and collectively referred to as **"Portions"**.

For the purposes of determining the number of Secured NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of Secured NCDs to be allotted over and above the Base Issue, in case our Company opts to retain any portion of oversubscription in this Tranche IV Issue up to an amount specified under this Tranche IV Prospectus. The aggregate value of NCDs decided to be allotted over and above the Base Issue, (in case our Company opts to retain any portion of oversubscription in this Tranche IV Issue), and/or the aggregate value of NCDs up to the Base Issue Size shall be collectively termed as Tranche IV Issue Size for the purpose of Allocation under this Tranche IV Issue.

Allocation Ratio

Particulars	Category I	Category II	Category III	Category IV
% of the Tranche IV Issue size	30%	25%	25%	20%
Base Issue Size in amount (₹ in crore)	150	125	125	100
Total Tranche IV Issue Size in amount (₹ in crore)	498.90	415.75	415.75	332.60

(a) **Allotments in the first instance:**

(i) Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 30% of Tranche IV Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;

(ii) Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 25% of Tranche IV Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;

(iii) Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 25% of Tranche IV Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;

(iv) Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 20% of Tranche IV Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges.

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with Stock Exchanges, in each Portion subject to the Allocation Ratio indicated herein above.

As per the SEBI Master Circular, the allotment in this Tranche IV Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

(b) **Under Subscription**

(i) If there is any under subscription in any Category, priority in Allotments will be given to the Retail Individual Investors Portion, High Net Worth Individual Investors Portion, and balance, if any, shall be first made to applicants of the Non Institutional Portion, followed by the Institutional Portion on a first come first serve basis, on proportionate basis. If there is under subscription in the Tranche IV Issue Size due to under subscription in each Portion, all valid Applications received till the end of last day of the Tranche IV Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.

(ii) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchanges would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the platform of the Stock Exchanges exceeds NCDs to be Allotted for each portion respectively from the date of oversubscription and thereafter.

(iii) Minimum Allotments of 10 NCDs and in multiples of 1 NCD thereafter would be made in case of each valid Application to all Applicants.

(c) **Allotments in case of oversubscription**

In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the applicants from the date of oversubscription (based on the date of upload of each Application on the electronic platform of the Stock Exchanges, in each Portion). The date of oversubscription will be determined as per the bucket size based on the allocation ratio stated in this Tranche IV Prospectus not taking into account any spill overs due to undersubscription in other categories.

For the purpose of clarity, in case of oversubscription please see the below indicative scenarios:

(i) In case of an oversubscription in all Portions resulting in an oversubscription in the Tranche IV Issue Size, Allotments to the maximum permissible limit, as possible, will be made on a first-come first serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first serve basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants from the date of oversubscription in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion).

(ii) In case there is oversubscription in Tranche IV Issue Size, however there is under subscription in one or more Portion(s), Allotments will be made in the following order:

a) All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Issue Period, shall receive full and firm allotment.

b) In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchange during the Tranche IV Issue period.

c) For the sake of clarity, once full and firm allotment has been made to all the valid Applications in the undersubscribed portion, the remaining balance in the undersubscribed Portion will be Allocated to the oversubscribed Portion(s) and proportionate allotments shall be made to all valid Applications in the oversubscribed Portion(s) uploaded on the date of oversubscription and thereafter on the remaining days of the Tranche IV Issue Period.

(d) **Proportionate Allotments**:

For each Portion, from the date of oversubscription and thereafter:

(i) Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.

(ii) If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Tranche IV Issue size, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.

(iii) In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.

Applicant applying for more than one Series of NCDs

If an Applicant has applied for more than one Series of NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for, the Series-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Manager and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the six Series and in case such Applicant cannot be allotted all the six Series, then the Applicant would be allotted NCDs, at the discretion of the Company, the Registrar and the Lead Manager wherein the NCDs with the least tenor i.e. Allotment of NCDs with tenor of 24 months followed by Allotment of NCDs with tenor of 36 months.

All decisions pertaining to the Basis of Allotment of NCDs pursuant to the Tranche IV Issue shall be taken by our Company in consultation with the Lead Manager, and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Tranche IV Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Manager.

The Company shall allocate and allot Series III to all valid applications, wherein the Applicants have not indicated their choice of the relevant NCD Series.

The Company has the discretion to close the Tranche IV Issue early irrespective of whether any of the Portion(s) are fully subscribed or not. The Company shall allot NCDs with respect to the Applications received till the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Information for Applicants

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

Unblocking of funds

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within the applicable regulatory timelines.

Information for Applicants

In case of ASBA Applications submitted to the SCSBs, in terms of the SEBI master circular for registrars to an issue and share transfer agents dated May 17, 2023, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchange and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Manager and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected. In case of Applicants submitted to the Lead Managers, Consortium Members and Trading Members of the Stock Exchange at the Specified Cities, the basis of allotment will be based on the Registrar's validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Manager and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such ASBA Application as rejected. Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Tranche IV Issue Closing Date.

Withdrawal of Applications after the Issue Period: In case an Applicant wishes to withdraw the Application after the Tranche IV Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar prior to the finalization of the Basis of Allotment but not later than 2 (two) Working days from the Issue Closing Date or early closure date, as applicable.

Pre-closure: Our Company, in consultation with the Lead Manager reserves the right to close the Tranche IV Issue at any time prior to the Tranche IV Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue before the Tranche IV Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, the Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue before the Tranche IV Issue Closing Date.

In the event of such early closure of this Tranche IV Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Tranche IV Issue Closing Date of the Issue, as applicable, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of this Tranche IV Issue have been given.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount has not been subscribed or received, as applicable, within the specified period, the application money received is to be unblocked/credited only to the bank account in/from which the subscription was blocked/remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard.

Issuance of Allotment Advice

Our Company shall ensure dispatch/and/or mail the Allotment Advice within 6 (six) Working Days of the Tranche IV Issue Closing Date to the Applicants. The Allotment Advice for successful Applicants will be mailed to their addresses as per the Demographic Details received from the Depositories. Instructions for credit of NCDs to the beneficiary account with Depository Participants shall be made within 6 (six) Working Days of the Tranche IV Issue Closing Date.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchanges where the NCDs are proposed to be listed are taken within 6 (six) Working Days from the Tranche IV Issue Closing Date.

Allotment Advices shall be issued, or Application Amount shall be unblocked within 15 (fifteen) days from the Tranche IV Issue Closing Date or such lesser time as may be specified by SEBI or else the Application Amount shall be unblocked in the ASBA Accounts of the Applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue.

Revision of Applications

As per the notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchanges, by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Tranche IV Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day after the Tranche IV Issue Closing Date to modify/ verify certain selected fields uploaded in the online system

during the Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Early Closure

Our Company, in consultation with the Lead Manager reserves the right to close the Issue at any time prior to the Closing Date of respective Prospectus, subject to receipt of minimum subscription for NCDs aggregating to 75% of the Base Issue Size i.e., ₹ 375 crore. Our Company shall allot NCDs with respect to the Applications received at the time of such early closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

If our Company does not receive the minimum subscription of 75% of Base Issue Size i.e., ₹375 crore within the timelines prescribed under applicable laws, the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within eight Working Days from the Tranche IV Issue Closing Date as specified in this Tranche IV Prospectus, or such time as may be specified by SEBI. In case of failure of the Issue due to reasons such as non-receipt of listing and trading approval from the Stock Exchanges wherein the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be unblocked in the Applicants ASBA Account within two Working Days from the scheduled listing date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum from the scheduled listing date till the date of actual payment.

Utilisation of Application Amounts

The sum received in respect of the Issue will be kept in separate bank accounts and we will have access to such funds as per applicable provisions of law(s), regulations and approvals.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹0.10 crore or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹0.10 crore or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹0.50 crore or with both.

Undertakings by our Company

We undertake that:

a) All monies received pursuant to the Issue of Secured NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.

b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised.

c) Details of all unutilised monies out of issue of Secured NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

d) The details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested.

e) We shall utilize the Issue proceeds only upon allotment of the Secured NCDs, execution of the Debenture Trust Deed as stated in this Tranche IV Prospectus and on receipt of the minimum subscription of 75% of the Base Issue and receipt of listing and trading approval from the Stock Exchanges.

f) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property dealing of equity of listed companies or lending/investment in group companies.

g) The allotment letter shall be issued, or Application Amount shall be unblocked within 15 days from the closure of the Issue or such lesser time as may be specified by SEBI, or else the Application Amount shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Other Undertakings by our Company

Our Company undertakes that:

a) Complaints received in respect of the Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) will be attended to by our Company expeditiously and satisfactorily;

b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the Secured NCDs are outstanding;

c) Our Company will take necessary steps for the purpose of getting the Secured NCDs listed within the specified time, i.e., within six Working Days from the Tranche IV Issue Closing Date;

d) Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue;

e) Our Company will forward details of utilisation of the proceeds of the Issue, duly certified by the Statutory Auditor, to the Debenture Trustee;

f) We shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time;

g) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Tranche IV Issue as contained in this Tranche IV Prospectus;

h) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report;

i) We have created a recovery expense fund in the manner as specified by SEBI from time to time; and

j) Inform the Debenture Trustee about the same.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Except as stated in this section there are no outstanding: (i) criminal proceedings; (ii) actions by statutory / regulatory authorities; (iii) claims for any indirect and direct tax liability; and (iv) other litigations which are identified as material in terms of the Materiality Policy (as defined hereinafter below), each involving the Company, its Subsidiaries, its Directors, its Promoters and its Group Companies.

For the purpose of disclosures in this Tranche IV Prospectus, our Company has considered the following litigation 'material' litigation:

a. all pending proceedings whether civil or arbitral, of value exceeding more than 1% of our profit after tax on a standalone basis as on March 31, 2023 i.e. more than ₹ 26.66 crores;

b. any other outstanding legal proceeding which is likely to have a material adverse effect on the financial position, profitability and cash flows of our Company which may affect the issue or the investor's decision to invest/continue to invest in the debt securities.

Save as disclosed below, there are no:

a. litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoters of the Company during the last three years immediately preceding the year of the issue of this Tranche IV Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;

b. litigation involving the Company, Promoters, Directors, Subsidiaries, Group Companies or any other person, whose outcome could have material adverse effect on the financial position of the Company, which may affect the issue or the investor's decision to invest/continue to invest in the debt securities;

c. acts of material frauds committed against our Company in the preceding three financial years and current financial year and the action taken by the Company;

d. default and non-payment of statutory dues by the Company;

e. pending proceedings initiated against the Company for economic offences and default; and

f. inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act or any previous companies law in the last three years immediately preceding the year of issue of Tranche IV Prospectus in the case of Company and its Subsidiaries; and if there were any prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last three years immediately preceding the year of this Tranche IV Prospectus for the Company and its Subsidiaries.

Litigation involving our Company

Litigation against our Company

Criminal Proceedings

1. As on the date of this Tranche IV Prospectus, there are 199 criminal cases filed by various persons against our Company and our employees. These cases have been filed in the ordinary course of business of the Company and are in the nature of, among others, (i) unauthorized seizure of the vehicles financed by the Company; (ii) harassment of the collection staff of our Company; and (iii) third party accident claims and disputes with and/or in relation to documentation, buyers, sales, insurance, EMI etc.

2. An FIR bearing number 610 of 2021 dated December 3, 2021 ("**FIR**") has been registered by the Sayana police station, Bulandsheher against our Company, certain of directors including Ramesh Rajan Natarajan, Rohan Verma, Bhama Krishnamurthy and Ravindra Kumar Kundu, certain promoters including Arun Alagappan, M A Alagappan, and M M Muthiah and certain employees of our Company (collectively the "**Accused**") pursuant to a complaint filed by Rahul Kumar ("**Complainant**"). It is alleged that the Accused have violated Sections 307, 323, 406, 420, 504 and 506 of Indian Penal Code, 1860. Further, a report dated April 7, 2022 was filed before the court by the police in this regard. The matter is currently pending**.** The Complainant filed a protest petition before the magistrate for reinvestigation of the case and filed a fresh report. The police has negated the allegations of the Complainant in the second final report filed by them before the Judicial Magistrate, Bulandsher. The case is pending before the magistrate and posted for arguments on January 30, 2024 on the protest petition filed by the Complainant. The matter is currently pending**.**

3. A criminal complaint has been filed before C.M.M. Patiala House Courts at New Delhi ("**Complaint**") against our Company and certain directors including Ramesh Rajan Natarajan, Rohan Verma, Bhama Krishnamurthy and Ravindra Kumar Kundu, certain promoters including Arun Alagappan, M A Alagappan, and M M Muthiah and certain

employees of our Company ("**Accused**"). It was alleged that the Accused have violated Sections 120B read with section 34, 406, 407, 409, 420, 467, 468, 471, 474, 476, 506, 507 and 511 of Indian Penal Code, 1860. The matter is currently pending. The Accused have not received any summons in relation to the Complaint as on the date of this Tranche IV Prospectus.

Actions Taken by Regulatory and Statutory Authorities against our Company Stamp Duty Matters

1. Our Company has received notices dated November 14, 2019 and December 13, 2019 ("**Notices**") from District Registrar, Warangal ("**Relevant Authority**") alleging deficit of ₹ 0.49 crores in stamp duty paid by our Company in respect of loan cum hypothecation agreements entered into by our Company with our borrowers, and directing our Company to pay the deficit amounts of stamp duty within the stipulated timelines. Our Company has responded vide its letters dated November 29, 2019 and December 23, 2019 respectively to these notices and letters, clarifying that the Notices were barred by limitation and there was no cause of action to proceed further. Our Company has not received any further communications from the Relevant Authority and the matter is currently pending.

2. Our Company has received notices dated November 16, 2019 and December 2, 2019 ("**Notices**") from District Registrar, Khammam ("**Relevant Authority**") alleging deficit of ₹ 0.83 crores stamp duty paid by our Company in respect of loan cum hypothecation agreements entered into by our Company with our borrowers, and directing our Company to pay the deficit amounts of stamp duty within the stipulated timelines. Our Company has responded vide its letters dated November 29, 2019 and December 11, 2019 respectively to these notices and letters, clarifying that the Notices had no cause of action to proceed further. Further, the Relevant Authority vide its letter dated November 26, 2022 alleged deficit of ₹ 0.39 crores in stamp duty paid by our Company in respect of the agreements and our Company responded vide its letter dated December 9, 2022 clarifying that the requisite stamp duty has been paid by our Company. Our Company has not received any further communications from the Relevant Authority and the matter is currently pending.

3. Our Company has received a notice dated November 1, 2019 ("**Notice**") from District Registrar, Karimnagar ("**Relevant Authority**") alleging deficits of ₹ 0.54 crores in stamp duty paid by our Company in respect of, inter alia, agreements entered into by our Company with our borrowers and other third parties, and directing our Company to pay the deficit amounts of stamp duty within the stipulated timelines. Our Company has responded vide its letter dated November 29, 2019 to the notice, stating that the Notice was barred by limitation and there was no cause of action to proceed further. Further, the Relevant Authority vide its letter dated March 11, 2020 stated that our response dated November 29, 2019 was not tenable. Our Company filed a writ petition before the High Court for the State of Telangana at Hyderabad against the notices/ proceedings before the District Registrar, Karimnagar. The matter is currently pending.

4. Our Company has received notices dated June 10, 2019, July 30, 2019 and November 15, 2019 from District Registrar, Hyderabad ("**Relevant Authority**") alleging deficits of ₹ 1.27 crores in stamp duty paid by our Company in respect of, inter alia, agreements entered into by our Company with our borrowers and other third parties, and directing our Company to pay the deficit amounts of stamp duty within the stipulated timelines. Our Company has responded vide its letters dated June 25, 2019, August 29, 2019 and December 9, 2019 respectively to these notices and letters, clarifying that the requisite stamp duty has been paid by our Company in respect of the agreements which it has executed and requesting the Relevant Authority to provide an explanation on the base for arriving at the at the differential stamp duty. Our Company filed a writ petition before the High Court for the State of Telangana at Hyderabad against the notice/ proceeding before the District Registrar, Hyderabad. The matter is currently pending.

5. A petition under Section 213 (b) read with section 210 of the Companies Act, 2013 has been filed by Rahul Kumar against the Company before the National Company Law Tribunal, Chennai. As on the date of this Tranche IV Prospectus, our Company has not received any notice/summon from the National Company Law Tribunal, Chennai. The matter is currently pending.

Economic Offences

Nil

Litigation by our Company

A. Criminal Proceedings

As on the date of this Tranche IV Prospectus, the following are the outstanding criminal cases filed by our Company in respect of each of its verticals.

1. In respect of the vehicle finance business of the Company, as of the date of this Tranche IV Prospectus, there are (i) 60,678 cases filed by the Company under Section 138 of the Negotiable Instruments Act, 1881; (ii) 12,989 criminal cases in the nature of criminal complaints filed by the Company for cheating/secretion of vehicle; (iii) and 68 criminal petitions filed by the Company in relation to return of the property financed by the Company.

2. In respect of the home loans business of the Company, as of the date of this Tranche IV Prospectus, there are (i) 3,094 cases filed by the Company under Section 138 of the Negotiable Instruments Act, 1881; and (ii) 27 criminal cases in the nature of multiple funding, unauthorized sale of property, etc.

3. In respect of the loan against property business of the Company, as of the date of this Tranche IV Prospectus, there are 1,186 cases filed by the Company under Section 138 of the Negotiable Instruments Act, 1881 and Section 25 of the Payment and Settlement Act, 2007.

4. In respect of the small and medium-sized enterprises loans business of the Company, as of the date of this Tranche IV Prospectus, there are 35 cases filed by the Company under Section 138 of the Negotiable Instruments Act, 1881.

5. Our Company ("**Complainant**") has filed a criminal complaint dated July 13, 2022 against Rahul Kumar, S Santhil K Varadarajan, International Media Corporation and others ("**Accused**") to Director General of Police, Chennai alleging that the Accused persons have committed extortion, criminal intimidation, criminal defamation and criminal conspiracy against the Complainant under sections 383, 384, 499, 500, 503, 506, read with 34 and 120 B of the IPC. The Complainant requested to further investigate the matter and register an FIR against the Accused persons.

6. In respect of consumer and small enterprises loans, as of the date of this Tranche IV Prospectus, there are 1,775 cases filed by the Company under Section 25 of the Payment and Settlement Act, 2007 and 266 criminal cases filed by the Company.

7. In respect of Secured Business and Personal loans, as of the date of this Tranche IV Prospectus, there are 97 cases filed by the Company under Section 25 of the Payment and Settlement Act, 2007

B. Civil Litigation by our Company

Our Company has filed an arbitration case against Anand Sarnaaik, Divyani Sarnaaik, Goldyne Ventures and Holding Private Limited and Paradyne Infoservice Private Limited ("**Respondents**"). The Respondents are the borrowers of our Company and have borrowed ₹ 11,00,00,000 vide loan dated July 14, 2011 and ₹ 25,00,00,000 vide loan dated September 8, 2010 from our Company. Subsequently, the Respondents defaulted in paying monthly installments. Our Company as per the loan agreement invoked the arbitration proceedings and prayed that the arbitration tribunal may pass an award directing the Respondents to pay our Company jointly and severally the sum of ₹ 32,92,68,752.87 as on April 6, 2016 together with the interest at the rate of 24% per annum till the date realization and to direct the Respondents to pay the costs of the legal proceedings.

Recovery proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002

In addition to the matters above, our Company is presently involved in 1,311 matters in relation to recovery of amounts under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002, to exercise the right over secured assets for recovery of amounts due from various borrowers of our Company, whose accounts have been classified as non-performing assets, due to default in repayments.

Litigation involving our Directors

Litigation against our Directors

Material Civil Litigations

Nil

Criminal Proceedings

1. As on the date of this Tranche IV Prospectus, there are 6 criminal cases filed against Vellayan Subbiah, Ravindra Kumar Kundu and certain other employees of our Company. These cases have been filed in the ordinary course of business of the Company and are in the nature of, among others, (i) seizure related disputes; (ii) disbursement related disputes; and (iii) refund related disputes

2. An FIR bearing number 610 of 2021 dated December 3, 2021 has been registered by the Sayana police station, Bulandsheher against our Directors, Ramesh Rajan Natarajan, Rohan Verma, Bhama Krishnamurthy and Ravindra Kumar Kundu. For details in relation to this case, see "– *Litigation against our Company – Criminal Proceedings*".

3. A criminal complaint has been filed before C.M.M. Patiala House Courts at New Delhi against certain directors including Ramesh Rajan Natarajan, Rohan Verma, Bhama Krishnamurthy and Ravindra Kumar Kundu. For details in relation to this case, see "– *Litigation against our Company – Criminal Proceedings*".

Actions Taken by Regulatory and Statutory Authorities

1. A complaint bearing reference number T-3/Misc/9/Kol/2016/AD(TB), dated July 16, 2018 was filed by the Enforcement Directorate ("**ED**") against PricewaterhouseCoopers Private Limited ("**PWC**") and certain employees, directors and ex-directors of PWC, including our director, Ramesh Rajan (the "**Noticees**"), who was the Chairman of PWC from June 27, 2007 to February 25, 2010. Pursuant to the complaint, the ED, under Sections 6(2), 6(3), 10(6) and 42 of FEMA levelled allegations against Ramesh Rajan. Further, the special director, ED ("**Adjudicating Authority**"), issued a show cause notice bearing reference number T-4/07/FEMA/Kol/SCN/2018-19/SD(ER)/1419, dated July 16, 2018 to the Noticees which was responded to by the Noticees through various letters stating that there is no contravention by them, as alleged. However, the Adjudicating Authority, by its order dated September 11, 2019 held the Noticees liable for contravention of FEMA and imposed a penalty on the Noticees including a penalty of ₹5,00,000 on our director, Ramesh Rajan. Against such order, Ramesh Rajan has filed an appeal before the appellate tribunal for Foreign Exchange and the matter is currently pending.

2. Indo National Limited, an entity in which N. Ramesh Rajan is an independent director and chairman of its board of directors has been fined for alleged cartelization by the Competition Commission of India. An appeal has been filed against the fine. The matter is currently pending.

Litigation by our Directors

Material Civil Litigations

Nil

Criminal Proceedings

Nil

Litigation involving our Promoters

Litigation against our Promoters

Criminal Proceedings

1. An FIR bearing number 610 of 2021 dated December 3, 2021 has been registered by the Sayana police station, Bulandsheher against our Promoters, Arun Alagappan, M A Alagappan, and M Murugappan. For details in relation to this case, see "– *Litigation against our Company – Criminal Proceedings*".

2. A criminal complaint has been filed before C.M.M. Patiala House Courts at New Delhi against certain Promoters including Arun Alagappan, M A Alagappan, and M M Murugappan. For details in relation to this case, see "– *Litigation against our Company – Criminal Proceedings*".

3. A criminal complaint bearing CC No. 2196 of 2022 has been filed by Fertilizer examiner and Asst. Director of Agriculture, Agricultural department of Government of Karnataka against one of our Promoters Coromandel International Limited ("**Coromandel**") and its directors under clause 7 of the Fertilizer (Control) Order, 1985 and sections 3 and 7 of the Essential Commodities Act, 1955 before Judicial Magistrate First Class Haveri, Karnataka ("**JMFC**") alleging that the Coromandel did not have retail license (Form A2) as it had expired and that Form O was not filed. Coromandel has filed a revision petition before the Sessions Court Judge, Haveri, Karnataka, to show that the retail license, that is Form A2 is valid for 5 years until 2026 and proviso of Clause 8 sub-clause (3) of the Fertilizer (Control) Order, 1985 specifies that it is not necessary for Coromandel to submit Form O where Coromandel is a manufacturer or importer. Since the retail license is valid and Coromandel is exempted from filing Form O, no offence was made out. The Additional District and Sessions Judge by its order dated November 3, 2023 has allowed the revision petition filed by Coromandel. The detailed order is yet to be received. The matter is currently pending.

Actions Taken by Regulatory and Statutory Authorities against our Promoters

1. As on the date of this Tranche IV Prospectus, there are 389 legal proceedings involving one of our Promoters Coromandel International Limited filed by respective state government through its department of Agriculture, under the provisions of Fertilizer (Control) Order, 1985 /Insecticides Act 1968/Essential Commodities Act 1955 ("**Act**"), alleging that the samples of its fertilizers and insecticides procured do not conform to specifications of the Central Insecticide Board or do not adhere to specifications provided under the Act. The Agriculture department has invoked the provisions of section 3 and 7 of the Essential Commodities Act 1955, clause 19-A and 19-B of the Fertilizer (Control) Order, 1985 or section 17 and 18 of the Insecticide Act 1968 for aforesaid offences. These matters are currently pending.

2. As on the date of this Tranche IV Prospectus, there are 6 regulatory proceedings involving one of our Promoters, *i.e.* Tube Investments of India Limited, before the Labour Courts and the Central Government Industrial Tribunal. These cases have been filed under the Employees State Insurance Act, 1948 and The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and mainly pertain to claims. The total monetary value involved in these matters is ₹ 0.70 crores*.

* *To the extent quantifiable*

Litigation involving our Subsidiaries

Litigation against our Subsidiaries

Nil

Litigation by our Subsidiaries

1. One of our Subsidiaries, Payswiff Technologies Private Limited ("**Transferee**") has filed a scheme of amalgamation under section 233 of the Companies Act, 2013, for amalgamation of Payswiff Solutions Private Limited ("**Transferor Company 1**") and Payswiff Services Private Limited ("**Transferor Company 2**"), wholly-owned subsidiaries of Transferee Company with the Transferee Company. Pursuant to the scheme, the existing holding of the Transferee Company in the Transferor Company 1 and Transferor Company 2 shall be cancelled. Further to such submission of the Scheme of Amalgamation, the Transferee Company received a communication dated December 21, 2022 from the Office of Regional Director, Ministry of Corporate Affairs, Telangana highlighting *inter alia*, the qualifications made by the statutory auditors of the Transferee Company in the audit reports for the financial years 2019-20, 2020-21 and 2021-22 with regard to the non-compliances under sections 42 and 186 of the Companies Act, 2013. Transferee has filed the compounding applications before the Registrar of Companies, Hyderabad. The Scheme of Amalgamation was approved by the Office of Regional Director, Ministry of Corporate Affairs, Telangana on September 15, 2023 and the Scheme of Amalgamation became effective from the appointed date, i.e. April 1, 2022.

2. Our Subsidiary, Payswiff Technologies Private Limited ("**Payswiff**") has made an application dated February 17, 2023 before the Registrar of Companies, Hyderabad, seeking compounding under Section 441 of the Companies Act, 2013. Payswiff issued and allotted equity shares on the preferential basis, wherein the monies received on application were not kept in a separate bank account and were used prior to allotment of shares, in contravention of Section 42 of the Companies Act, 2013. A penalty of 12,00,000, i.e. 6,00,000 and 1,00,000 each was paid by the Transferee and its directors, respectively pursuant to the order dated September 27, 2023 passed by the Office of Regional Director, Ministry of Corporate Affairs, Telangana.

3. Our Subsidiary, Payswiff Technologies Private Limited ("**Payswiff**") has made an application dated February 17, 2023 before the Registrar of Companies, Hyderabad, seeking compounding under Section 441 of the Companies Act, 2013. Payswiff granted a loan to its wholly-owned subsidiaries for which it has erroneously failed to charge interest as required under Section 186(7) of the Companies Act, 2013. The approval of the regulatory authority is awaited. Our Subsidiary received a show cause notice dated September 1, 2023 from the Registrar of Companies, Hyderabad calling upon to furnish the reason as to why penal action under Section 186(13) of the Companies Act, 2013 shall not be initiated. The Company had submitted its response on October 23, 2023 and has not received any further correspondence.

Litigation involving Group Companies

Nil

Tax Proceedings

Except as disclosed below, there are no claims related to direct and indirect taxes involving our Company, Subsidiaries, Directors and Promoters, likely to have a material adverse effect on the financial position, profitability and cash flows of our Company.

Nature of case	Number of cases	Amount involved (in ₹ crores)*
Proceedings involving the Company		
Direct Tax	15	163.96
Indirect Tax	19	127.45
Proceedings involving the Subsidiaries		
Direct Tax	2	0.02
Indirect Tax	1	0.49
Proceedings involving the Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Proceedings involving the Promoters		
Direct Tax	6	14.23
Indirect Tax	10	6.43

* *To the extent quantifiable*

Details of inquiries, inspections or investigations initiated or conducted under the Securities laws, Companies Act, 1956 or the Companies Act, 2013 against our Company and its Subsidiaries in the last three years along with Section wise details of prosecutions filed (whether pending or not), fines imposed or compounding of offences against our Company and its Subsidiaries in the last three years.

a. The NSE vide its letters dated September 27, 2022 had imposed a monetary penalty aggregating to Rs. 7,11,540 against our Company for alleged non-compliance with Regulation 50(1), Regulation 57(1) and Regulation 60(2) of the Listing Regulations. Our Company received a letter dated May 31, 2023 from NSE waiving off penalty imposed for non-compliance of Regulation 57(1) and 60(2) of Listing Regulations and imposed a fine of Rs. 3,540 for non-compliance of Regulation 50(1) and our Company paid the requisite fine on March 22, 2023.

b. The NSE vide its letter dated February 9, 2023 and March 17, 2023 had imposed a monetary penalty of Rs. 1,00,000 each on one of our Subsidiaries i.e., CSEC for submission of incorrect data towards periodical submission of client level holding, cash and cash equivalent, and bank balances, which were observed during their limited purpose offsite inspection during September 2022 and October 2022. The penalty amount will be deducted by NSE from the exchange dues account of CSEC once the bill for the same is raised by the NSE. As on date of this Tranche IV Prospectus, the requisite penalty was deducted from the "Exchange Dues Account" of CSEC and the matter is closed.

Details of litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoters during the last three years and any direction issued by any such ministry or department or statutory authority upon conclusion of such litigation or legal action, as on date of this Tranche IV Prospectus.

1. As on the date of this Tranche IV Prospectus, there are 389 legal proceedings involving one of our Promoters Coromandel International Limited filed by respective state government through its department of Agriculture, under the provisions of Fertilizer (Control) Order, 1985 /Insecticides Act 1968/Essential Commodities Act 1955 ("**Act**"), alleging that the samples of its fertilizers and insecticides procured do not conform to specifications of the Central Insecticide Board or do not adhere to specifications provided under the Act. The Agriculture department has invoked the provisions of section 3 and 7 of the Essential Commodities Act 1955, clause 19-A and 19-B of the Fertilizer (Control) Order, 1985 or section 17 and 18 of the Insecticide Act 1968 for aforesaid offences. These matters are currently pending.

2. As on the date of this Tranche IV Prospectus, there are 6 regulatory proceedings involving one of our Promoters, *i.e.* Tube Investments of India Limited, before the Labour Court and the Central Government Industrial Tribunal. These cases have been filed under the Employees State Insurance Act, 1948 and The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and mainly pertain to claims. The total monetary value involved in these matters is ₹ 0.70 crores*.

* *To the extent quantifiable*

Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon.

Nil

Summary of reservations, qualifications or adverse remarks of auditors in the last three Financial Years immediately preceding the year of circulation of this Tranche IV Prospectus and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.

Financial Year	Auditors Remark/ Qualifications	Impact on Financial Position	Corrective steps taken and proposed to be taken
Fiscal 2021	Audit Report - Emphasis of Matter	Impact of Covid - 19 pandemic and its possible consequential implication of the Company's operation and financial metrics. Our statutory auditors for the year ended March 31, 2021 have drawn attention to a matter, which describes the impact of COVID-19 pandemic, and its possible consequential implications on the Company's operations and financial metrics, including the Company's estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic.	-

Details of acts of material frauds committed against the Company in the preceding three financial years and current financial year, if any, and if so, the action taken by the Company in response:

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
1	2020-21	3.29	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. However post disbursal of the loan customer was not paying the dues regularly. Retrieved Form B from the respective RTO (Road Transport Office) and identified that the vehicle is registered in the name of third party and hypothecated to a different financier. On verification identified that customer had fraudulently removed Cholamandalam hypothecation using fake documents and sold the vehicle to a third party without closing the loan. Further third party had availed loan on the same vehicle with different financier.	2.6	0.69	Police complaint filed
2	2020-21	17.22	Based on the required documents provided the loan was processed and sanctioned to the customer. However post disbursal of the loan customer was not paying the dues regularly. On retrieving Form B from the respective RTO (Road Transport Office) it has been identified that the vehicle is registered in the name of third party and hypothecated to different financier. On verification identified that the sales executive had handed over the original vehicle documents to the customer without completing RTO works. Further customer had transferred the ownership of the vehicle to his name and later sold the vehicle to a third party without closing Cholamandalam loan.	0	17.22	Police complaint filed
3	2020-21	27.91	As per the process, branch teller will collect the amount from walk-in customer and the collected cash has to get deposited to the company. In this instance the teller had collected foreclosure amount from various customers and misused the collected cash without depositing into Chola account. Subsequently in few cases it has been identified that teller had issued fake NOC without foreclosing and was regularly depositing EMI in customers account.	19.55	8.36	Police complaint filed
4	2020-21	21.02	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. On collection visit it has been identified that the construction of the property was at basement level, however as per technical report submitted by the valuer 80% construction of the property was completed. As a process the loan will be disbursed based on technical report and property visit report provided by the branch credit manager. However on investigation it has been identified that the branch employees (BBM/BCM and SFE) has colluded with the customer and submitted fake property photos to the valuer Further without visiting the property, valuer had submitted the technical report and subsequently the loan was disbursed.	0	21.02	Police complaint filed
5	2020-21	95.79	Based on the required documents provided by the customer, the loan was processed and loan amount was sanctioned to customer. However after availing loan customer was not paying the dues regularly. On verification identified that customer has availed the loan in collusion with third party and branch manager. As per process for unregistered asset the original asset proofs should be collected from customer. However on verification identified branch manager had sourced the loan in collusion with the customer / third party and has provided forged asset proofs for processing the loan.	0.5	95.29	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
6	2020-21	8.38	Based on the required documents provided by the customer, the loan was processed and loan amount was sanctioned to customer. However after availing loan customer was not paying the dues regularly. On verification identified that customer has availed the loan in collusion with third party and branch manager. As per process for unregistered asset the original asset proofs should be collected from customer. However on verification identified branch manager had sourced the loan in collusion with the customer / third party and has provided forged asset proofs for processing the loan.	0.2	8.18	Police complaint filed
7	2020-21	5.75	As per the process the collection executive has to collect the overdue amount from the customer, and the collection executive should provide a valid official receipt to the customer. In line with the process, the collection executive has to deposit the amount collected from the customer to the company. In this instance the collection executive had collected the cash from various customers by issuing receipts however the collection executive has not deposited the collected cash to the company. On further verification it has been identified that without depositing the collection executive had absconded with the collected cash.	0	5.75	Police complaint filed
8	2020-21	2.11	As per the process, the collection executive has to collect the overdue amount from the customers and he should provide a valid official receipt to the customer. In line with the process, the collection executive has to deposit the amount collected from the customer to the Company. In this instance the collection executive had collected cash from various customers by issuing receipts; however he had not deposited the collected cash to the company. On further verification, it was identified that collection executive had misused the collected cash for personal use without depositing.	2.11	0	Police complaint filed
9	2020-21	3.19	As per the process the collection executive has to collect the overdue amount from the customer and he should provide a valid official receipt to the customer. In line with the process the collection executive has to deposit the amount collected from the customer to the company. In this instance the collection executive had collected cash from various customers by issuing receipts; however he had not deposited the collected cash to the company. On further verification, it was identified that the collection executive had misused the collected cash without depositing and uploaded a fake deposit challan.	0.5	2.69	Police complaint filed
10	2020-21	5.46	As per the process the collection executive has to collect the overdue amount from the customer, and the collection executive should provide a valid official receipt to the customer. In line with the process, the collection executive has to deposit the amount collected from the customer to the company. In this instance the collection executive had collected the cash from various customers by issuing receipts however the collection executive has not deposited the collected cash to the company. On further verification it has been identified that without depositing the collection executive had uploaded a fake challan.	0	5.46	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
11	2020-21	1.39	As per the process the collection executive has to collect the overdue amount from the customer, and the collection executive should provide a valid official receipt to the customer. In line with the process, the collection executive has to deposit the amount collected from the customer to the company. In this instance the collection executive had collected the cash from various customers by issuing receipts however the collection executive has not deposited the collected cash to the company. On further verification it has been identified that without depositing the collection executive had uploaded a fake challan.	1.39	0	Police complaint filed
12	2020-21	12.04	Based on the required documents provided by the customer, the loan was processed and sanctioned to customer. As per loan requirement the vehicle was registered in the name of customer and hypothecated to the company. However, when customer was not paying the dues regularly, the registration certificate was verified with the respective RTO (Regional Transport Office) and it was identified that the RTO has cancelled the registration certificate of the vehicle. On further verification identified that customer has registered a fraudulent vehicle by forging the chassis and engine no, and by providing fake vehicle documents to the RTO.	0.83	11.21	Police complaint filed
13	2020-21	473.56	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. As per process the property was mortgaged to the company. However, when customer stopped paying the dues efforts were made to take possession of the property and it was identified a third party is staying in the property. On title verification identified that the builder has sold the same property to multiple persons by creating multiple property documents. Hence it is confirmed that customer has fraudulently availed the loan.	0	473.56	Police complaint filed
14	2020-21	5.67	Based on the required documents provided by customer, the loan was processed and sanctioned to customer. As per process the vehicle was registered in customer name and hypothecated to the company. However, post disbursal of the loan customer was not paying the dues regularly. Retrieved Form B from the respective RTO (Road Transport Office) and identified that the customer has cancelled the hypothecation of the company using fraudulent NOC and has sold the vehicle to a third party without closing the loan.	0	5.67	Police complaint filed
15	2020-21	5.5	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. Customer regularly paid the first loan for few months and thereafter availed a second loan. However, post availing of the second loan, the customer stopped paying the dues for both loan accounts. On retrieving Form B from the respective RTO (Road Transport Office) it was identified that the vehicle hypothecation was removed. On verification, it was further identified that the customer had fraudulently removed Cholamandalam hypothecation using fake documents and transferred the vehicle to other RTO without closing the loan	0	5.5	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
16	2020-21	3.83	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. However post disbursal of the loan customer was paying at irregular intervals. Retrieved Form B from the respective RTO (Road Transport Office) and it was identified that the vehicle is registered in the name of third party. On verification, It was identified that customer had sold the vehicle to third party by fraudulently removing Cholamandalam hypothecation using fake documents.	0	3.83	Police complaint filed
17	2020-21	8.52	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. However post disbursal of the loan, customer was not paying the dues regularly. Retrieved Form B from the respective RTO (Road Transport Office) and it was identified that the vehicle is registered in the name of third party and not hypothecated to Chola. On verification, it was identified that customer had fraudulently removed Cholamandalam hypothecation using fake documents and sold the vehicle to a third party without closing the loan.	0	8.52	Police complaint filed
18	2020-21	10.53	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. However post disbursal of the loan customer was not paying the dues regularly. Retrieved Form B from the respective RTO (Road Transport Office) and identified that the vehicle is registered in the name of third party and hypothecated to a different financier. On verification, it was identified that dealer has delivered the vehicle to customer without Chola hypothecation. Hence without closing the loan customer sold the vehicle to a third party and the third party has availed loan from other financier.	0	10.53	Police complaint filed
19.	2021-22	14.83	Based on the required documents of the customer provided by the dealership, used vehicle refinance loan was sanctioned to the customer and at the request of the customer the loan amount was disbursed to the dealer in order to facilitate the proposed customer to clear the earlier loan and thereafter get the loan endorsement in favor of Cholamandalam. Further the dealer had to repay the existing loan on the vehicle and then to hypothecate the vehicle to Cholamandalam. Since the dealer has not submitted the registration certificate, Form B was retrieved from the respective RTO (Road Transport Office) and it was identified that the vehicle is registered in the name of customer and hypothecated to other financier, and customer confirmed that he has not received the loan amount. Further verification confirmed that the dealer has misused the said loan amount without hypothecating the vehicle to Cholamandalam.	0	14.83	Police complaint filed
20.	2021-22	5.52	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. Post disbursal of the loan customer was paying the dues regularly, but ceased the payment after sometime. Retrieved Form B from the respective RTO (Road Transport Office) and it was identified that the vehicle is registered in the name of third party and hypothecated to a different financier. On verification, it was identified that dealer has delivered the vehicle to customer without endorsement to Cholamandalam. Hence without closing the loan customer had sold the	5.52	0	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
			vehicle to a third party and third party has availed loan from other financier			
21	2021-22	43.6	Based on the required documents provided by the customers, the loans were processed and the disbursement amount was paid to the dealer for delivering the vehicles to these customers. The customers were not paying the dues and during collection follow up it has been identified that the dealer has not delivered the vehicles to the customers as well as in one of the case identified the dealer has availed loan from other financers on the same vehicle funded by Cholamandalam. Dealer has not provided the whereabouts of these vehicles and has misused the disbursement amount.	0	43.6	Police complaint filed
22	2021-22	5.52	As per process collection executive has to collect the due amount from the customer, and issue a valid official receipt to the customer and has to deposit the amount collected to the company. In this instance the collection executive had collected the cash from various customers by issuing receipts; however, the collection executive has not deposited the collected cash to the company. On further verification it has been identified that the collection executive had absconded with the collected cash	1.2	4.32	Police complaint filed
23	2021-22	14.72	Based on the required documents provided by the customer refinance-self-construction loan was sanctioned to the customer. However, post disbursal of the loan customer was not paying his dues regularly and not contactable. On verification of the property found that the given property is a vacant land and the building considered for the loan is located on the adjacent property. On further verification, it was found out that customer has provided property documents pertaining to the vacant land and has misguided the valuer by showing the building located on the adjacent property for providing the valuation report.	0	14.72	Police complaint filed
24	2021-22	23.5	Based on the required documents provided by the customer the loan was processed and sanctioned to the customer. Post disbursal of the loan, the customer was paying dues at irregular intervals. Further, received information that customer has availed multiple loans on the same property from different financiers by creating multiple property documents. On verification customer has verbally accepted that he has availed the loan from multiple financiers on the same property by fraudulently creating multiple property documents.	0	23.5	Police complaint filed
25	2021-22	3.21	As per process collection executive has to collect the due amount from the customer, and issue a valid official receipt to the customer and has to deposit the amount collected to the company. In this instance the collection executive has collected the cash from various customers by issuing receipts; however, the collection executive has not deposited the collected cash to the company. On further verification it has been identified that the collection executive absconded with the collected cash.	0	3.21	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
26	2021-22	142.68	Based on the required documents provided by customers the loan was processed and sanctioned to the customers. As per process the RTO work was completed, and the vehicles were registered in the name of customer and endorsed to the company. Post disbursal of the loan, the customers were not paying their dues regularly. Meanwhile, received notice from Police to produce the loan documents for some of the vehicles and police suspected that the vehicles were fraudulent. On further verification of the vehicles identified that the empanelled broker had forged the vehicle chassis and managed to register the fraudulent vehicles in the RTO. On verification customers accepted that they availed the loan on behalf of the broker and informed that the vehicles are with the broker. Hence it has been confirmed that the broker has colluded with the customers and availed the loan on the fraudulent vehicles.	0	142.68	Police complaint filed
27	2021-22	3.24	As per process the collection executive has to collect the dues from customer and has to issue a valid official receipt. On collecting the amount, the collection executive has to deposit the amount in company bank account. In this instance the collection executive has collected the cash from various customers by issuing receipts, However, the collection executive has not deposited the collected cash in company bank account. On verification it has been identified that without depositing, the collection executive absconded with the collected cash	0	3.24	Police complaint filed
28	2021-22	2.18	As per process collection executive has to collect the due amount from the customer, and issue a valid official receipt to the customer and has to deposit the amount collected to the company. In this instance the collection executive had collected the cash from various customers by issuing receipts; however, the collection executive has not deposited the collected cash to the company. On further verification it has been identified that the collection executive had absconded with the collected cash	0	2.18	Police complaint filed
29	2021-22	2.15	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. Accordingly dealer delivered the vehicle to customer and provided invoice confirming the vehicle is in customer name and hypothecated to Chola. However post disbursal of the loan customer was not paying the dues regularly. Retrieved Form B from the respective RTO (Road Transport Office) and identified that the vehicle is registered in the name of third party. On verification identified that dealer has delivered the vehicle to customer without Chola hypothecation and without closing the loan, customer sold the vehicle to a third party	0	2.15	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
30	2021-22	5.57	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. Accordingly dealer delivered the vehicle to customer and provided invoice confirming the vehicle is in customer name and hypothecated to Chola. However post disbursal of the loan customer was not paying the dues regularly. Retrieved Form B from the respective RTO (Road Transport Office) and identified that the vehicle is registered in the name of third party and not hypothecated to Cholamandalam. On verification identified that dealer has delivered the vehicle to customer without Chola hypothecation and without closing the loan, customer sold the vehicle to a third party.	0	5.57	Police complaint filed
31	2021-22	5.79	Based on the required documents provided by customer, the loan was processed and sanctioned to customer. Dealer confirmed that the vehicle has been delivered to customer and provided an invoice confirming the vehicle is in customer name and hypothecated to the company. However, when customer was not paying the dues and on verification it was found that customer was not having the vehicle. Further verification it has been identified that due to dispute with the customer the dealer has taken back the vehicle and sold it to a third party. Verification of RTO records also confirmed that the dealer has sold the vehicle to third party.	1	0	Police complaint filed
32	2021-22	362.07	Based on the required documents provided by the customers the loans were processed and sanctioned to the customers. However, post disbursal of the loan the customers were not paying their dues regularly and it was found that the EMI's were paid by freelancers. Hence the cases were investigated, and the below issues were identified - 1) Customers were not the end users of the property and in many cases the properties were controlled by freelancers. 2) In few cases customers informed that they have taken commission from the freelancers for name lending and has compromised their documents for availing the loan. 3) The properties have been overvalued by the valuers as well as loans were sanctioned to unsold stock of the builders by inflating the property value. 4) Branch Credit Manager and Branch Sales Manager, have overlooked the overvaluation and have sanctioned the loans, which has resulted in providing loans more than the actual value of the properties. 5) In some of the cases Branch Credit Manager and Branch Sales Manager has disbursed the loan amount to freelancers who has posed themselves as additional work contractors. 6) Investigation revealed that the customers, freelancers, additional work contractors have joined hands with the Direct Sales Agents, Branch Sales Manager and Direct Sales Team to avail the loans more than the actual value of the properties.	67.2	294.87	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
33	2021-22	52.97	Based on the required documents provided by the customer the loan was processed and sanctioned to the customer. Post disbursal of the loan, the customer was not paying the dues regularly. Hence on verification it was found that customer has not taken possession of the property. On further verification identified that customers property is a tiled roofed house, hence to avail the loan customer has colluded with the DST as well as with the valuers and has shown the adjacent property of a third party and availed the loan.	0	52.97	Police complaint filed
34	2021-22	1.04	As per process the collection executive has to collect the dues from customer and has to issue a valid official receipt. After collecting the amount, the collection executive has to deposit the amount in company bank account. In this instance the collection executive has collected cash from customers and without depositing the collected cash in company bank account the executive has absconded with the collected cash.	0	1.04	Police complaint filed
35	2021-22	5.34	Based on the required documents provided by the customer, the loan was sanctioned to the customer. The customer was not paying the dues regularly, and during collection visit it was found that customer was not in the possession of the vehicle. Hence, verified with the respective RTO (Road Transport Office) and identified that the vehicle is registered in the name of third party and not hypothecated to Cholamandalam. On verification, It has been identified that customer has colluded with third party and has sold the vehicle fraudulently by removing Cholamandalam hypothecation.	0	5.34	Police complaint filed
36	2021-22	5.35	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. Since customer was not paying the dues regularly, and during collection visit it was found that customer was not having the vehicle. Hence, verified with the respective RTO (Road Transport Office) and identified that the vehicle is registered in the name of third party and not hypothecated to Cholamandalam. On verification, It has been identified that customer has colluded with third party and has sold the vehicle fraudulently by removing Cholamandalam hypothecation.	0	5.35	Police complaint filed
37	2021-22	15.59	Based on the required documents provided by the customer the loan was processed and sanctioned to the customer. Post disbursal of the loan, the customer was not paying the dues regularly. On verification at the property address found that the given property is a vacant land and the building considered for the loan is located on an adjacent property. On further verification, it was found out that customer has provided property documents pertaining to the vacant land and has misguided the valuer by showing the building located on the adjacent property for providing the valuation report.	0	15.59	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
38	2021-22	10.39	Based on the required documents provided by the customer the loan was processed and sanctioned to the customer. Post disbursal of the loan, the customer was not paying the dues regularly. On investigation it has been identified there is a mismatch in the property considered for the loan. On verification of the property documents it has been identified that customer has provided property documents pertaining to a vacant land and has misguided the valuer by showing a different property and has fraudulently availed the loan.	0	10.39	Police complaint filed
39	2021-22	16.68	Based on the required documents provided by the customers, the loan was processed and sanctioned to the customers. Since customers were not paying the dues regularly and not submitting the registration certificate copy of the vehicles, hence it was verified with the respective RTO (Road Transport Office) and found out that the vehicles were already registered in third party name and not hypothecated to Cholamandalam. On further verification, It was identified that the dealer had taken back the vehicles from the customers and without canceling the loan the dealer has sold the vehicles to third parties. This information was suppressed both by the customers and the dealer.	0.15	16.53	Police complaint filed
40	2022-23	6.93	As per process the collection executive has to collect the dues from customer and has to issue a valid official receipt. After collecting the amount, the collection executive has to deposit the amount in company bank account. In this instance the collection executive has collected cash from customers by issuing receipts and without depositing the collected cash in company bank account the executive has misused the collected cash.	6.93	0	Police complaint filed
41	2022-23	1.39	As per process the collection executive has to collect the dues from customer and has to issue a valid official receipt. After collecting the amount, the collection executive has to deposit the amount in company bank account. In this instance the collection executive has collected cash from customers and without depositing the collected cash in company bank account the executive has absconded with the collected cash.	1.39	0	Police complaint filed
42	2022-23	1.46	As per process the collection executive has to collect the dues from customer and has to issue a valid official receipt. After collecting the amount, the collection executive has to deposit the amount in company bank account. In this instance the collection executive has collected cash from customers by issuing receipts and without depositing the collected cash in company bank account the executive has misused the collected cash.	0	1.46	Police complaint filed
43	2022-23	19.83	Based on the required documents provided by customer the loan was processed and sanctioned to customer. Post disbursal of the loan, the customer was not paying the dues regularly. On repeated visits to the property customer was not contactable at the given address. On further verification, it was found that the property documents provided by the customer is a vacant land and it was identified that customer has availed loan by showing the building located on the adjacent property.	0	19.83	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
44	2022-23	19.52	Based on the required documents provided by the customers, the loans were processed and the disbursement amount was paid to the dealer for delivering the vehicles to these customers. Post disbursal of the loan customers were not paying the dues at regular intervals and during collection follow up it has been identified that the customers are not in possession of the vehicle. Investigation confirmed that the dealer and sales executive has colluded with customer's and misused the loan amount without delivering the vehicles.	0	19.52	Police complaint filed
45	2022-23	29.13	Based on the required documents provided by the customers, the loans were processed and the disbursement amount was paid to the dealer for delivering the vehicles to the customers. Post disbursal of the loan customers were not paying the dues at regular intervals and during collection follow up it has been identified that the customers are not in possession of the vehicle. Investigation confirmed that the dealer has colluded with the customers and has misused the loan amount without delivering the vehicles.	0	29.13	Police complaint filed
46	2022-23	25.7	Based on the required documents provided by the customers, the loans were processed and the disbursement amount was paid to the dealer for delivering the vehicles to the customers. Post disbursal of the loan customers were not paying the dues at regular intervals and during collection follow up it has been identified that the customers are not in possession of the vehicle. Investigation confirmed that the dealer has colluded with the customers and has misused the loan amount without delivering the vehicles.	0	25.7	Police complaint filed
47	2022-23	40.13	Based on the required documents provided by the customer the loan was processed and sanctioned to the customer. Subsequently on customer default collection team visited the property and identified that customer was holding possession only for the ground floor of the property and the first floor is in possession of third-party. On investigation cross checked the Sub registrar records and it was identified that customer is only the owner of the ground floor.	0	40.13	Police complaint filed
48	2022-23	30.3	Based on the required documents provided by customer the loan was processed and sanctioned to customer. Post disbursal of the loan, the customer was not paying the dues regularly. On repeated visits to the property customer was not contactable at the given address. On investigation it has been identified that customer has availed loan by showing a wrong property, and the valuer has considered the wrong property and provided valuation report.	0	30.3	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
49	2022-23	6.21	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. However, when customer stopped making the payment and based on collection verification retrieved Form B from the respective RTO (Road Transport Office) and identified that the vehicle is registered in the name of third party and not hypothecated to Chola. On verification identified that customer had fraudulently removed Cholamandalam hypothecation using fake documents and sold the vehicle to a third party without closing the loan.	0	6.21	Police complaint filed
50	2022-23	17.35	Based on the required documents provided by customer, the loan was processed and sanctioned to customer. The disbursement payment was released after collecting the original vehicle documents from customer. However, post disbursal of the loan customer was not cooperating to complete the RTO (Regional Transport Office) formalities. On investigation verified with RTO and identified that the customer had sold the vehicle using forged documents and has transferred the vehicle ownership to a third party.	0	17.35	Police complaint filed
51	2022-23	20.5	Based on the required documents provided by the customer, the loan was processed and sanctioned to the customer. However, post disbursal of the loan customer was not paying the dues regularly. On verification identified the property does not exist as per the property address. Investigation confirmed that customer has colluded with the seller and has fraudulently registered a wrong property and has availed the loan	0	20.5	Police complaint filed
52	2022-23	7.59	Based on the required documents provided by customer, the loan was processed and sanctioned to customer. The disbursement payment was released after collecting the original vehicle documents from customer. However, post disbursal of the loan customer was not cooperating to complete the RTO (Regional Transport Office) formalities. On investigation verified with RTO and identified that the customer had sold the vehicle using forged documents and has transferred the vehicle ownership to a third party.	0	7.59	Police complaint filed
53	2022-23	200.44	Based on the required documents provided by the customer the loan was processed and sanctioned to the customer. Post disbursal of the loan, customer was paying the installments. Received information that customer has availed loan on the same property from multiple finance companies. On verification with other financiers, it has been confirmed that customer has fraudulently availed loan on the same property by creating multiple property documents	0	200.44	Police complaint filed
54	2022-23	116.21	Based on the required documents provided by customer the loan was processed and sanctioned to customer. Post disbursal of the loan, the customer was not paying the dues regularly. On property verification found notice of the other bank pasted on the door for the same property which the customer has provided as collateral to the company. Hence it has been confirmed customer has created multiple property documents for the same property and fraudulently availed loan from different financiers	0	116.21	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
55	2023-24	108.25	Based on the required documents provided by the customer the loan was sanctioned. Accordingly, the company has also created MODT (Memorandum of Deposit of Title Deeds) on the property with the respective SRO (Sub-registrar office). However, when customer defaulted on the EMI payments and during collection visit, it was identified that customer has taken loan from another financier on the same property. Further verification of the SRO records revealed that the customer has fraudulently cancelled the Chola MODT and availed loan from another financier on the same property mortgaged to Chola	0	108.25	Police complaint filed
56	2023-24	11.06	Based on the required documents provided by customer the loan was processed and sanctioned to customer. Post disbursal of the loan, the customer was not paying the dues. On residence verification found that customer is not the actual owner of the house as well as customer has stage managed the business set up. Customer also has provided wrong documents claiming ownership of the residence. Investigation confirmed to perpetrate the fraud customer has stage managed the residence and business setup and after availing the loan absconded from the given address	0	11.06	Police complaint filed
57	2023-24	33.83	Based on the required documents provided by customer the loan was processed and sanctioned to customer. On post disbursal verification, it has been confirmed that customer was not available in the given residence address. On further review, it has been identified that to perpetrate the fraud, customer has portrayed that he is working for a reputed company and accordingly shown false salary credits as well as provided fake domain, mail ID to confirm that he is working for the company. The customer has managed to show the false salary credits in his bank account using shell company.	0	33.83	Police complaint filed
58	2023-24	6.71	As per process the collection executive has to collect the dues from the customers and has to issue a valid official receipt. After collecting the amount, the collection executive has to deposit the amount in company bank account. In this instance the collection executive has collected the cash from customers by issuing receipts and without depositing the collected cash in company bank account the executive has absconded with the collected cash	6.71	0	Police complaint filed
59	2023-24	5.28	Based on the required documents provided by customer the loan was processed and sanctioned to customer. The customer was not paying the dues regularly and on verification found the customer is not residing at the given residential address. On investigation it is confirmed that customer has stage managed the residence as well as the business setup. For property ownership proof customer has provided fake Grampanchayat ownership certificate and has availed the loan. At present customer has absconded from the given address and not contactable	0	5.28	Police complaint filed

S. No.	Year	Amount involved (₹ in lakhs)	Modus Operandi	Amount recovered (₹ in lakhs)	Recovery pending (₹ in lakhs)	Action Taken by the Company
60	2023-24	105.48	Based on the required documents provided, the loans were processed and the disbursement amount was paid to the dealer for delivering the vehicles to the customers. Post disbursal of the loan, the dealer has not completed the registration process for the vehicles and has not submitted the Registration Certificate duly endorsed in favour of the company. On collection visit and further investigation, identified that the customers are not traceable and the sales executives has provided forged documents for processing the loan. Post sanction of the loan, the sales executives has submitted forged release letter to the dealer for releasing the vehicle. The sales executives have colluded with the dealer and as instructed by the sales executives the dealer has delivered the vehicle to 3rd parties. To avoid detection of fraud the sales executive was paying the EMI in some of the cases.	0	105.48	Police complaint filed
61	2023-24	7.24	Based on the required documents provided by customer the loan was processed and sanctioned to customer. The customer was not paying the dues regularly and on collection visit it has been identified that on the same property customer has availed loan from another financier. On investigation it has been identified that customer has provided fake Patta document by manipulating the property document. To avoid CIBIL match customer has provided different PAN numbers with other financier and Chola for availing the loan.	0	7.24	Police complaint filed
62	2023-24	3.8	Based on the required documents provided by customer the loan was processed and sanctioned to the customer. Customer is not regular on paying the dues and on repeated collection visit unable to meet customer at the given residence and office address. On further verification found customer has provided fabricated PAN, Aadhar documents and fraudulently availed the loan	0	3.8	Police complaint filed
63	2023-24	1.11	As per process the collection executive has to collect the dues from the customers and has to issue a valid official receipt. After collecting the amount, the collection executive has to deposit the amount in company bank account. In this instance the collection executive has collected the cash from customers by issuing receipts and without depositing the collected cash in company bank account the executive has misused	0	1.11	Police complaint filed
64	2023-24	1.94	As per process the collection executive has to collect the dues from the customers and has to issue a valid official receipt. After collecting the amount, the collection executive has to deposit the amount in company bank account. In this instance the collection executive has collected the cash from customers by issuing receipts and without depositing the collected cash in company bank account the executive has misused the collected cash.	0.00	1.94	Police complaint filed
65	2023-24	1.82	As per process the collection executive has to collect the dues from the customers and has to issue a valid official receipt. After collecting the amount, the collection executive has to deposit the amount in company bank account. In this instance the collection executive has collected the cash from customers by issuing receipts and without depositing the collected cash in company bank account the executive has absconded with the collected cash.	0.00	1.82	Police complaint filed

OTHER REGULATORY AND STATUTORY DISCLOSURES

Issuer's Absolute Responsibility

"*The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Shelf Prospectus read with this Tranche IV Prospectus contains all information with regard to the Issuer and the issue which is material in the context of the issue, that the information contained in this Tranche IV Prospectus is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.*"

Authority for the Issue

Our Board of Directors, through its resolution dated January 31, 2023 have approved the issuance of NCDs to the public, up to an amount not exceeding ₹ 5,000 crores.

The Shareholders by way of resolution passed under Section 180(1)(c) of the Companies Act, 2013 in its annual general meeting held on August 1, 2023, approved the borrowing limits of up to ₹ 2,00,000 crores. The Issue is within the borrowing limit approved by the shareholders.

Prohibition by SEBI

Our Company, persons in control of our Company and/or our Promoters and/or our Promoter Group and/or our Directors have not been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. None of our Directors and/or our Promoter, is a director or promoter of another company which has been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

Our Company is not in default of payment of interest or repayment of principal amount in respect of non-convertible securities, for a period of more than six-months.

The Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Tranche IV Prospectus.

No regulatory action is pending against the issuer or its promoters or directors before the Board or the Reserve Bank of India.

Categorisation as wilful defaulter

Our Company or persons in control of our Company or any of our Directors or our Promoter have not been categorised as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI, ECGC or any other governmental / regulatory authority.

None of our Whole-time Directors and/or our Promoters, is a whole-time director or promoter of another company which has been categorised as a wilful defaulter.

Declarations Fugitive Economic Offender

None of our Directors and/or Promoters have been declared as Fugitive Economic Offender.

Other confirmations

None of our Company or our Directors or our Promoters, or person(s) in control of our Company was a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of Shelf Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER(S), HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

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THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, A. K. CAPITAL SERVICES LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 16, 2024 WHICH READS AS FOLLOWS:

1. **WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTERS OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY SEBI. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

2. **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE TRANCHE IV ISSUE OR RELATING TO THE TRANCHE IV ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDs OFFERED THROUGH THIS TRANCHE IV ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THE NEWSPAPERS IN WHICH PRE ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE TRANCHE IV ISSUE HAVE BEEN GIVEN.**

3. **WE CONFIRM THAT THE OFFER DOCUMENT CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021.**

4. **WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.**

THE LEAD MANAGER CONFIRMS THAT NO COMMENTS/ COMPLAINTS WERE RECEIVED ON THE DRAFT SHELF PROSPECTUS DATED MARCH 31, 2023 FILED WITH THE STOCK EXCHANGES. NATIONAL STOCK EXCHANGE OF INDIA LIMITED IS THE DESIGNATED STOCK EXCHANGE FOR THE ISSUE.

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS APPROVAL LETTER DATED APRIL 13, 2023 PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS DRAFT OFFER DOCUMENT/OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

a. **WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR**

b. **WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR**

c. **TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;**

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THIS DRAFT OFFER DOCUMENT/ OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRES ANY SECTURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER.

Disclaimer Clause of NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS, VIDE ITS LETTER REF.: NSE/LIST/D/2023/0090 DATED APRIL 13, 2023, GIVEN PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS DRAFT OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER.

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Disclaimer statement from the Issuer

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Undertaking by the Issuer

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THEISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE "*RISK FACTORS*" CHAPTER ON PAGE 18.

OUR COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THE SHELF PROSPECTUS AND THIS TRANCHE IV PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THE SHELF PROSPECTUS AND THIS TRANCHE IV PROSPECTUS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THE SHELF PROSPECTUS AND THIS TRANCHE IV PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

THE COMPANY HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THE SHELF PROSPECTUS AND THIS TRANCHE IV PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGE WEBSITE WHERE THE NCDs ARE PROPOSED TO BE LISTED.

OUR COMPANY DECLARES THAT NOTHING IN THE SHELF PROSPECTUS AND THIS TRANCHE IV PROSPECTUS IS CONTRARY TO THE PROVISIONS OF COMPANIES ACT, 2013 (18 OF 2013), THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER.

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Appointment of Debenture Trustee

The Company has appointed the Debenture Trustee in accordance with the terms of the Debenture Trustee Agreement.

Separately, the Company and the Debenture Trustee have agreed the payment of an acceptance fee of ₹20,000 (Indian Rupees Twenty Thousand Only) plus applicable GST (one-time payment, payable upfront and non-refundable) and a service charge of ₹20,000 (Indian Rupees Twenty Thousand Only) per annum plus applicable GST. The first such payment would become payable on the date of execution for the pro-rata period from execution date till March 31; thereafter, the service charges are payable on an annual basis in advance on April 1 every year till the redemption and satisfaction of charges in full.

Debenture Trustee Agreement

Our Company has entered into a Debenture Trustee Agreement with the Debenture Trustee which provides for, *inter alia,* the following terms and conditions:

The Debenture Trustee, either through itself or its agents / advisors / consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Offer Documents (including each Tranche Prospectus) and applicable laws, has been obtained for each Tranche Issue. For the purpose of carrying out the due diligence as required in terms of applicable laws, the Debenture Trustee, either through itself or its agents/ advisors/ consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/ valuers/ consultants/ lawyers/ technical experts/ management consultants appointed by the Debenture Trustee;

1. Our Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the NCDs, whether owned by our Company or any other person, are registered / disclosed;

2. The Debenture Trustee shall have the power to either independently appoint, or direct our Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee and the Debenture Trustee shall subsequently form an independent assessment that the assets for creation of security

are sufficient to discharge the outstanding amounts on NCDs at all times. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports / certificates / documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by our Company;

3. Our Company has undertaken to promptly furnish all and any information as may be required by the Debenture Trustee, including such information as required to be furnished in terms of the applicable laws and the Debenture Trust Deed on a regular basis;

4. The Debenture Trustee, ipso facto does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the NCDs.

Terms of carrying out due diligence

As per the SEBI Master Circular for Debenture Trustees, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times.

Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our Company has consented to.

(a) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Offer Documents and the Applicable Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Applicable Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical-experts/management consultants appointed by the Debenture Trustee.

(b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the registrar of companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the NCDs, whether owned by the Company or any other person, are registered / disclosed.

(c) Further, in the event that existing charge holders or the concerned trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

(d) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the NCDs, in accordance with the Applicable Laws.

(e) All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations and circulars issued by SEBI from time to time.

Other confirmations

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or CERSAI or depository, etc., as applicable, or is independently verifiable by the Debenture Trustee.

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with applicable law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI circulars titled (i) "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)" dated November 3, 2020; and (ii) "Monitoring and Disclosures by Debenture Trustee(s)" dated November 12, 2020.

IDBI TRUSTEESHIP SERVICES LIMITED HAVE FURNISHED TO STOCK EXCHANGES A DUE DILIGENCE CERTIFICATE DATED JANUARY 16, 2024, AS PER THE FORMAT SPECIFIED IN ANNEXURE IIA OF SEBI MASTER CIRCULAR FOR DEBENTURE TRUSTEES WHICH READS AS FOLLOWS:

1. **WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.**

2. **ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND ON INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS, WE CONFIRM THAT:**

   A. THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND / OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED.

   B. THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).

   C. THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.

   D. ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS / PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.

   E. ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT AND GIVEN AN UNDERTAKING THAT DEBENTURE TRUST DEED WOULD BE EXECUTED BEOFRE FILING OF LISITING APPLICATION

   F. ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.

   G. ALL DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM WITH RESPECT TO THE DEBT SECURITIES ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE.

   WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company undertakes that it shall submit the due diligence certificate from Debenture Trustee to the Stock Exchange as per format specified in Annexure IIA of the SEBI Master Circular for Debenture Trustee.

Our Company and the Debenture Trustee will execute a Debenture Trust Deed specifying, inter alia, the powers, authorities and obligations of the Debenture Trustee and the Company, as per SEBI NCS Regulations applicable for the proposed NCD Issue.

Track record of past public issues handled by the Lead Manager

The track record of past issues handled by the Lead Manager, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, is available at www.akgroup.co.in

Listing

The NCDs proposed to be offered through this Tranche IV Issue are proposed to be listed on BSE and NSE. An Application will be made to the BSE and NSE for permission to deal in and for official quotation in NCDs. NSE has been appointed as the Designated Stock Exchange.

If permission to deal in and for an official quotation of our NCDs is not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the applications in pursuance of this Tranche IV Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within six Working Days from the date of closure of Tranche IV Issue.

For the avoidance of doubt, it is hereby clarified that in the event of under subscription, NCDs shall not be listed.

Our Company shall pay interest at 15% (fifteen) per annum if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within five Working Days of the Tranche IV Issue Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s)

to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of: (a) our Directors, (b) Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Manager, (e) the Registrar to the Issue, (f) the Debenture Trustee to the Issue, (g) Legal Advisor to the Issue, (h) Credit Rating Agency, (i) Banker to our Company, (j) Consortium Member; (k) Public Issue Account Bank, Refund Bank and Sponsor Bank; (l) lenders, to act in their respective capacities, have been obtained and will be filed along with a copy of this Tranche IV Prospectus with the RoC as required under Section 26 of the Companies Act, 2013. Further, such consents have not been withdrawn up to the time of delivery of this Tranche IV Prospectus with the Stock Exchange.

Expert Opinion

Except as stated below our Company has not obtained any other expert opinion with respect to the Issue:

Our Company has received the written consent dated January 16, 2024 from (i) M/s. Price Waterhouse LLP, Chartered Accountants and M/s. Sundaram & Srinivasan, Chartered Accountants to include their name as Statutory Auditors, in this Tranche IV Prospectus, and as an "expert" as defined under Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) audit reports dated May 3, 2023 and May 5, 2022 on audited consolidated financial statements for the financial years ended March 31, 2023 and March 31, 2022, respectively, (ii) and the audit reports each dated May 3, 2023 and May 5, 2022 on audited standalone financial statements for the financial years ended March 31, 2023 and March 31, 2022, (iii) review report dated November 2, 2023 on the Unaudited Consolidated Interim Financial Results; and (iv) review report dated November 2, 2023 on the Unaudited Standalone Interim Financial Results included in this Tranche IV Prospectus and such consent has not been withdrawn as on the date of this Tranche IV Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated January 16, 2024 from M/s S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as our Previous Statutory Auditors in this Tranche IV Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Previous Statutory Auditors, and in respect of their (i) audit report dated May 7, 2021 on audited consolidated financial statements for the year ended March 31, 2021 and (ii) audit report dated May 7, 2021 on audited standalone financial statements for the year ended March 31, 2021 included in this Tranche IV Prospectus and such consent has not been withdrawn as on the date of this Tranche IV Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received the written consent dated January 16, 2024 from M/s. Sundaram & Srinivasan, Chartered Accountants to include their name, in this Tranche IV Prospectus, and as an "expert" as defined under section 2 (38) Companies Act, 2013 to the extent and for inclusion of the statement of possible tax benefits available to the debenture holders in the form and context in which they appear in this Tranche IV Prospectus and such consent has not been withdrawn as on the date of this Tranche IV Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

The above experts are not, and has not been, engaged or interested in the formation or promotion or management, of the Company.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs, if applicable and the provisions of the Companies Act, 2013 applicable as on the date of this Tranche IV Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Tranche IV Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within six Working Days from the Tranche IV Issue Closing Date or such time as may be specified by SEBI, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Filing of the Draft Shelf Prospectus

The Draft Shelf Prospectus has been filed with the Stock Exchanges in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on its website(s) prior to the opening of the Issue. The Draft Shelf Prospectus has also been displayed on the website of the Company and the Lead Manager.

Filing of the Shelf Prospectus and the relevant Tranche Prospectus with the RoC

A copy of the Shelf Prospectus and this Tranche IV Prospectus have been filed with the RoC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Debenture Redemption Reserve ("DRR")

In accordance with the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules 2014, any non-banking financial company that intends to issue debentures to the public is not required to create a DRR for the purpose of redemption of debentures.

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Tranche IV Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with this Tranche IV Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 3lst day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at fifteen percent of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;

2. in unencumbered securities of the Central Government or any State Government;

3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882; and

4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882.

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above

Recovery Expense Fund

Our Company has created a recovery expense fund in the manner as specified by SEBI in SEBI Master Circular for Debenture Trustees as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹2,500,000 at the time of making the application for listing of NCDs and informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s) of NCDs issued

Issue related expenses

The expenses for this Tranche IV Issue include, inter alia, lead management fees and selling commission to the Lead Manager, Consortium Members and intermediaries as provided for in the SEBI Master Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, fees payable to sponsor bank, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue. The Issue expenses and listing fees will be paid by our Company. For details of Issue related expenses, see "*Objects of the Issue*" on page 131.

Underwriting

This Tranche IV Issue will not be underwritten.

Revaluation of Assets

Our Company has not revalued its assets in the last three Fiscal Years.

Reservation

No portion of this Tranche IV Issue has been reserved.

Previous Issues

Public / Rights Issues of Equity Shares in the last three years from this Tranche IV Prospectus

Public Issue:

Our Company, Subsidiary or Group Companies have not undertaken any public issue of Equity Shares in last three years.

Rights Issue:

Our Company, our Subsidiaries and Group Company has not undertaken rights issue of equity shares in the last three years.

Previous Public Issues of Non - Convertible Debenture

Except as stated in the sections titled "*Capital Structure*" and "*Disclosures on existing financial indebtedness*" on pages 56 and 222, respectively, our Company has not made any previous public issues of non - convertible debentures.

Our Group Companies have not made any previous public issue of non - convertible debentures.

Utilisation details of previous issues

Our Company, Subsidiary and Group Companies, as applicable, have issued non-convertible debentures by way of various private placements, for which, our Company and Subsidiary have utilised the proceeds from such issuances in accordance with the use of proceeds set out in the respective offer documents and/or information memorandums under which such non-convertible debentures were issued which include, among others, its various financing activities, to repay its existing loans and for its business operations and for general corporate purposes in accordance with the object clause of the Memorandum of Association of our Company and Subsidiary, respectively, for further details of such non-convertible debentures, see "*Disclosures on Existing Financial Indebtedness*" beginning on page 222.

Benefit/ interest accruing to Promoters/ Directors out of the Object of the Issue

Neither the Promoters nor the Directors of our Company are interested in the Objects of the Issue.

Details regarding the Company and other listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, which made any capital issue during the last three years

There are no public or rights or composite issue of capital by listed companies under the same management within the meaning of Section 370(1) (B) of the Companies Act, 1956 during the last three years.

Utilisation of proceeds by our Group Companies

No proceeds of the Issue will be paid to our Group Companies.

Delay in listing

There has been no delay in the listing of any non-convertible securities issued by our Company.

Details regarding lending out of issue proceeds of previous issues of debt securities (whether public issue or private placement)

Lending Policy

Please see "*Our Business*" on page 157.

Loans given by our Company

The Company has not provided any loans/advances to associates, entities / persons related to the Board, senior management or our Promoters out of the proceeds of previous private placements of debentures.

Types of loans

Classification of loans/advances given

The detailed breakup of the types of loans given by the Company as on September 30, 2023 is as follows:

S. No.	Ticket Size	AUM (In Rs. crore)	AUM (%)
1.	Secured	113,943.75	91.71
2.	Unsecured	10,301.81	8.29
Total assets under management (AUM)		**124,245.55**	100

Denomination of loans outstanding by LTV as on September 30, 2023 :

LTV band	Outstanding amount (In Rs. crore)	%
Below 50%	17,631.22	14.19
Between 50-60%	10,544.57	8.49
Between 60-70%	14,866.72	11.97
Between 70-80%	14,794.65	11.91
More than 80%	56,106.58	45.16
Unsecured Loans	10,301.81	8.29
Total	**1,24,245.55**	**100.00**

Sectoral Exposure

The sectoral exposure of loans given by the Company as on September 30, 2023 is as follows:

S. No	Segment- wise breakup of AUM	Percentage of AUM
1.	**Retail**	
A.	Mortgages (home loans and loans against property)	28.46
B.	Vehicle Finance	60.83
C.	MSME	2.13
D.	Capital market funding (loans against shares, margin funding)	0.12
E.	Others	8.10
2.	**Wholesale**	
A.	Promoter Funding	0.04
B.	Others	0.34
Total		**100.00**

Denomination of AUM by ticket size as on September 30, 2023 :

S. No.	Ticket Size	AUM (In Rs. crore)	% of AUM
1.	Up to 2 Lakhs	6,002.02	4.83
2.	Between 2 and 5 Lakhs	14,314.10	11.52
3.	Between 5 and 10 Lakhs	31,394.60	25.27
4.	Between 10 and 25 Lakhs	34,215.37	27.54
5.	Between 25 and 50 Lakhs	16,019.68	12.89
6.	Between 50 Lakhs and 1 Crore	7,132.08	5.74
7.	Between 1 and 5 Crore	11,889.17	9.57
8.	Between 5 and 25 Crore	3,096.44	2.49
9.	Between 25 and 100 Crore	81.98	0.07
10.	More than 100 Crore	100.11	0.08
Total		**1,24,245.55**	**100.00**

Geographical classification of AUM as on September 30, 2023:

S. No.	Top Five States	% of AUM
1.	Tamil Nadu	14.66
2.	Maharashtra	10.51
3.	Karnataka	7.57
4.	Rajasthan	6.43
5.	Andhra Pradesh	5.71
Total		**44.88**

Aggregated exposure to top 20 borrowers with respect to concentration of advances as on September 30, 2023

	Amount
Total exposure to twenty largest borrowers / customers (in ₹ crore)*	556.03
Percentage of exposures to twenty largest borrowers / customers to total exposure on borrowers / customers **(**in %**)**	0.44%

* *Includes loans and advances, interest accrued thereon*

Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on September 30, 2023

	Amount
Total Advances to twenty largest borrowers (in ₹ crore)*	534.94
Percentage of Advances to twenty largest borrowers to Total Advances (in %)	0.43%

* *Includes loans and advances and interest accrued thereon.*

Details of loans overdue and classified as non – performing in accordance with the RBI guidelines as on March 31, 2023

Movement of gross NPAs	Amount (in ₹ crore)
(a) Opening gross NPA	5,212.03
(b) Additions during the year	3,110.67
(c) Reductions during the year	(3,369.77)
(d) Closing balance of gross NPA	4,952.93

Movement of net NPA	Amount (in ₹ crore)
(a) Opening balance	3,629.79
(b) Additions during the year	2,217.95
(c) Reductions during the year	(2,567.19)
(d) Closing balance of the Net NPA	3,280.55

Movement of provisions for NPAs	Amount (in ₹ crore)
(a) Opening balance	1,582.24
(b) Provisions made during the year	892.72
(c) Write-off / write -back of excess provisions	(802.58)
(d) Closing balance	1,672.38

Segment–wise gross NPA as on September 30, 2023

S. No	Segment- wise breakup of gross NPAs	Gross NPA (%)
1.	**Retail**	
A.	Mortgages (home loans and loans against property)	3.60
B.	Vehicle Finance	4.74
C.	MSME	1.17
D.	Capital market funding (loans against shares, margin funding)	-
E.	Others	1.69
2.	**Wholesale**	
A.	Promoter Funding	-
B.	Others	-
Total		**4.07**

Details of any other contingent liabilities of the issuer based including amount and nature of liability

S. No.	Particulars	Nature of Liability	Amount as on March 31, 2023
1.	Income tax and Interest on Tax issues where the Company has gone on appeal	Contingent Liability	300
2.	Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	Contingent Liability	6
3.	Sales Tax issues pending before Appellate Authorities in respect of which the Company is on appeal	Contingent Liability	20
4.	Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Sales Tax	Contingent Liability	1
5.	Service Tax & GST issues pending before Appellate Authorities in respect of which the Company is on appeal	Contingent Liability	200
6.	Disputed claims against the Company lodged by various parties under litigation (to the extent quantifiable)	Contingent Liability	145

Promoter Shareholding

Please see "*Capital Structure*" beginning on page 56 for details with respect to Promoter shareholding in our Company as on the date of the Shelf Prospectus.

Residual maturity profile of assets and liabilities as on September 30, 2023 (in Rs. crore)

Particulars	Up to 30/31 days	More than 1 month to 2 months	More than 2 months to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years	Total In ₹ crore
Deposits	6,843.82	472.69	2,210.54	3.10	707.40	600.00	196.18	-	**11,033.73**
Advances	4,140.98	3,942.35	3,440.65	11,157.62	18,522.61	50,402.97	14,730.67	18,430.29	**1,24,768.13**

Particulars	Up to 30/31 days	More than 1 month to 2 months	More than 2 months to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years	Total In ₹ crore
Investments	21.23	1.64	4.32	20.84	31.62	1,176.08	576.53	596.09	**2,428.35**
Borrowings	7,431.74	4,416.18	5,561.24	9,733.57	18,232.97	50,822.86	17,216.15	3,333.25	**1,16,747.96**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	20.29	56.36	65.29	750.29	1,230.45	348.24	-	**2,470.92**

In case the issuer is a NBFC or HFC or PFI and the objects of the public issue entail loan to any entity which is a 'Group Company', then disclosures shall be made in the following format:

Sr No	Name of Borrower	Amount of Advance/ exposure to such borrower (Group Company) (₹ in million) (A)	Percentage of Exposure = (A/ Total AUM)
1	NA	NA	NA

The disclosure above is not applicable to our Company as the objects of the public issue do not entail loan to any entity which is a 'Group Company'.

Dividend

Our Company has formulated a dividend distribution policy in compliance with Regulation 43 of SEBI LODR Regulations.

Other than as disclosed below, our Company has not declared any Dividend in the last three years and in the six months ended September 30, 2023:

(Rs. In crores)

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	-	164.41	164.21	164.01
Face Value per share	-	2	2	2
Interim Dividend per share	-	1.3	1.3	1.3
Interim Dividend	-	106.85	106.73	106.56
Interim Dividend Rate (%)	-	65	65	65
Final Dividend per share	-	0.7	0.7	0.7
Final Dividend	-	57.56	57.50	57.42
Final Dividend Rate (%)	-	35	35	35

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Chennai, India.

Commission or Brokerage on Previous Issues

This is the maiden public issue of NCDs by the Company. Hence no commission has been paid in relation to any public issue of the NCDs.

Refusal of listing of any security of the issuer during last three years by any of the stock exchanges in India or abroad

There has been no refusal of listing of any security of our Company during the last three years prior to the date of this Tranche IV Prospectus by any Stock Exchange in India.

Mechanism for redressal of investor grievances

KFin Technologies Limited (*formerly known as KFIN Technologies Private Limited*) has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints.

Agreement dated March 29, 2023 between the Registrar to the Issue and our Company provides for settling of investor grievances in a timely manner and for retention of records with the Registrar to the Issue for a period of eight years from the last date of dispatch of the Allotment Advice, demat credit and refund through unblocking to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue and Compliance Officer giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on Application and the details of Member of Syndicate or Trading Member of the Stock Exchange where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Application Locations, giving full details such as name, address of Applicant, Application Form number, option applied for, number of NCDs applied for, amount blocked on Application.

Additionally, all grievances related to UPI process may be addressed to the Stock Exchange which shall be responsible for addressing investor grievances arising from applications submitted online through the app based/ web interface platform of the Stock Exchange or through its Trading Members. Further, in accordance with the Debt UPI Circular, the Designated Intermediaries shall be responsible for addressing any investor grievances arising from the Applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be three (3) Working Days from the date of receipt of the complaint. In case of non -routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible

Registrar to the Issue

KFin Technologies Limited (*formerly known as KFIN Technologies Private Limited*)
Address: Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad Rangareddi 500 032, Telangana, India
Tel: +91 40 6716 2222
Facsimile: +91 40 23431551
Email: chola.ncdipo@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221
CIN: L72400TG2017PLC117649

Compliance Officer of our Company

P. Sujatha is the Company Secretary and Compliance Officer of our Company for this Issue. The contact details of the Compliance Officer are as follows:

Address: Chola Crest, C54-55 and Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai 600 032, Tamil Nadu, India
Tel: +91 44 4090 7172
Email: sujathap@chola.murugappa.com

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related issues such as non-receipt of Allotment Advice, demat credit or refund orders.

Change in Auditors of our Company during the preceding three Financial Years and current Financial Year

Except as disclosed below, there has been no changes in the statutory auditor of our Company:

Name of the Auditor	Address	Date of Appointment	Date of cessation if applicable	Date of Resignation if applicable
M/s Price Waterhouse LLP, Chartered Accountants	252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai, 400 028, Maharashtra, India	July 30, 2021	-	-
M/s Sundaram & Srinivasan, Chartered Accountants	#23, CP Ramaswamy Road, Alwarpet, Chennai 600 018, Tamil Nadu, India			
M/s S.R. Batliboi and Associates LLP, Chartered Accountants	6th Floor – "A" Block Tidel Park No. 4, Rajiv Gandhi Salai, Taramani Chennai – 600 113	July 27, 2017	-	July 30, 2021

Auditor's Remarks or Emphasis of Matter by Auditors

Except as disclosed in "*Risk Factors*" and "*Outstanding Litigations and Defaults*", there are no reservations or qualifications or adverse remarks in the financial statements and financial position of our Company in the last three Fiscals immediately preceding this Tranche IV Prospectus.

Trading

Debt securities issued by our Company, which are listed on BSE's and NSE's wholesale debt market are infrequently traded with limited or no volumes. Consequently, there has been no material fluctuation in prices or volumes of such listed debt securities.

Disclaimer statement from our Company, our Directors and the Lead Manager

Our Company, our Directors and the Lead Manager accepts no responsibility for statements made other than in the Shelf Prospectus and this Tranche IV Prospectus or in the advertisements or any other material issued by or at our Company's instance in connection with the Issue of the NCDs and anyone placing reliance on any other source of information including our Company's website, or any website of any affiliate of our Company would be doing so at their own risk. The Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement.

None among our Company or the Lead Manager or any Member of the Syndicate is liable for any failure in uploading the Application due to faults in any software/ hardware system or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who make an Application in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs and will not issue, sell, pledge, or transfer the NCDs to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs. Our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the NCDs being offered in the Issue.

Latest ALM statement

The following table describes the standalone ALM of our Company as on September 30, 2023:

INR in Crores	Over 1 Month	Over 2 Months	Over 3 Months	Over 3-6 Months	Over 6-12 Months	Over 1-3 Years	Over 3-5 Years	Over 5 Years	Total
Liabilities									
Debt	7,431.74	4,436.48	5,617.60	9,798.86	18,983.26	52,053.31	17,564.39	3,333.25	1,19,218.88
Other Liabilities	2,300.68	104.20	42.42	225.42	415.71	223.44	125.61	2,079.76	5,517.23
Equity	-	-	-	-	-	-	-	16,024.06	16,024.06
Total	**9,732.42**	**4,540.68**	**5,660.01**	**10,024.28**	**19,398.97**	**52,276.75**	**17,689.99**	**21,437.07**	**1,40,760.16**
Assets									
Cash & Bank Balances	6,843.82	472.69	2,210.54	3.10	707.40	600.00	196.18	-	11,033.73
Investments	21.23	1.64	4.32	20.84	31.62	1,176.08	576.53	596.09	2,428.35

INR in Crores	Over 1 Month	Over 2 Months	Over 3 Months	Over 3-6 Months	Over 6-12 Months	Over 1-3 Years	Over 3-5 Years	Over 5 Years	Total
Loans & Advances	4,140.98	3,942.35	3,440.65	11,157.62	18,522.61	50,402.97	14,730.67	18,430.29	1,24,768.13
Fixed Assets	-	-	-	-	-	-	-	454.38	454.38
Other Assets	141.82	124.90	4.84	7.28	137.50	107.96	590.16	961.10	2,075.58
Total	**11,147.85**	**4,541.59**	**5,660.35**	**11,188.84**	**19,399.13**	**52,287.01**	**16,093.54**	**20,441.86**	**1,40,760.16**
Mismatch	**1,415.43**	**0.91**	**0.34**	**1,164.56**	**0.16**	**10.26**	**(1,596.45)**	**(995.21)**	
Cumulative Mismatch	**1,415.43**	**1,416.33**	**1,416.68**	**2,581.24**	**2,581.40**	**2,591.66**	**995.21**	**0.00**	

REGULATIONS AND POLICIES

The following description is a summary of the important laws, regulations and policies that are applicable to our business. The information detailed below has been obtained from the various legislations, including rules and regulations promulgated by regulatory and statutory bodies, and the bye-laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, statutory, administrative or judicial decisions.

In addition to the regulations and policies already specified in this Tranche IV Prospectus, taxation statutes, the Information Technology Act 2000, various labour laws, environmental laws, corporate laws and other laws apply to us as they do to any other Indian company.

The RBI Act defines an NBFC as: (a) a financial institution which is a company; (b) a non-banking institution which is a company and which is in the principal business of receiving deposits, under any scheme or arrangement or in any other manner, or lending in any manner; or (c) such other non-banking institution or class of institutions, as the RBI may, with the previous approval of the Central Government and by notification in the Official Gazette, specify.

Any company which carries on the business of a non-banking financial institution as its principal business is to be treated as an NBFC. Since the term 'principal business' has not been defined in law, the RBI has clarified through a press release (Ref. No. 1998-99/ 1269) in 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide its principal business. The company will be treated as an NBFC if its financial assets are more than 50% of its total assets (netted off by intangible assets) and income from financial assets should be more than 50% of the gross income. Both these tests are required to be satisfied as the determining factor for principal business of a company.

With effect from 1997, NBFCs were not permitted to commence or carry on the business of a non-banking financial institution without obtaining a certificate of registration ("**CoR**"). Further, with a view to imparting greater financial soundness and achieving the economies of scale in terms of efficiency of operations and higher managerial skills, RBI has raised the requirement of minimum net owned fund from ₹ 2.50 million to ₹ 20 million for the NBFC which commences business on or after April 21, 1999. Further, every NBFC is required to submit to the RBI a certificate, from its statutory auditor within one month from the date of finalization of the balance sheet and in any case not later than December 31st of that year, stating that it is engaged in the business of non-banking financial institution requiring it to hold a CoR.

Every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. No appropriation can be made from such fund by the NBFC except for the purposes specified by the RBI from time to time and every such appropriation shall be reported to the RBI within 21 days from the date of such withdraw.

1. Regulation of systemically important NBFCs registered with the RBI

Systematically important NBFCs are primarily governed by the RBI Act, 1934 ("**RBI Act**"), Master Direction on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("**Master Directions**") and the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 ("**Public Deposit Directions**") in case the NBFC is permitted to accept public deposits. In addition to these regulations, NBFCs are also governed by various circulars, notifications, guidelines and directions issued by the RBI from time to time.

2. Types of NBFCs

NBFCs have been classified on the basis of the types of liabilities they access, types of activities they pursue and their perceived systemic importance.

Liabilities-based classification

NBFCs are classified on the basis of liabilities into two broad categories – a) deposit taking and b) non-deposit taking. Deposit taking NBFCs (NBFC – D) are subject to requirements of stricter capital adequacy, liquid assets maintenance, and exposure norms etc.

Further, in 2015, non-deposit taking NBFCs with asset size of Rs 5 billion and above were labelled as 'systemically important non-deposit taking NBFCs' (NBFC – ND – SI) and separate prudential regulations were made applicable to them.

Activity-based classification

As per the RBI circular dated February 22, 2019, it merged the three categories of NBFCs viz. Asset Finance Companies (AFCs), Loan Companies (LCs) and Investment Companies (ICs) into a new category called NBFC -

Investment and Credit Company (NBFC-ICC) with the below definition: "Investment and Credit Company - (NBFC-ICC)" means any company which is a financial institution carrying on as its principal business - asset finance, the providing of finance whether by making loans or advances or otherwise for any activity other than its own and the acquisition of securities; and is not any other category of NBFC as defined by RBI in any of its Master Directions. Within this broad categorization the different types of NBFCs are (a) investment and credit companies, (b) infrastructure finance companies, (c) infrastructure debt fund, (d) NBFC - micro finance institutions, (e) NBFC – factors, and (f) NBFC - non-operative financial holding company, (g) systemically important core investment companies and (h) mortgage guarantee companies.

Pursuant to the RBI circular dated February 22, 2019, our Company has been classified as NBFC-ICC.

3. Types of Activities that NBFCs are permitted to carry out

Although by definition, NBFCs are permitted to operate in similar sphere of activities as banks, there are a few important, key differences. The most important distinctions are:

(i) an NBFC cannot accept deposits repayable on demand;

(ii) NBFCs do not form part of the payment and settlement system and cannot issue cheques drawn on itself; and

(iii) deposit insurance facility of Deposit Insurance and Credit Guarantee Corporation is not available to depositors of NBFCs, unlike in case of banks.

4. Regulatory Requirements of an NBFC under the RBI Act

Net Owned Fund

Section 45-IA of the RBI Act ("**Section 45-IA**") provides that to carry on the business of a NBFC, an entity would have to register as an NBFC with RBI and would be required to have a minimum net owned fund of ₹ 20 million, as RBI may, by notification in the Gazette, specify. For this purpose, the RBI Act has defined "net owned fund" to mean:

(i) the aggregate of the paid-up equity capital and free reserves as disclosed in the latest balance sheet of the company, after deducting therefrom:

  (a) accumulated balance of losses,

  (b) deferred revenue expenditure; and

  (c) other intangible assets; and

(ii) further reduced by the amounts representing:

  (a) investment by such companies in shares of (i) its subsidiaries, (ii) companies in the same group, (iii) other NBFCs, and

  (b) the book value of debentures, bonds, outstanding loans and advances (including hire purchase and lease finance) made to, and deposits with (i) subsidiaries of such companies; and (ii) companies in the same group,

to the extent such amount exceeds 10% of (i) above.

Reserve Fund

In addition to the above, Section 45-IC of the RBI Act requires NBFCs to create a reserve fund and transfer therein a sum of not less than 20% of its net profits earned every year as disclosed in profit and loss account before declaration of dividend. Such a fund is to be created by every NBFC irrespective of whether it is a ND NBFC or not. Such sum cannot be appropriated by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation is required to be reported to the RBI within 21 days from the date of such withdrawal.

Further, in terms of the amendment of the Companies (Share Capital and Debentures) Rules, 2014 on August 16, 2019, NBFCs registered with RBI and HFCs registered with National Housing Bank are exempted from creation of debenture redemption reserve in case of public issue of debentures and privately placed debentures. However, listed NBFCs and HFCs shall on or before the April 30 in each year, invest or deposit, a sum which shall not be less than fifteen per cent, of the amount of its debentures maturing during the year ending on the March 31 of the next year in any one or more methods of investments or deposits as provided under Companies (Share Capital and Debentures) Rules, 2014, provided that the amount remaining invested or deposited, shall not at any time fall below fifteen percent of the amount of the debentures maturing during the year ending on March 31 of that year.

Maintenance of liquid assets

The RBI through notification dated January 31, 1998, as amended has prescribed that every NBFC shall invest and continue to invest in unencumbered approved securities valued at a price not exceeding the current market price of such securities an amount which shall, at the close of business on any day be not less than 10% in approved securities and the remaining in unencumbered term deposits in any scheduled commercial bank; the aggregate of which shall not be less than 15% of the public deposit outstanding at the last working day of the second preceding quarter.

NBFCs such as our Company, which do not accept public deposits, are subject to lesser degree of regulation as compared to a NBFC-D and are governed by the RBI's Master Directions.

An NBFC-ND is required to inform the RBI of any change in the address, telephone no's, etc. of its Registered Office, names and addresses of its directors/auditors, names and designations of its principal officers, the specimen signatures of its authorised signatories, within one month from the occurrence of such an event. Further, an NBFC-ND would need to ensure that its registration with the RBI remains current.

All NBFCs (whether accepting public deposits or not) having an asset base of ₹1,000 million or more or holding public deposits of ₹ 200 million lakhs or more (irrespective of asset size) as per their last audited balance sheet are required to comply with the RBI Guidelines for an Asset-Liability Management System.

5. Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016, as amended *(the "NBFC-ND-SI Directions")*

The Master Directions are, *inter alia,* applicable to Systemically Important Non-Deposit taking Non-Banking Financial Company ("**NBFC-ND-SIs**") registered with the RBI under the provisions of the RBI Act.

The Master Directions which contain detailed directions on prudential norms for an NBFC-ND. The Master Directions, amongst other requirements prescribe guidelines regarding income recognition, asset classification, provisioning requirements, constitution of audit committee, capital adequacy requirements, and concentration of credit/investment.

Asset Classification

The Master Directions require that every NBFC (except NBFC-Micro Finance Institutions) shall after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realization, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes:

(i) Standard assets;

(ii) Sub-standard assets;

(iii) Doubtful assets; and

(iv) Loss assets.

Further, such class of assets would not be entitled to be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for such upgradation. Further, as per the Master Directions, the asset classification norms for NBFCs are given below:

(i) A standard asset shall mean the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem or carry more than normal risk attached to the business;

(ii) A sub-standard asset shall mean (i) an asset that has been classified as NPA for a period not exceeding 12 months for the financial year ending March 31, 2018 and thereafter or (ii) an asset where the terms of the agreement regarding interest and/or principal have been renegotiated or rescheduled or restructured after commencement of operations, until the expiry of one year of satisfactory performance under the renegotiated or rescheduled or restructured terms

(iii) For all term loans, hire-purchase assets, lease assets and other assets, a doubtful asset shall mean an asset that has remained sub-standard for a period exceeding 12 months for the financial year ending March 31, 2018 and thereafter.

(iv) Loss asset would mean:

(a) an asset which has been identified as loss asset by the applicable NBFC or its internal or external auditor or by the RBI during the inspection of the applicable NBFC, to the extent it is not written off by the applicable NBFC; and

(b) an asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower.

(v) Further, the Master Directions define NPA as:

(a) an asset, in respect of which, interest has remained overdue for a period of six months or more;

(b) a term loan inclusive of unpaid interest, when the instalment is overdue for a period of six months or more or on which interest amount remained overdue for a period of six months or more;

(c) a demand or call loan, which remained overdue for a period of six months or more from the date of demand or call or on which interest amount remained overdue for a period of six months or more;

(d) a bill which remains overdue for a period of six months or more;

(e) the interest in respect of a debt or the income on receivables under the head 'other current assets' in the nature of short term loans/advances, which facility remained overdue for a period of six months or more;

(f) any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of six months or more;

(g) the lease rental and hire purchase instalment, which has become overdue for a period of twelve months or more;

(h) in respect of loans, advances and other credit facilities (including bills purchased and discounted), the balance outstanding under the credit facilities (including accrued interest) made available to the same borrower / beneficiary when any of the above credit facilities becomes non-performing asset

Provided that the period of 'six months or more' stipulated in sub-clauses (a) to (f) shall be 'five months or more' for the financial year ending March 31, 2016; 'four months or more' for the financial year ending March 31, 2017 and 'three months or more', for the financial year ending March 31, 2018 and thereafter.

Capital Adequacy Norms

Every NBFC shall maintain a minimum capital ratio consisting of Tier I capital and Tier II capital of not less than 15% of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items. The Tier I capital in respect of Applicable NBFCs, at any point of time, shall not be less than 10%.

Asset Liability Management

RBI has prescribed the 'Guidelines for Asset Liability Management ("**ALM**") System in relation to NBFCs', ("**ALM Guidelines**") that are applicable to all NBFCs through Guidelines on "Asset Liability Management (ALM) System for NBFCs" dated June 27, 2001 ("**ALM Circular**"). As per the ALM Circular, the applicable NBFCs with an asset base of ₹ 1,000 million, irrespective of whether they are accepting / holding public deposits or not, or holding public deposits of ₹ 200 million or more (irrespective of the asset size) as per their last audited balance sheet, are required to put in place an ALM system. The ALM Guidelines mainly address liquidity and interest rate risks. In case of structural liquidity, the negative gap (i.e. where outflows exceed inflows) in the 1 to 30/31 days' time-bucket should not exceed the prudential limit of 15% of cash outflows of each time-bucket and the cumulative gap of up to one year should not exceed 15% of the cumulative cash outflows of up to one year. In case these limits are exceeded, the measures proposed for bringing the gaps within the limit should be shown by a footnote in the relevant statement.

Pursuant to its circular dated November 4, 2019, the RBI has issued the 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies' (the "**LRM Guidelines**") in order to strengthen and raise the standard of the ALM framework applicable to NBFCs. The LRM Guidelines are required to be adhered to by all non-deposit taking NBFCs with asset size of ₹ 10,000 lakhs and above, systemically important Core Investment Companies and all deposit taking NBFCs (irrespective of their asset size). Further, all non-deposit taking NBFCs with asset size of ₹100 billion and above, and all deposit taking NBFCs irrespective of their asset size, are required to maintain a liquidity buffer in terms of liquidity coverage ratio by ensuring that they have sufficient high quality liquid asset ("**HQLA**") to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA to be maintained by the NBFCs shall be minimum of 100% of total net cash outflows over the next 30 calendar days. The liquidity coverage ratio requirement shall be binding on NBFCs from December 1, 2020 with the minimum HQLAs to be held being 50% of the liquidity coverage ratio, progressively reaching up to the required level of 100% by December 1, 2024. All non-deposit taking NBFCs with asset size of ₹ 50 billion and above but less than ₹ 100 billion shall also maintain the required level of liquidity coverage ratio starting December 1, 2020 with the minimum

HQLAs to be held being 30% of the liquidity coverage ratio, progressively reaching up to the required level of 100% by December 1, 2024.

Fair Practices Code

The Master Directions prescribe a fair practices code that is required to be adhered to by NBFCs, and *inter alia*, includes the following:

(i) Inclusion of necessary information affecting the interest of the borrower in the loan application form.

(ii) Devising a mechanism to acknowledge receipt of loan applications and indicating a time frame within which such loan applications are to be disposed.

(iii) Conveying, in writing, to the borrower in the vernacular language as understood by the borrower by means of sanction letter or otherwise, the amount of loan sanctioned along with the terms and conditions thereof. The acceptance of such terms and conditions should be kept on record by the NBFC.

(iv) Giving notice to the borrower in the vernacular language as understood by the borrower of any change in the terms and conditions and ensuring that changes are effected only prospectively.

(v) Refraining from interfering in the affairs of the borrowers except for the purposes provided in the terms and conditions of the loan agreement.

(vi) Not resorting to undue harassment in the matter of recovery of loans.

(vii) Lay down an appropriate grievance redressal mechanism for resolving disputes.

(viii) Periodical review of the compliance of the fair practices code and the functioning of the grievances redressal mechanism at various levels of management, a consolidated report whereof may be submitted to the board of directors at regular intervals, as may be prescribed by it.

NBFCs shall constitute grievance redressal machinery as contained in RBI's circular on Grievance Redressal Mechanism, vide DNBS. CC. PD. No. 320/03.10. 01/2012-13 dated February 18, 2013 which states that at the operational level, all NBFCs shall display the name and contact details of the grievance redressal officer prominently at their branches/ places where business is transacted. The designated officer shall ensure that genuine grievances of customers are redressed promptly without involving any delay. It shall be clearly indicated that NBFCs' grievance redressal machinery shall also deal with the issue relating to services provided by the outsourced agency. Generally, a time limit of 30 (thirty) days may be given to the customers for preferring their complaints/ grievances. The grievance redressal procedure of the NBFC and the time frame fixed for responding to the complaints shall be placed on the NBFC's website.

Corporate Governance Guidelines

The Master Directions prescribed certain corporate governance norms required to be adhered to by NBFCs. The Master Directions, *inter alia*, provide for constitution of an audit committee, a nomination committee, an asset liability management committee and risk management committee and certain other norms in connection with disclosure, transparency and connected lending. Further, NBFCs with asset size of more than ₹500 billion in categories – investment and credit companies, infrastructure finance companies, micro finance institutions, factors and infrastructure debt funds are required to appoint a chief risk officer ("**CRO**") with clearly specified role and responsibilities. The CRO is required to function independently so as to ensure highest standards of risk management.

Norms for Excessive Interest Rates

The Master Directions directed all NBFCs to put in place appropriate internal principles and procedures in determining interest rates and processing and other charges. In addition to the aforesaid instruction, the Master Directions regulates the rates of interest charged by the NBFCs. These directions stipulate that the board of each NBFC is required to adopt an interest rate model taking into account the various relevant factors including cost of funds, margin and risk premium. The rate of interest and the approach for gradation of risk and the rationale for charging different rates of interest for different categories of borrowers are required to be disclosed to the borrowers in the application form and expressly communicated in the sanction letter. Further, this is also required to be made available on the NBFCs' website or published in newspapers and is required to be updated in the event of any change therein. Further, the rate of interest would have to be an annualized rate so that the borrower is aware of the exact rates that would be charged to the account.

KYC Guidelines

The RBI has issued a 'Master Direction on Know Your Customer (KYC) Direction' dated February 25, 2016, as amended, ("**KYC Guidelines**") and advised all regulated entities (including NBFCs) to adopt such guidelines with suitable modifications depending upon the activities undertaken by them and ensure that a proper policy framework

on KYC standards duly approved by the board of directors or any committee of the board of directors is put in place. The KYC policies are required to have certain key elements such as customer acceptance policy, customer identification procedures, monitoring of transactions and risk management. Persons authorised by NBFCs for collecting the deposits and their brokers/agents shall be fully compliant with the KYC Guidelines applicable to NBFC.

Monitoring of Frauds Directions

The RBI has issued a 'Master Direction on Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016' dated September 29, 2016, as amended ("**Monitoring of Frauds Directions**") which are applicable to all deposit taking NBFCs and NBFC-ND-SIs, and requires them to put in place a reporting system for recording of frauds. All frauds are required to be reported to the RBI. Fraud reports are required to be submitted to the Central Fraud Monitoring Cell of the RBI in case amount of fraud is ₹ 10 million and above. In cases where the amount of fraud is less than ₹10 million, reports shall be sent to the regional office of the Department of Non-Banking Supervision of the RBI, under whose jurisdiction the registered office of the related entity falls. The amounts involved in frauds reported by the entity shall be disclosed in its balance sheet for the year of such reporting.

Returns Master Direction

The RBI has issued a 'Master Direction on Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016' dated September 29, 2016 ("**Returns Master Direction**") which lists detailed instructions in relation to submission of returns prescribed by the RBI for various categories of NBFCs, including their periodicity, reporting time, due date, and the purpose of filing such returns.

Information Technology Framework

Reserve Bank of India has issued 'Master Direction - Information Technology Framework for the NBFC Sector' dated June 8, 2017 ("**IT Directions**"). The focus of the IT direction is on information technology governance, information technology policy, information and cyber security, information technology operations, information security audit, business continuity planning and information technology services outsourcing. These directions are categorized into two parts, those which are applicable to all NBFCs with asset size above ₹500 crores (considered as systemically important) and directions for NBFCs with asset size below ₹ 500 crores. The IT Directions, *inter alia*, mandate NBFCs to form an information technology strategy committee, to formulate an information technology policy, an information security policy and cyber security policy. The IT Directions also prescribe the time frame within which the mandated activities should be completed by the NBFC.

Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs dated November 9, 2017

The RBI has specified the activities and financial services that cannot be outsourced by NBFCs and provided the bases for deciding materiality of outsourcing. These directions lay down the regulatory and supervisory requirements and risk management practices to be adhered to by the NBFCs, including the adoption of a comprehensive outsourcing policy by the board of such NBFCs. The outsourcing of any activity by an NBFC does not diminish its obligations, and those of its board and senior management. Further, such NBFCs are required to have a robust grievance redress mechanism, which in no way shall be compromised on account of outsourcing.

Master Direction on Outsourcing of Information Technology Services dated April 10, 2023

The RBI has issued the RBI Master Direction on Outsourcing of Information Technology Services, dated April 10, 2023, ("**Direction**") that will come into effect on October 1, 2023, in line with its earlier Draft Master Direction on Outsourcing of IT Services, dated June 23, 2022. The Direction is applicable to regulated entities, namely, all commercial banks, non-banking financial companies, primary co-operative banks, credit information companies, 'All India Financial Institutions' as defined under the Direction (collectively, "**REs**"). In case of foreign banks operating in India through branch mode, reference to REs' board of directors means the head office or controlling office which has oversight over the Indian branch operations. The scope of the Direction extends to 'material outsourcing' of IT services by REs which are IT services which (i) if disrupted or compromised has the potential to significantly impact the RE's business operations, or (ii) may have material impact on the RE's customers in the event of any unauthorised access, loss or theft of customer information.

Auditor's Report Directions

The RBI has issued a 'Master Direction on Non- Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016' dated September 29, 2016 ("**Auditor's Report Directions**") which sets out disclosures that are to be included in every auditor's report on the accounts of an NBFC such as: (i) the validity of such NBFC's certificate of registration and whether the NBFC is entitled to continue to hold such certificate of registration in terms of its principal business criteria as of March 31 of the applicable year; and (ii) compliance with net owned fund requirements as laid down in the Master Directions.

Dividend Circular

The RBI has issued a circular on 'Declaration of Dividends by NBFCs' dated June 24, 2021 ("**Dividend Circular**") which specifies, inter alia, certain minimum prudential requirements (relating to its capital adequacy, net NPA and other criteria) for an NBFC to be eligible to declare dividend, the maximum permissible dividend payout ratio, the considerations to be taken into account by the board of directors of an NBFC while considering the proposal to declare dividend (such as supervisory findings of the RBI on divergence in classification and provisioning of NPAs, qualifications in the auditors' report to the financial statements, and long term growth plans) and the manner of reporting details of dividends declared. The Dividend Circular will be applicable to NBFCs for the declaration of dividends from the profits of the financial year ending March 31, 2022 and onwards.

The Reserve Bank – Integrated Ombudsman Scheme, 2021 (the "Ombudsman Scheme") dated November 12, 2021

The RBI through its 'Statement on Developmental and Regulatory Policies' dated February 5, 2021, proposed the integration of the Ombudsman Scheme for Non-Banking Financial Companies, 2018 with the Banking Ombudsman Scheme, 2006 and the Ombudsman Scheme for Digital Transactions, 2019 under the 'One Nation One Ombudsman' approach for grievance redressal and has done the same through the Ombudsman Scheme effective from November 12, 2021. This is intended to make the process of redressal of grievances easier by enabling the customers of the banks, NBFCs and non-bank issuers of prepaid payment instruments to register their complaints under the integrated scheme, with one centralized reference point.

The Ombudsman Scheme was introduced by the RBI with the object of enabling resolution of complaints in respect of certain services rendered by certain categories of NBFCs, to facilitate the satisfaction or settlement of such complaints, and matters connected therewith. Further, the RBI through its notification on Appointment of Internal Ombudsman by Non-Banking Financial Companies dated November 15, 2021 has established the office of Internal Ombudsman for NBFCs along with its roles and responsibilities.

The Ombudsman Scheme, *inter alia*, establishes the office of the ombudsman, specifies the procedure for the redressal of grievances and the mechanism for appeals against the awards passed by the ombudsman.

Appointment of Internal Ombudsman by Non-Banking Financial Companies dated November 15, 2021

The RBI notification requires the appointment of internal ombudsman by NBFCs fulfilling the following criteria as on the date of the circular: (a) Deposit-taking NBFCs (NBFCs-D) with 10 or more branches. (b) Non-Deposit taking NBFCs (NBFCs-ND) with asset size of ₹ 50 billion and above and having public customer interface. NBFCs are required to internally escalate all complaints that are partly or wholly rejected by the NBFC's internal grievance redress mechanism to the internal ombudsman for a final decision within a period of three weeks from the date of receipt of the complaint. Thereafter, the internal ombudsman and the NBFC are required to ensure that the final decision is communicated to the complainant within 30 days from the date of receipt of the complaint by the NBFC. In case any complaint is fully or partly rejected even after examination by the internal ombudsman, the NBFC is necessitated to advise to the complainant as part of the reply of the customer's option to approach the RBI Ombudsman for redress (if the complaint falls under the RBI Ombudsman mechanism) along with complete details.

Anti-Money Laundering

The Prevention of Money Laundering Act, 2002 ("**PMLA**") was enacted to prevent money-laundering and to provide for confiscation of property derived from or involved in, money-laundering and for matters connected therewith or incidental thereto. Section 12 of the PMLA inter alia casts certain obligations on reporting entities (as defined under the PMLA) in relation to preservation of records and reporting of transactions. The Government of India under PMLA has issued the Prevention of Money-laundering (Maintenance of Records) Rules, 2005, as amended ("**PML Rules**"). PMLA & PML Rules extends to all banking companies and financial institutions, including NBFCs and intermediaries.

Further the KYC Guidelines ensure that a proper policy frame work for the PMLA and PML Rules is put in place. Pursuant to the provisions of PMLA, PML Rules and the RBI direction, all NBFCs are advised to appoint a principal officer for internal reporting / reporting to Financial Intelligence Unit – India (FIU-IND) of suspicious transactions and cash transactions and to maintain a system of proper record (i) all cash transactions of value of more than ₹1 million - or its equivalent in foreign currency; (ii) all series of cash transactions integrally connected to each other which have been valued below ₹1 million or its equivalent in foreign currency, where such series of transactions have taken place within a month and the aggregate value of such transaction exceeds ₹1 million; (iii) all transactions involving receipts by non-profit organisations of value more than ₹1 million, or its equivalent in foreign currency; (iv) all cash transactions where forged or counterfeit transactions. The NBFCs shall also appoint a designated director who shall be responsible for ensuring overall compliance as required under the PMLA and the PML Rules.

Additionally, NBFCs should ensure that records pertaining to the identification of their customers and their address are obtained while opening the account and during the course of business relationship, and that the same are properly preserved for at least five years after the business relationship is ended. Also, NBFCs should maintain all necessary records of transactions with the customers, both domestic and international, for at least five years from the date of

transaction. The identification records and transaction data is to be made available to the competent authorities upon request.

Master Circular on Prudential Norms

The RBI, pursuant to its 'Master Circular on Prudential Norms on Income Recognition, Asset Classification and Provisioning Pertaining to Advances' issued on October 1, 2021 ("**Master Circular on Prudential Norms**"), classifies NPAs into (i) standard assets; (ii) doubtful assets; and (iii) loss assets. The circular also specifies provisioning requirements specific to the classification of the assets. The Master Circular on Prudential Norms also lays down guidelines for classification of assets. It also urges the banks to ensure that while granting loans and advances, realistic repayment schedules may be fixed on the basis of cash flows with borrowers. Further, the Master Circular on Prudential Norms states that policy of income recognition should be objective and based on record of recovery rather than on any subjective considerations. Similarly, the classification of assets of banks has to be done based on objective criteria which would ensure a uniform and consistent application of the norms.

RBI further issued 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications' on November 12, 2021, read with its clarifications dated February 15, 2022, with a view to ensuring uniformity in the implementation of income recognition, asset classification and provisioning norms across all lending institutions. The circular, amongst other matters, requires borrower accounts to be flagged as overdue by lending institutions as part of their day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as special mention accounts ("**SMA**") as well as NPA is required to be undertaken as part of day-end processes for the relevant date, such that the date of SMA/ NPA shall reflect the asset classification status of an account at the day-end of that calendar date. The circular clarifies that the SMA classification requirement for borrower accounts is applicable to all loans, including retail loans, irrespective of size of exposure of the lending institution. Further, the circular provides that upgradation of accounts classified as NPAs may be upgraded to 'standard' only if the entire arrears of interest and principal are paid by the borrower, as opposed to such upgradation being undertaken upon payment of only interest overdues.

The clarifications were made applicable immediately from the date of circular except for the instructions related to specification of due date / repayment date which were made applicable from December 31, 2021 and instructions related to non-performing assets classification in case of interest payments and customer education which will be applicable from March 31, 2022 onwards.

Guidelines on Risk-based Internal Audit ("RBIA") System for Select NBFCs and Urban Co-operative Banks (the "RBIA Guidelines")

RBIA for non-deposit taking NBFCs with an asset size of ₹50 billion and above (the "**RBIA Applicable NBFCs**"), was mandated by the RBI through its notification dated February 3, 2021 bearing reference number DoS.CO.PPG./SEC.05/11.01.005/2020-21. Under the RBIA Guidelines, RBIA Applicable NBFCs are required to implement the RBIA framework by March 31, 2022. The RBIA Guidelines, inter alia, are intended to enhance the efficacy of internal audit systems and contribute to the overall improvement of governance, risk management and control processes followed by RBIA Applicable NBFCs. Under the RBIA Guidelines, the board of directors of the RBIA Applicable NBFC must approve a policy clearly documenting the purpose, authority, and responsibility of the internal audit activity, with a clear demarcation of the role and expectations from risk management function and the RBIA function. It's also mandated that the policy be reviewed periodically, and that the internal audit function not be outsourced. Further, the RBIA Guidelines also require that the risk assessment of business and other functions of RBIA Applicable NBFCs should be conducted at least on an annual basis.

Master Circular dated January 5, 2022 on Bank Finance to Non- Banking Financial Companies

The circular lays down RBI's regulatory policy regarding financing of NBFCs by banks. The circular specifies, inter alia, certain guidelines for bank finance to NBFCs registered with RBI and bank finance to NBFCs not requiring registration. The circular further specifies activities which are not eligible for bank credits (such as certain bills discounted/rediscounted by NBFCs, investments of NBFCs both of current and long-term nature and unsecured loans by NBFCs to any company) and other prohibitions on bank finance to NBFCs. The aforesaid circular also prescribes the prudential ceilings for exposure of banks to NBFCs

6. Guidelines on Securitization of Standard Assets

The RBI through its master direction dated September 1, 2016, provided the guidelines on securitization of standard assets. Further, the guidelines provides that loans can only be assigned or securitized if the NBFC has held them in their books for a specified minimum period. The guidelines also provide a mandatory retention requirement for securitization and assignment transactions. However, to ease the liquidity for NBFCs, the RBI pursuant to the circular dated November 29, 2018, relaxed the Minimum Holding Period (MHP) requirement for originating NBFCs, in respect of loans of original maturity above 5 years, to receipt of repayment of six monthly instalments or two quarterly instalments (as applicable). The said dispensation was initially applicable till six months from the date of issuance of the circular. However, the RBI vide its circular dated May 29, 2019 had extended the dispensation till December 31, 2019, and subsequently vide its circular dated December 31, 2019 has extended the dispensation till June 30, 2020.

Certain requirements are to be met by the originating NBFCs on transactions involving transfer of assets through direct assignment of cash flows and the underlying securities. NBFCs can transfer a single standard asset or a part of such asset or a portfolio of such assets to financial entities through an assignment deed with the exception of (i) revolving credit facilities (e.g., credit card receivables); (ii) assets purchased from other entities; (iii) assets with bullet repayment of both principal and interest. However, these guidelines shall not apply to: (i) transfer of loan accounts of borrowers by an NBFC to other NBFCs/ FIs /banks and vice versa, at the request/ instance of borrower; (ii) trading in bonds; (iii) sale of entire portfolio of assets consequent upon a decision to exit the line of business completely. Such a decision shall have the approval of board of directors of the NBFC; (iv) consortium and syndication arrangements; (v) any other arrangement/ transactions, specifically exempted by the Reserve Bank of India.

In order to limit the extent of effective control of transferred assets by the seller in the case of direct assignment transactions, NBFCs shall not have any re-purchase agreement including through clean-up calls on the transferred assets.

Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021

These directions are applicable to securitisation transactions undertaken subsequent to the issue of these directions. These are applicable to all transactions involving securitisation of standard assets involving Scheduled Commercial Banks, All India Term Financial Institutions, Small Finance Banks, Non-Banking Financial Companies (NBFCs) and Housing Finance Companies (HFCs). The directions provide a negative list i.e., list of the assets that cannot be securitised. The directions specify a minimum ticket size of Rs. 1 crore for issuance of securitisation notes. In the directions, RBI has the Minimum Retention Requirement (MRR) for different asset classes. For underlying loans with original maturity of 24 months or less, the MRR will be 5 per cent of the book value of the loans being securitised. For those with original maturity of more than 24 months as well as loans with bullet repayments, the MRR shall be 10 per cent of the book value of the loans being securitised. In the case of residential mortgage-backed securities, the MRR for the originator shall be 5 per cent of the book value of the loans being securitised, irrespective of the original maturity.

7. External Commercial Borrowings (ECB) Policy

The Reserve Bank of India has through the 'Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations' dated March 26, 2019 (the "**ECB Policy**"), notified the external commercial borrowings framework. Few of the changes as per the ECB Policy are, NBFCs, being eligible entities to receive FDI, are permitted to raise ECB up to USD 750 million or equivalent in a financial year under the automatic route and exceeding USD 750 million or equivalent in a financial year under the approval route and the eligible borrowers have been expanded to include all entities eligible to receive FDI. Vide RBI Notification No. FEMA. 3(R)(3)/2022-RB, dated 28.07.2022, the automatic route limit stands temporarily increased from USD 750 million or equivalent to USD 1.5 billion or equivalent. This relaxation was available for ECBs raised till December 31, 2022.

The ECB Policy, *inter alia*, provides for various aspects of ECB transactions, including eligible borrowers, recognised lenders, route of the ECB, minimum average maturity period, all-in-cost ceiling per annum.

8. Revised Regulatory Framework for NBFCs- Scale Based Classification

The RBI on October 22, 2021 put in place a revised regulatory framework for NBFCs ("**SBR Framework**") which are effective from October 1, 2022 read with the detailed guidelines put in place by the RBI in its circular dated April 19, 2022. The SBR Framework for NBFCs contemplates the following layers of NBFCs:

(i) **Base Layer:** The Base Layer shall comprise of (a) non-deposit taking NBFCs below the asset size of ₹10 billion crore and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface.

(ii) **Middle Layer:** The Middle Layer shall consist of (a) all deposit taking NBFCs (NBFC-Ds), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹1000 crore and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers (SPDs), (ii) Infrastructure Debt Fund - Non-Banking Financial Companies (IDF-NBFCs), (iii) Core Investment Companies (CICs), (iv) Housing Finance Companies (HFCs) and (v) Infrastructure Finance Companies (NBFC-IFCs).

(iii) **Upper Layer:** The Upper Layer shall comprise of those NBFCs which are specifically identified by the Reserve Bank as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology. The top ten eligible NBFCs in terms of their asset size shall always reside in the upper layer, irrespective of any other factor. Further, the RBI, pursuant to its circular dated June 6, 2022, put in place provisioning norms in respect of 'standard' assets for NBFCs for the upper layer at certain specified rates.

(iv) **Top Layer**: The Top Layer will ideally remain empty. This layer can get populated if the Reserve Bank is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFCs in the Upper Layer.

The SBR Framework also prescribes specific regulatory changes for each of the different layers in the regulatory structure, that is, capital guidelines, prudential guidelines, governance guidelines and the transition path. Further, the RBI, pursuant to its circular dated April 19, 2022 also prescribed certain additional disclosure requirements to be made by NBFCs in their financial statements, applicable for annual financial statements for the year ending March 31, 2023 onwards. Further, our Company has been identified as NBFC-UL.

9. Loans and Advances – Regulatory Restrictions - NBFCs, dated April 19, 2022, as amended

The RBI introduced certain regulatory restrictions on lending in respect of NBFCs placed in different layers. The regulation states Loans and advances to Directors - Unless sanctioned by the Board of Directors/Committee of Directors, NBFCs shall not grant loans and advances aggregating 50 million and above to their directors (including the Chairman/ Managing Director) or relatives of directors: (a) any firm in which any of their directors or their relatives is interested as a partner, manager, employee or guarantor, (b) any firm in which any of their directors or their relatives is interested as a partner, manager, employee or guarantor, (c) any company in which any of their directors, or their relatives is interested as a major shareholder, director, manager, employee or guarantor with respect to directors and separate set of guidelines for the advances to senior officers to the NBFCs, to the real estate sector and base layer guidelines.

10. RBI notification - Compliance Function and Role of Chief Compliance Officer (CCO) - NBFCs dated April 11, 2022, as amended

The NBFC-UL and NBFC-ML shall have an independent Compliance Function and a Chief Compliance Officer (CCO) latest by April 1, 2023 and October 1, 2023, respectively. The Board/Audit Committee (Board committee) shall ensure that an appropriate Compliance Policy is put in place and implemented. The Senior Management shall carry out an exercise, at least once a year, to identify and assess the major compliance risk facing the NBFC and formulate plans to manage it.

11. RBI Circular- Regulatory measures towards consumer credit and bank credit to NBFCs dated November 16, 2023

The consumer credit exposure of NBFCs (outstanding as well as new) categorised as retail loans, excluding housing loans, educational loans, vehicle loans, loans against gold jewellery and microfinance/self-help group loans, shall attract a risk weight of 125%. Further, it has been decided to increase the risk weights on such exposures of scheduled commercial banks by 25 percentage points (over and above the risk weight associated with the given external rating) in all cases where the extant risk weight as per external rating of NBFCs is below 100%. For this purpose, loans to HFCs, and loans to NBFCs which are eligible for classification as priority sector in terms of the extant instructions shall be excluded.

The regulated entities shall review their extant sectoral exposure limits for consumer credit and put in place, if not already there, board approved limits in respect of various sub-segments under consumer credit as may be considered necessary by the boards as part of prudent risk management. In particular, limits shall be prescribed for all unsecured consumer credit exposures. The limits so fixed shall be strictly adhered to and monitored on an ongoing basis by the Risk Management Committee. All top-up loans extended by regulated entities against movable assets which are inherently depreciating in nature, such as vehicles, shall be treated as unsecured loans for credit appraisal, prudential limits and exposure purposes.

12. Registration of Factors (Reserve Bank) Regulations, 2022

The RBI on January 14, 2022 under section 3 read with section 31A of the Factoring Regulations, 2011 put in place a regulatory framework pertaining to the manner of granting certificate of registration to the companies which propose to do factoring business.

13. Guidelines on digital lending issued by RBI dated September 2, 2022 ("Guidelines on Digital Lending")

The guidelines issued by RBI on September 2, 2022 are applicable to digital lending extended by (a) all commercial banks, (b)primary (urban) co-operative banks, state co-operative banks, district central co-operative banks,and (c) non –banking financial companies (including house finance companies).The Guidelines on Digital Lending require, among other things: (a) all loan disbursals and repayments to be executed only between the bank accounts of the borrower and the regulated entity without any pass-through/ pool account of the loan service provider or any third party; (b) all-inclusive costs of digital loans to be disclosed to the borrower; (c) a cooling-off period to be provided to borrowers, during which the borrowers can exit digital loans by paying the principal and the proportionate costs without any penalty; (d) the appointment of a nodal grievance redressal officer by loan service providers; and (e) reporting of loans to credit information companies.

Additionally, the Recommendations have noted some issues for further examination by the RBI, which may be incorporated into the Guidelines on Digital Lending in the future.

In the Guidelines on Digital Lending, the RBI has also provided that regulated entities engaged in credit delivery through digital lending will have time until November 30, 2022 to comply with the lending norms for repeat and top up loans to existing digital lending customers.

14. Guidelines on Default Loss Guarantee in Digital Lending dated June 8, 2023 ("DLG in Digital Lending Guidelines")

The RBI released the Guidelines on Default Loss Guarantee (DLG) which are applicable to DLG arrangements in digital lending operations undertaken by the regulated entities including Non- Banking Financial Companies. The guidelines lay down the eligibility conditions for DLG provider and provide for the structure of DLG arrangements. Further, the guidelines provide for the due diligence requirements in respect of the DLG provider. The guidelines further clarify that the customer protection measures and grievance redressal issues pertaining to DLG arrangements shall be guided by RBI's instructions contained in 'Guidelines on Digital Lending' dated September 02, 2022, along with other applicable norms.

15. Master Direction – Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023 dated December 29, 2023, as amended

The RBI released the Internal Ombudsman for Regulated Entities Directions which are applicable to (a) Banks having 10 or more banking outlets in India; (b) deposit taking NBFC's with 10 or more branches; (c) non-deposit taking NBFCs with an asset size of ₹50,000 million or above; (d) non bank system participant more than one crore pre-paid payment instruments outstanding as on March 31, 2023, or thereafter; and (e) all credit rating companies. The guidelines mandate the regulated entities to appoint an internal ombudsman that follows the prescribed prerequisites for a tenure between three to five years. The guidelines further lay down the roles and responsibilities of the internal ombudsman and a procedure for complaint redressal by the internal ombudsman along with regulatory and supervisory oversight by the RBI.

16. Notification - Regulatory measures towards consumer credit and bank credit to NBFCs dated November 16, 2023

The RBI through its notification dated November 16, 2023 has attempted to strengthen the internal surveillance mechanisms, address the build-up of risks, if any, and institute suitable safeguards of banks and NBFCs. Through this notification the RBI has increased the risk weight of the credit exposure of NBFCs by 25 percentage points in each category. Hence, consumer credit exposure and credit card receivables of NBFCs shall attract a risk weight of 125% from 100%. Further, the RBI has mandated Regulated Entities (**"REs"**) to review their sectoral exposure limits and put Board approved limits in place in respect of various consumer credit as may be necessary, particularly for all unsecured consumer credit exposure.

17. Notification – Investments in Alternative Investment Funds dated December 19, 2023

The RBI through its notification dated December 19, 2023 has set limits on the Alternative Investment Funds that Regulated Entities (**"REs"**) can invest in. The REs shall not make investments in any scheme of AIFs which has downstream investments either directly or indirectly in a debtor company of the RE. Further, if an AIF scheme in which an RE is already an investor makes a downstream investment in such a debtor company then the RE must liquidate their investment within 30 days of such downstream investment. In case the REs are not able to liquidate their investments within the above-prescribed time limit, they shall make 100 percent provision on such investments.

Law applicable to our Subsidiaries

In addition to the above, our Subsidiaries, are subject to various, laws, regulations and policies. Our Subsidiary, Cholamandalam Securities Limited, amongst other things, provides stock broking and depository participant services. The laws applicable to Cholamandalam Securities Limited, *inter alia*, include the SEBI (Stock Brokers) Regulations, 1992, SEBI (Intermediaries) Regulations, 2008, SEBI Master Circular for Stock Brokers dated June 1, 2018, SEBI (Research Analysts) Regulations, 2014 and Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

Further, our Subsidiaries, Cholamandalam Home Finance Limited and Cholamandalam Securities Limited are registered as corporate agents with the IRDAI. The laws applicable to Cholamandalam Home Finance Limited and Cholamandalam Securities Limited as registered corporate agents include, *inter alia*, Insurance Act, 1938 and the Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015.

PROVISIONS OF ARTICLES OF ASSOCIATION

Constitution

Table 'F' excluded Company to be governed by these Articles	The Regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall apply to the Company, except to the extent they are in conflict with the Articles set out hereunder. The Regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its Regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.
Definitions and Interpretation: In these Articles —	
"The Act"	"The Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous Company law, so far as may be applicable.
"Articles"	"Articles" or Regulations shall mean the Articles of Association of the Company as now framed or as altered from time to time.
''Beneficial Owner"	'Beneficial Owner" shall mean the beneficial owner as defined in Clause (a) of Sub-Section (1) of Section 2 of the Depositories Act, 1996 as amended from time to time.
"Board of Directors" or "Board"	"Board of Directors" or "Board", means the collective body of the Directors of the Company.
"Body Corporate" or "Corporation"	"Body Corporate" or "Corporation" includes a Company incorporated outside India but does not include, (1) a Cooperative Society registered under any law relating to Co-operative Societies, (2) any other body corporate which the Central Government may by notification in the Official Gazette specify in that behalf.
"Chairman"	"Chairman" means Chairman of the Board from time to time.
"Committee"	"Committee" means a Committee of Directors constituted by the Board.
"The Company" or "This Company"	"The Company" or "This Company" means Cholamandalam Investment and Finance Company Limited.
"Depository"	"Depository" shall mean a Depository as defined under Clause (e) of sub-section (1) of Section (2) of the Depositories Act, 1996.
"Depositories Act"	"Depositories Act, 1996" means and shall include any statutory modification or re-enactment thereof and shall include all Rules and regulations made thereunder.
"Director"	"Director" means a Director appointed to the Board.
"Dividend"	"Dividend" includes any interim dividend.
"Document"	"Document" includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.
"Executor" or "Administrator"	"Executor" or "Administrator" means a person who has obtained probate or Letter of Administration, as the case may be, from a competent Court, and shall also include the holder of a Succession certificate authorising the holder thereof to negotiate or transfer the share or shares of the deceased members, and shall also include the holder of a certificate granted by the Administrator-General of any State in India.
"Independent Director"	"Independent Director" in relation to the Company, means a Director other than a Managing Director or a Whole-time Director or a Nominee Director appointed to the Board subject to the fulfilment of the criteria prescribed under Section 149(6) of the Act and Listing Regulations or such other regulation for the time being in force.
"In writing"	"In writing" means and includes printing, typewriting and any other usual substitutes for writing in electronic mode or otherwise.
"Key Managerial Personnel"	"Key Managerial Personnel" means—

	(i) the Chief Executive Officer or the Managing Director or the Manager; (ii) the Company Secretary; (iii) the Whole-time Director; (iv) the Chief Financial Officer; and (v) such other officer as may be prescribed by the Act or the Rules;
"Listing Regulations"	"Listing Regulations" shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
"Member"	"Member" means every person whose name is entered in the Register of Members from time to time, as the holder of the shares of the Company and includes every person holding shares of the Company and whose name is entered as a beneficial owner in the records of a Depository.
"Memorandum"	"Memorandum" means the Memorandum of Association of the Company (as amended from time to time).
"Month"	"Month" shall mean a calendar month.
"Managing Director"	"Managing Director" means a Director who, by virtue of these Articles or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of Managing Director, by whatever name called.
"Manager"	"Manager" means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of the Company, and includes a Director or any other person occupying the position of a Manager, by whatever name called, whether under a contract of service or not;
"Office"	"Office" means the registered office for the time being of the Company.
"Paid-up"	"Paid-up" shall include credited as fully paid-up.
"Person"	"Person" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships, (including limited partnerships) wherever formed or organised.
These presents or Articles or Regulations	'These presents' or 'Articles' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.
The Register of Members	'The Register of Members' means the Register of Members to be maintained pursuant to Section 88 of the Act.
"Rules"	"Rules" means any rule made pursuant to section 469 of the Act or such other provisions pursuant to which the Central Government is empowered to make Rules, and shall include such Rules as may be amended from time to time.
"Seal"	"Seal" means the common seal of the Company.
"SEBI"	"SEBI" means Securities and Exchange Board of India
"Share"	"Share" means a share in the share capital of the Company and includes stock.
"Shareholders"	"Shareholders" means persons who holds shares of the Company from time to time.
"Special Resolution"	"Special Resolution" means special resolution as stated in Section 114 of the Act.
"Tribunal"	"Tribunal" means the National Company Law Tribunal constituted under Section 408 of the Act.
"Vice Chairman"	"Vice Chairman" means the Vice Chairman of the Board from time to time.
"Whole-time Director"	"Whole-time Director" includes a Director in whole time employment of the Company.
"Number"	Words importing the singular shall include the plural and plural shall include the singular
"Gender"	Words importing the masculine gender shall include the feminine gender and vice versa.
Expressions in the Articles to bear the same meaning as in the Act	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules or any statutory modification thereof in force at the date at which these Regulations become binding on the Company. In case any word is not defined in these Articles such words or expressions shall bear the meaning as

	defined in the Act or the Rules as amended from time to time. In case any word or expression is not defined in the Act but defined in the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Securities and Exchange Board of India Act, 1992 (15 of 1992) or the Depositories Act, 1996 (22 of 1996) such words shall have the meaning respectively assigned to it in those Acts as amended from time to time. In case any word or expression is not defined any of the above acts such words or expressions shall have the meaning respectively assigned to it in General Clauses Act, 1897 as amended from time to time. Statutes or Regulations specifically referred to in these Articles shall include any statutory modifications made thereof from time to time.
Marginal notes	The marginal notes hereto are inserted for convenience and shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith.

Share capital and variation of rights

Capital Clause	The Authorized Capital of the Company shall be as per Clause V of its Memorandum of Association.
Shares under control of Board	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium, at par or any other manner and at such time as they may from time to time think fit.
Board may allot shares otherwise than for cash	Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered or to be rendered to the Company in the acquisition and / or conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.
Kinds of Share Capital	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws: (a) Equity share capital: (i) with voting rights; and / or (ii) with differential rights as to dividend, voting or (b) otherwise in accordance with the Rules; and (c) Preference share capital.
Further issue of share capital	The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to - (a) persons who, on the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or (b) employees under any scheme / plan of employees' stock option subject to approval of shareholders by a special resolution; or (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above subject to approval of shareholders by a special resolution.
Mode of further issue of shares	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of rights issue, preferential offer or private placement or any other mode, subject to and in accordance with the Act and the Rules.
Power to issue redeemable preference shares	Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act. Such preference shares shall be redeemable in accordance with the Act and the Rules made thereunder.
Issue of further shares not to affect rights of existing members	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Variation of members' rights	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class or in such other manner as may be prescribed by the Act and the Rules.
Power to pay commission in connection with securities issued	The Company may exercise the powers to pay commission to any person for subscription of securities issued, conferred by section 40(6) of the Act read with Rules made thereunder, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be in accordance with the provisions of the Act and the Rules and shall be disclosed in the manner required therein.
Rate of commission in accordance with Rules	The rate or amount of the commission shall not exceed the rate or amount prescribed in Rules made under section 40(6) of the Act.
Mode of payment of commission	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.
Issue of certificate	Every person whose name is entered as a member in the Register of Members shall be entitled to receive within 60 days after allotment or within 30 days from the date of receipt by the Company of the application for the registration of transfer or transmission or split within such other period as the conditions of issue shall provide - (a) one certificate for all his shares without payment of any charges; or (b) several certificates, each for one or more of his shares, upon payment of fee of twenty rupees for each certificate after the first.
Certificate to bear seal	Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
Acceptance of shares	An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Articles be a member.
One certificate for shares held jointly	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
Company entitled to Dematerialize its Securities	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing shares, debentures and other securities, rematerialise its existing shares, debentures and other securities held in a Depository and/or offer further shares, debentures and other securities in dematerialized form pursuant to Depositories Act, 1996 and Rules framed there under. Notwithstanding anything contained elsewhere in these Articles, where any shares/other securities of the Company are either issued or held in dematerialised form, the rights and obligations of all parties concerned and all matters connected therewith or incidental thereto, shall be governed by the provisions of the Depositories Act, 1996 and/or by the provisions of any other applicable law in force from time to time.
Option to receive share certificate or hold shares with Depository	A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised form with a Depository. Where a person opts to hold any share with the Depository, the Company shall intimate such Depository the details of allotment of the share to enable the Depository to enter in its records the name of such person as the beneficial owner.
Issue of new certificate in place of one defaced, lost or destroyed	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article may be issued on payment of twenty rupees for each certificate or such amount as may be fixed by the Board.
Splitting and consolidation of share certificates	Any person (whether the registered holder of the shares or not) being in possession of any shares certificates for the time being may surrender the said share certificate or certificates to the Company and apply to the Company for the issue of two or more fresh share certificates comprising the same shares, bearing the same distinctive numbers comprised in the said certificate and in such separate lots as he may desire in lieu of such share certificate so surrendered or for the consolidation of the shares comprised in such surrendered certificates into one certificate and the Board shall issue one or more such certificates as the case may be in the name of the person or persons in whose name the original certificate or

certificates stood and the new certificate so issued upon payment of fee of twenty rupees for each certificate shall be delivered to the person who surrendered the original certificate or to his order

Where any shares under the powers in that behalf therein contained are sold by the Board and the certificate thereof has not been delivered up to the Company the former holder of the said shares, the Board may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.

Company not to recognise shares held in trust by any person

Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

Provisions as to issue of certificates to apply mutatis mutandis to debentures etc.

The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities of the Company including debentures (except where the Act otherwise requires).

Alteration of capital

Power to alter share capital

Subject to the provisions of the Act, the Company may -

(a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:

(c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum so however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced shares shall be the same as it was in the case of the shares from which the reduced share is derived;

Provided that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards the dividend, capital or otherwise over or as compared with the others.

(e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;

Shares converted into stock

Where shares are converted into stock, the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit.

Provided that the Board may, from time to time, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

Right of stockholders

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage; such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"member" shall include "stock" and "stock-holder" respectively.

Reduction of capital

The Company may reduce in any manner and in accordance with the provisions of the Act and the Rules —

(a) its share capital; and/or

(b) any capital redemption reserve account; and/or

(c) any securities premium account; and/or

(d) any other Reserve as may be available.

Calls on shares

Board may make calls	The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
Notice of call	Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
Board may extend time for payment	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances, but no members shall be entitled to such extension save as a matter of grace and favour.
Revocation or postponement of call	A call may be revoked or postponed at the discretion of the Board.
Call to take effect from date of resolution	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
Liability of joint holders of shares	The joint holders of a share shall be jointly and severally liable to pay all calls or instalments due in respect thereof.
When interest on call or instalment payable	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be determined by the Board.
Board may waive interest	The Board shall be at liberty to waive payment of any such interest wholly or in part.
Sums deemed to be calls	Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
Effect of non-payment of sums	In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
Payment in anticipation of calls may carry interest	The Board - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such as may be agreed upon between the Board and the member paying the sum in advance. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.
Instalment on shares to be duly paid	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalment, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.
Calls on shares of same class to be made on uniform basis	Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
Deposit and calls, etc., to be a debt payable immediately	The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the insertion of the name of the allottee in the

Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Partial payment not to preclude forfeiture

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any share either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

Provisions as to calls to apply *mutatis mutandis* to debentures, etc.

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Lien

Company's lien on shares

The Company shall have a first and paramount lien:

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

Lien to extend to dividends, etc.

The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

Waiver of lien in case of registration

Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien.

The Board may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.

Enforcing lien by sale

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable;

Or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency.

Upon any such sale as aforesaid the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

Validity of sale

To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

Purchaser to be registered holder

The purchaser shall be registered as the holder of the shares comprised in any such transfer.

Purchaser not affected

The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

Application of proceeds of sale

The proceeds of the sale after payment of the costs of such sale shall be received by the Company and applied towards payment of such part of the amount in respect of which the lien exists as is presently payable.

Payment of residual money

The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Outsider's lien not to affect Company's lien

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

Forfeiture of shares

If call or instalment not paid notice must be given	If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or ajudgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.
Form of notice	The notice aforesaid shall: (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
In default of payment of shares to be forfeited	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.
Receipt of part amount or grant of indulgence not to affect forfeiture	Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided.
Entry of forfeiture in Register of Members	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.
Effect of forfeiture	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.
Sale of forfeited shares	A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of in such manner as the Board thinks fit.
Cancellation of forfeiture	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
Members still liable to pay money owing at the time of forfeiture	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
Member still liable to pay money owing at time of forfeiture and interest	All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.
Cessation of liability	The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
Declaration of forfeiture	A duly verified declaration in writing that the declarant is a Director, the Manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof, shall constitute a good title to the share.
Title of purchaser and transferee of forfeited shares	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
Transferee to be registered as holder	The transferee shall thereupon be registered as the holder of the share.

Transferee not affected	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.
Validity of sale	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register in respect of such shares the validity of the sale shall not be impeached by any person.
Cancellation of share certificate in respect of forfeited shares	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.
Surrender of shares	The Board may, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.
Sums deemed to be calls	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Provisions as to forfeiture of shares to apply *mutatis mutandis* to debentures, etc.	The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Transfer of shares

Instrument of transfer to be executed by transferor and transferee	The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
Form of Transfer	Subject to the provisions of these Articles, shares in the Company may be transferred by an instrument in writing in such form and by such procedure as from time to time may be prescribed by law. Nothing in this Article shall apply to a transfer of securities effected by the transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.
Application of Transfer	An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee. Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice. For the purposes of this Article, above notice to the transferee shall be deemed to have been duly given if it is despatched by registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee along with requisite documents as prescribed by law or by the Company at its own discretion, has been delivered to the Company along with the certificate relating to the shares, of if no such certificate is in existence, along with the letter of allotment of securities. Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is provided to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
Board may refuse to register transfer	The Board may, subject to the right of appeal conferred by the Act decline to register - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the Company has a lien.

Subject to the provisions of the Act and the provisions of these Articles, or any statutory modification thereof for the time being in force, the Board may, at their own absolute and uncontrolled discretion, and without assigning any reason, decline to register or acknowledge any transfer of shares and, in particular, may so decline such transfer in cases mentioned hereinabove and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval of the transfer by the Board.

Fee for Transfer/Transmission of shares

No fee shall be charged by the Company for transfer of shares or transmission of shares or for registration of any Powers of Attorney, Probates, Letter of Administration or similar documents except in respect of issue of fresh Share Certificates in lieu of surrendered certificates for consolidation, splitting or otherwise.

Board may decline to recognise instrument of transfer

In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless -

(a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

Notice of refusal to be given to transferor and transferee

If the Company refuses to register the transfer of any share or of any share right therein, the Company shall within one month from the date on which the instrument of transfer was lodged with the Company send notice of refusal of the transferee and transferor or to the person giving information of the transmission, as the case may be, and thereupon the provision of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.

Transfer by legal representative

A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

Custody of Transfer

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Board may decline to register shall on demand be returned to the persons depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company for a period as prescribed under the Act.

Transfer of shares when suspended

On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder or the Listing Regulations, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year.

Register of Members

The Company shall maintain "Register of Members" in physical or electronic form and shall enter the particulars of every transfer or transmission of any shares and all other particulars of share as required by the Act in such register.

Closure of Register of Members

The Board of Directors may close the Register of Members or the register of debenture holders or the register of other security holders for any period or periods not exceeding in the aggregate forty-five days in each year, but not exceeding thirty days at any one time, subject to giving of previous notice of at least seven days or such lesser period as may be specified by SEBI after giving previous notice of not less than 7 days' by an advertisement in a vernacular newspaper in the principle vernacular language of the district and having wide circulation in the place where the registered office of the Company is situated, and at least once in English language in an English newspaper circulating in that district and having wide circulation in the place where the registered office of the Company is situated and publish the notice on the website of the Company or in such other manner as may be required by the Act, Rules or Regulations in force.

Provisions as to transfer of shares to apply *mutatis mutandis* to debentures, etc.

The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Transmission of shares

Title to shares on death of a member

On the death of a member, the survivor or survivors where the member was ajoint holder, and his nominee or nominees (nominated as per section 72 of the Act) or legal representatives where he was a sole holder, shall be the only persons recognised by the

Company as having any title to his interest in the shares. The executors or administrators of a deceased member or a holder of a Succession Certificate shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained Probate of will or Letters of Administration as the case may be from a duly Constituted Court in India or Succession Certificate as may be applicable in terms of Indian Succession Act, 1925 and in absence of which, on production of such other documents as the Company may require subject to the provisions of the Act, Rules and regulations in this regard.

Provided that if the member is a member of a Joint Hindu family, the Board on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belong to thejoint family may recognize the survivors or the Karta thereof as having title to the shares registered in the name of such member after production of such documents as may be prescribed under the Act or Rules or regulations in force and at the discretion of the Board.

Notwithstanding anything contained hereinabove, in the event of any holder(s) of shares of the Company making any nomination as per section 72 of the Act, such nominee shall subject to and in accordance with the provisions of the Act, be recognised by the Company as having title to those shares in the event of death of the original holder.

Estate of deceased member liable

Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

Death or insolvency of a member

Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either -

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

Board's right unaffected

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

Indemnity to the Company

The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

Right to election of holder of share

If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

Manner of testifying election

If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

Limitations applicable to Notice

All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

Claimant to be entitled to same advantage

A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Company's right to register transfer to apparent legal owner

The Company shall incur no liability or responsibility whether in consequence of their registering or giving effect to any transfer of shares made or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares not withstanding that the Company may have had notice of such equitable right or title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the book of the

	Company; but the Company shall nevertheless be at liberty to have regard and attend to any such notice and give effect thereto, if the Board shall think fit.
Provisions as to transmission to apply *mutatis mutandis* to debentures, etc.	The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Joint Holders

Joint-holders	Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles.
Liability of Joint holders	The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.
Death of one or more joint-holders	On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
Receipt of one joint holder sufficient	Any one of suchjoint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
Delivery of certificate and giving of notice to first named holder	Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.
Vote of joint holders	Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this sub clause be deemed joint-holders.
Provisions as to joint holders as to shares to apply *mutatis mutandis* to debentures, etc.	The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.

Buy-back of shares

Buy-back of shares	Notwithstanding anything contained in these Articles but subject to applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

General meetings

Annual General Meeting	The Company shall, in addition to any other meetings, hold a General Meeting (herein called as "Annual General Meeting") in accordance with the provisions herein specified and under the Act.
Due date for holding an Annual General Meeting	The Annual General Meeting of the Company other than the first Annual General Meeting shall be held within six months from the date of closing of the financial year; Provided however that if the Registrar of Companies or any other statutory authority as prescribed by the Act, for any special reason, extends the time within which any Annual General Meeting shall be held by a further period not exceeding three months, then the Annual General Meeting may be held within additional time as fixed by the Registrar or such other authority. Except in cases where the Registrar has given an extension of time as aforesaid for holding any Annual General Meeting, not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.
Date, place and time of convening an Annual General Meeting	Subject to the provisions of the Act, every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day not being a National Holiday. The meeting shall be held either at the registered office of the Company or at some other place within the city where the registered office is situated as the Board may decide.

Extraordinary General Meeting	All General Meetings other than an Annual General Meeting shall be called Extraordinary General Meeting.
Powers of Board to call Extraordinary General Meeting	The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
Calling of Extraordinary General Meeting on requisition	1. The Board of Directors shall, at the requisition made by such number of members and in such manner prescribed under the Act call an Extraordinary General Meeting of the Company. Such requisition from the members shall be provided in writing or electronic mode at least clear 21 days prior to the proposed date of such Extraordinary General Meeting. The requisition shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and shall be deposited at the registered office of the Company or sent to the Company by registered post addressed to the registered Office of the Company. The requisition may consist of several documents in like forms each signed by one or more requisitionists. Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (1) above shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that sub-clause is fulfilled. If the Board of Directors do not, within twenty-one days from the date of the receipt of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the receipt of the requisition, the meeting may be called by the requisitionists themselves within a period of three months from the date of the requisition. A meeting called under sub-clause (5) above by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board. Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be reimbursed to the requisitionists by the Company and any sum so repaid shall be deducted from any fee or other remuneration under Section 197 of the Act payable to such of the Directors who were in default in calling the meeting.
Place of convening Extraordinary General Meeting	A meeting called by the requisitionists shall be held either at the registered office of the Company or at some other place within the city in which the registered office of the Company is situated. All other Extraordinary General Meetings called shall be held at any place within India.
Powers of the Tribunal to convene General Meeting	The Tribunal may subject to the provisions of Section 97 and 98 of the Act and the Rules, convene a meeting of members of the Company.

Proceedings at General Meetings

Notice of General meeting	A General Meeting of the Company may be called by giving not less than clear 21 days' notice either in writing or through electronic mode in such manner as prescribed by the Act and the Rules. Provided that a General Meeting may be called after giving shorter notice if consent thereto is given in writing or through electronic mode by not less than 95% of the members entitled to vote at such meeting. Provided that where any members of the Company are entitled to vote only on one or more resolution(s) to be moved at the meeting and not on the others, those members shall be taken into account of the purpose of this sub-clause in respect of the former resolution(s) but not in respect of the latter. The notice of every meeting of the Company shall be given to— (a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member; (b) the auditor or auditors of the Company; and (c) every Director of the Company.
Contents of notice	The notice of a General Meeting shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting. The notice shall also specify whether the meeting called is an Annual General Meeting or Extraordinary General Meeting.

Ordinary and Special business	(a) in the case of an Annual General Meeting, all business to be transacted thereat shall be deemed special, other than— (i) the consideration of financial statements and the reports of the Board of Directors and auditors; (ii) the declaration of any dividend; (iii) the appointment of directors in the place of those retiring; (iv) the appointment of, and the fixing of the remuneration of, the auditors; (b) in the case of any other meeting, all business shall be deemed to be special.
Waiver of notice	Any accidental omission to give notice (of any meeting to or the nonreceipt of any such notice) by any of the members or any other person entitled to receive such notice shall not invalidate the proceedings of or any resolution passed at such meeting.
Quorum at General meeting	No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting commenced business. The quorum shall be: (a) Five members personally present if the number of members as on the date of the meeting is not more than one thousand; (b) Fifteen members personally present if the number of members as on the date of the meeting is more than one thousand but up to five thousand; (c) Thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; Or such other number as may be prescribed under the Act from time to time.
Proceedings when quorum not present	If within half an hour from the time appointed for holding the meeting, the requisite quorum is not present, then the meeting, if called upon the requisition of members, shall stand cancelled and in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may by notice decide by providing the requisite notice to the meeting as prescribed under Section 103 of the Act. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, then the members present shall be a quorum.
Chairman of the meetings	The Chairman of the Board shall if willing presides as the Chairman at every General Meeting of the Company.
Directors to elect a Chairman	If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, the Vice-Chairman, if any, shall preside over such General Meeting. If the Vice-Chairman is not present within fifteen minutes after the time appointed for holding such meeting or being present he is unwilling to act as Chairman, then the Directors present shall elect one amongst them to be Chairman of the meeting.
Members to elect a Chairman	If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by show of hands unless a poll or electronic voting is demanded, choose one amongst them to be Chairman of the meeting.
Business confined to election of Chairman whilst chair vacant	No business shall be discussed or transacted at any General Meeting except election of Chairman whilst the chair is vacant.
Matters to be decided at a General Meeting	At any General Meeting, a resolution put to the vote at the meeting shall be decided by voting through electronic means (remote e-voting and e-voting at the meeting venue) or such other mode as may be prescribed and applicable to the Company pursuant to the provisions of the Act & Rules referred therein and Listing Regulations.
Evidence of passing a resolution	A declaration by the Chairman of the meeting of the passing of a resolution or poll or voting through electronic means and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact of passing of such resolution or otherwise, without proof of the number or proportion of the votes cast in favour of or against such resolution.
Poll	If a poll is duly demanded, it shall be taken in such a manner as the Chairman directs, and the result of the poll shall be deemed to be a decision of the meeting on the resolution on which the poll was demanded.
Time and manner of taking poll	A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any question (other than the election of the Chairman or on

	a question of adjournment) shall be taken at such time, not being later than fortyeight hours from the time when the demand was made, as the Chairman of the meeting may direct. Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
Withdrawal of poll	A demand for a poll may be withdrawn at any time by the persons who made the demand.
Scrutiniser at poll / evoting	Where a poll is to be taken or electronic voting facility is granted including for voting through postal ballot, the Chairman of the meeting shall appoint scrutiniser(s) to scrutinise the votes given on the poll/e- voting/voting on ballot paper and to report thereon to him. The manner in which the Chairman of the meeting shall get the poll/voting process scrutinised and report thereon shall be as per Companies (Management and Administration) Rules, 2014 and any amendment thereof. The Chairman shall have power, at any time before the result of the poll/e-voting is declared, to remove a scrutiniser from office and to fill vacancies in the offices of scrutineers arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than question on which the poll has been demanded.
Casting vote of Chairman at General Meeting	On any business at any General Meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairman shall have a second or casting vote.
Reports, Statements and Registers laid on the table	At every Annual General Meeting of the Company there shall be laid on the table the Directors' report and audited statement of accounts, Auditors' Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and such other Registers and documents as may be required under the Act or Rules or any other regulation in force applicable to the Company.
Minutes of General Meetings	The Company shall cause minutes of all proceedings of every General Meeting to be kept in accordance with the provisions of the Act. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.
Inspection of minute books of General Meeting	The books containing the minutes of the proceedings of any General Meeting of the Company or a resolution passed by postal ballot shall: (a) be kept at the registered office of the Company; and (b) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.
Powers to arrange security at Meetings	The Chairman, and also any person(s) authorised by him or the Board, may take any action before the commencement of any General Meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.
Adjournment of meeting	
Chairman may adjourn the Meeting	The Chairman with the consent of any meeting at which a quorum is present (and if so directed by the meeting) adjourn the meeting from time to time and from place to place.
Business at adjourned meeting	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
Notice of adjourned meeting	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
Voting rights	
Entitlement to vote	Subject to any rights or restrictions for the time being attached to any class or classes of shares - (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll or in e-voting, the voting rights of members (present in person or proxy) shall be in proportion to his share in the paid-up equity share capital of the Company.

Voting through electronic means	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.
Vote of joint holders	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
Manner of voting by members of unsound mind and minors	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands (if permitted and applicable to the Company) or on a poll/e-voting, by his Committee or other legal guardian, and any such Committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his legal guardian.
Restriction on voting rights	No member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.

Proxy

Member may vote in person or otherwise	Any member entitled to attend and vote at a General Meeting shall be entitled to appoint another person (whether a member or not) as a proxy to attend and vote at the meeting on his behalf. A proxy so appointed shall not have the right to speak at such meeting and shall not be entitled to vote except on a poll/e-voting. A person appointed as a proxy shall act on behalf of such member or number of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights or such number as may be prescribed.
Instrument of Proxy	The instrument appointing a proxy in such form as prescribed in the Rules shall be in writing under the hand of appointer or his attorney duly authorised in writing, or if the appointer is a Company either under the common seal or under the hand of an Officer or attorney so authorised. Proxies together with the power of attorney or any other authorisation document, if any, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
Proxy to be valid notwithstanding death of the Principal	16.3. A vote cast in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed: Provided that no intimation in writing of such death, insanity, revocation of authority shall have been received by the Company at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.
Appointment of Proxy for an adjourned meeting	16.4. Member who has not appointed a Proxy to attend and vote on his behalf at a Meeting may appoint a Proxy for any adjourned Meeting, not later than forty-eight hours before the time of such adjourned Meeting

Board of Directors

First Directors	The First Directors of the Company were: (a) Mr. A.M.M, Arunachalam (b) Mr. Bhupen Dalal (c) Mr. N. Damotharan (d) Mr. M.K. Kumar (e) Mr. V.T. Padmanabhan (f) Mr. J.V Somayajulu
Number of Directors	Unless otherwise determined by the Company in General Meeting, the number of Directors shall not be less than 3 (three) and shall not be more than 15 (fifteen). The Company may in General Meeting appoint more than fifteen Directors after passing a special resolution.
Appointment of Additional Directors	Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an Additional Director, provided the number of the Directors

	and Additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.
Duration of office of Additional Director	An Additional Director shall hold office up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director subject to the provisions of the Act.
Appointment of Alternate Director	The Board may appoint an Alternate Director to act for a Director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act
Re-appointment provisions applicable to Original Director	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.
Duration of office of Alternate Director	An Alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
Appointment of Nominee Director	Notwithstanding anything to the contrary contained in these Articles and pursuant to provisions of the Act and Rules made thereunder, the Board of Directors may from time to time appoint any such person as a "Nominee Director". For the purpose of this clause, "Nominee Director" means a Director nominated by any institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any Government, or any other person to represent its interests and includes any person nominated by the debenture trustee(s) in terms of Regulation 15(1)(e) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a director on the Board of the company
Appointment of Director to fill a casual vacancy	If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors subject to the provisions of the Act.
Duration of office of Director appointed to fill casual vacancy	The Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.
Resident Director	The Company shall have at least one Director who has stayed in India for a total period of not less than one hundred and eighty-two days in the previous calendar year.
Appointment of Independent Directors	The Company shall have such proportion of Independent Directors in the Board and be appointed in such manner as prescribed by the Act or Rules or the Listing Regulations in force. The Independent Directors so appointed shall hold office for a term up to five consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company. Notwithstanding anything contained in the above mentioned provision of this clause, no Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. The Company and Independent Directors shall abide by the provisions specified in Schedule IV.
Woman Director	The Company shall have a Woman Director on the Board as prescribed by the Act from time to time.
Sitting fees	The Directors other than those in receipt of any salary from the Company may be paid a sitting fee of such sum as the Board may decide subject to the maximum limits prescribed by the Act or Rules made thereunder from time to time, for every meeting of the Board of Directors or Committee thereof, attended by them.
Remuneration of Directors	The remuneration payable to the Directors, including any Managing or Whole-time Director or Manager, if any, shall be determined in accordance with and subject to the provisions of the Act.

A Director who is neither in the whole time employment of the Company nor a Managing Director may be paid remuneration -

(a) By way of a monthly, quarterly or annual payment subject to the applicable provisions of the Act; or

(b) By way of commission if the Company by a special resolution authorises such payment.

The remuneration payable to Directors who are neither Managing Directors nor Whole-time Directors shall not exceed,—

one per cent of the net profits of the Company, if there is a Managing or Whole-time Director or Manager;

three percent of the net profits in any other case.

Provided further that the Company in General Meeting may, with the approval of the Central Government, authorise the payment of such remuneration at a rate exceeding one percent or, as the case may be, three percent of its net profits.

The aforesaid commission shall be paid among the non-Whole-time Directors in such manner and proportion as the Board may determine.

If any such Director holds office for a period less than one year during the financial year of the Company, then the said remuneration payable to him shall be computed proportionate to the period for which he has held office during the year.

Special Remuneration to Directors on Company's business or otherwise performing extra services

If any Director, being willing, be called upon to perform extra services, or special exertions or efforts for any of the purposes of the Company, the Board may arrange with such Director for such special remuneration for such extra services or special exertion or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be in addition to his/her remuneration above provided subject to the limits prescribed under the Act.

Travelling and other expenses

In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid travelling, hotel and other expenses incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any Committee thereof or General Meetings of the Company; or

(b) in connection with the business of the Company.

Execution of negotiable Instruments

All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

Attendance

Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in a book to be kept for that purpose. In case of Directors participating through Electronic mode, the attendance register shall be deemed to have been signed by the Directors participating through Electronic mode, if their attendance is recorded by the Chairman or the Company Secretary in the Attendance Register and Minutes of the meeting.

Disqualification for appointment of Director

Subject to the provisions of Section 164 of the Act, a person shall not be eligible for appointment as a Director, if -

(a) he is of unsound mind and stands so declared by a competent court;

(b) he is an undischarged insolvent;

(c) he has applied to be adjudicated as an insolvent and his application is pending;

(d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:

(e) Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a Director in any Company;

(f) an order disqualifying him for appointment as a Director has been passed by a court or Tribunal and the order is in force;

(g) he has not paid any calls in respect of any shares of the Company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;

(h) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or

(i) he has not complied with sub-section (3) of section 152.

Notwithstanding anything contained in (d), (e), (g) aforesaid, the disqualifications referred to in those clauses shall not take effect—

i. for thirty days from the date of conviction or order of disqualification;

ii. where an appeal or petition is preferred within thirty days as aforesaid against the conviction resulting in sentence or order, until expiry of seven days from the date on which such appeal or petition is disposed off; or

iii. where any further appeal or petition is preferred against order or sentence within seven days, until such further appeal or petition is disposed off.

No person who is or has been a Director of a company which—

(a) has not filed financial statements or annual returns for any continuous period of three financial years; or

(b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more,

shall be eligible to be appointed / re-appointed as a Director for a period of five years from the date on which the said company fails to comply.

Vacation of office of Director

Subject to the provisions of Section 167 of the Act, the office of a Director shall become vacant if:

(a) he incurs any of the disqualifications specified in section 164;

(b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;

(c) he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;

(d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;

(e) he becomes disqualified by an order of a court or the Tribunal;

(f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:

Provided that the office shall be vacated by the Director even if he has filed an appeal against the order of such court;

(g) he is removed in pursuance of the provisions of this Act;

(h) he, having been appointed a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate Company, ceases to hold such office or other employment in that Company.

Removal of Director

Subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles, the Company may by an ordinary resolution remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.

A Special notice pursuant to Section 115 of the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed, at the meeting at which he is removed.

A vacancy created by the removal of a Director may, if he had been appointed by the Company in General Meeting or by the Board, be filled by the appointment of another Director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as mentioned hereinabove.

	A Director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.
Directors may contract with Company	Subject to the provisions of the Act and, the Articles hereof and the observant and fulfilment thereof, Directors (including Managing Director) shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract, or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established, provided that the nature of his interest is disclosed by him/her as provided Section 184 of the Act.
Individual resolution for the appointment of Directors	At a General Meeting of the Company, a motion for appointment of two or more persons as Directors of the Company by a single resolution shall not be moved unless a proposal to move such a motion has first been agreed to at the meeting without any vote being given against it. A resolution moved in contravention of this Article and Section 162 of the Act shall be void whether or not objection was taken when it was moved.
Retirement and Rotation of Directors	Not less than two-third of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of directors by rotation. At every Annual General Meeting of the Company one- third of such of the Directors for the time being as are liable to retire by rotation or if their number is neither three nor a multiple of three, then the number nearest to one-third shall retire by rotation. The Managing Director(s), Whole-time Director(s) and Independent Director(s) shall not, while they continue to hold that office, be subject to retirement by rotation except to the extent necessary to comply with the provisions of the Act. For the purpose of this Article, 'total number of Directors' shall not include Independent Directors of the Company whether appointed under this Act or any other law for the time being in force.
Ascertainment of Directors retiring by rotation	Subject to the provisions of the Act, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.
Retiring Directors to remain in office till successors appointed	At any meeting at which an election of Directors ought to take place, if the vacancy of the retiring Director is not filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place. If at the adjourned meeting, the vacancy of the retiring Director is not filled up and that the meeting has also not expressly resolved not to fill up the vacancy, the retiring Directors shall be deemed to have been reappointed at the adjourned meeting subject to conditions prescribed under Section 152 of the Act. The expression 'Retiring Director' means a Director retiring by rotation.
Retiring Director eligible for re-appointment	Subject to the provisions of the Act, a retiring Director shall be eligible for re-appointment and the Company at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.
Notice of Candidature for office of Director	Subject to the provisions of the Act, any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting, if he, or some member intending to propose him as a Director has, not less than fourteen days before the meeting, left at the registered office of the Company, a notice in writing under his hand signifying his candidate for the office as a Director or, as the case may be, the intention of such member to propose him as a candidate for that office, as the case may be along with a deposit as prescribed by the Act which shall be refunded to such person or, as the case may be, to the member, if the person proposed gets elected as a Director or gets more than twenty-five per cent of total valid votes cast on such resolution. Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director, of appointed.
Directors to act only on certain business when number falls below minimum	The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.

Powers of Board

General powers of the Company vested in Board

The business of the Company shall be managed by the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by these Articles or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of the Act and other laws and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in General Meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

Powers to be exercised by the Board only at the meeting

Without derogating the powers vested with the Board under these Articles, the Board shall exercise the powers stated in Section 179(3) of the Act and the Rules referred therein only by means of resolutions passed at the meeting of the Board.

Provided further that the Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, the principal officer of the branch office, certain powers as laid out in (d) to (f of Section 179(3) of the Act and such other powers which may be delegated as prescribed by the Act subject to the conditions laid thereunder.

Consent of the Company necessary for exercise of certain powers

The Board of Directors shall not except with the consent of the Company at a General meeting exercise the powers specified in Section 180(1) of the Act.

Certain powers of the Board

Without prejudice to the powers conferred by Articles and so as not in any way to limit or restrict these powers, but subject to the restrictions contained in the last preceding two Articles and subject to the provisions of the Act the Board's powers shall include power:

(a) to pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of the Act and in these Articles.

(b) to purchase or otherwise acquire for the Company any shares, securities or other property right or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as the Board may think fit.

(c) at their discretion to pay for any property or rights acquired by or services rendered to the Company, either wholly or partially in case, or in shares, bonds, debentures, debenture-stock or other securities of the Company, and any such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon; and any such bonds debentures, debentures-stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

(d) to insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they think proper all or any part of the buildings, machinery and goods, stores, produce and other movable property of the Company either separately or on jointly; also to insure all or any portion of the goods produce machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

(e) to open accounts with any bank or bankers or with any permitted person and to pay money into and draw money from any such account from time to time as the Board may think fit.

(f) To secure the fulfilment of any contracts or engagements entered into by the Company, mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit.

(g) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.

(h) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock, or any part thereof, so far as may be permissible by law.

(i) to appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such deeds and

things as may be requisite in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

(j) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due or of any claims or demands by or against the Company.

(k) To refer any claim or demand by or against the Company or any differences to arbitration and observe and perform any awards made thereon.

(l) To act on behalf of the Company in all matters relating to bankrupts and insolvents.

(m) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.

(n) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.

(o) To invest and deal with any moneys of the Company not immediately required for the purposes thereof; upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realize such investments, provided that save as permitted by Section 187 of the Act, all investment shall be made and held in the Company's name.

(p) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, covenants, provisions and agreement as shall be agreed on.

(q) to give to any Director, officer or other person employed by the Company an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company.

(r) to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent religious, scientific, national, public, or any other institutions, objects or purposes, or for any exhibition.

(s) before recommending any dividend to set aside out of the profits of the Company, such sums as they may think proper for depreciation, or to a Depreciation Fund, General Reserve, a Reserve Fund, Sinking Fund, Insurance Fund or any special or other fund or funds or account or accounts to meet contingencies, or to repay Redeemable Preference Shares, debentures or debenture stock and for special dividends, and for equalizing dividends, and for repairing, improving, extending and maintaining any part of the property of the Company, and/or for such other purposes, (including the purposes referred to in the last two preceding Sub-Clauses) as the Board may in their absolute discretion think conducive to the interests of the Company, and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by the Act) as the Board may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Director (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Board apply or upon which they extend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Board may think fit, and to employ the assets constituting all or any of the above funds or accounts, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Redeemable Preference Shares, debentures or debenture-stock and that without being bound to keep the same separate from the other assets, and without being bound to pay or allow to the credit of such fund interest at such rate as the Board may think proper.

(t) to appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks agents and employees for permanent, temporary or special services as they may from time to time think fit, and to determine their powers

and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India in such manner as they think fit shall be without prejudice to the general powers conferred by this Sub-Clause.

(u) to comply with the requirements of any local law, which in their opinion it shall in the interests of the Company be necessary or expedient to comply with.

(v) from time to time and at any time to establish any Committees for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Boards, or any managers, or agents, and to fix their remuneration.

(w) subject to the provisions of Section 179 of the Act and these Articles and at any time to delegate to any such Local Board, or any member or members thereof or any managers so appointed any of the powers, authorities and discretions for the time being vested in the Board of Directors, and to authorities the Members for the time being of any such Committee, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation under this Article may be made on such terms, and subject to such conditions as the Board of Directors may think fit, and the Board of Directors may at any time remove any person so appointed, and may annul or vary any such delegation.

(x) generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions vested in the Directors to any person, firm, Company or fluctuating body of persons as aforesaid.

(y) subject to the provisions of the Act and these Articles for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

Attorney of the Company

Subject to the provisions of Section 179 of the Act, the Board/Committee may appoint at any time and from time to time by a power-of-attorney under the Company's Seal any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board in these Articles) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board think fit) be made in favour of the members, or any of the members of any firm or Company, or the members, Directors, nominees or Managers of any firm or Company or otherwise in favour of any body or persons, whether nominated directly or indirectly by the Board and any such power-of-attorney may contain such provision for the protection or convenience of persons dealing with such attorney as the Board may think fit.

Power to authorise subdelegation

The Board may authorize any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

Board's duty to comply with the provisions of the Act

The Board shall duly comply with the provisions of the Act and in particular with the provision in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and to keeping a Register of the Directors, and to sending to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital, and copies of special resolutions and a copy of the Register of Directors and notifications of any changes therein in the manner prescribed under the Act

Borrowing Powers

Powers to borrow

The Board of Directors may from time to time but with such consent of the Company in General Meeting as may be required under Section 180 of the Act, raise any money or any monies or sums of money for the purpose of the Company provided that the monies to be borrowed by the Company, together with the money already borrowed apart from temporary loans obtained from the Company's bankers in the ordinary course or business shall not without the sanction of the Company at a General Meeting exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may from time to time at their discretion raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company, by the issue of debentures perpetual or otherwise including debentures convertible into shares of this or any other Company or perpetual annuities and security of any such money so borrowed, raised, or received, mortgage, pledge or charge, the whole or any part of the property, assets, or

	revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale of the property except uncalled capital and other powers as may be expedient and to purchase, redeem or pay off any securities. Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount up to which monies may be borrowed by the Board of Directors.
Delegation of borrowing Powers	The Directors may by a resolution of a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a Committee of Directors or the Managing Directors if any, within the limits prescribed.
Mode	Subject to the provisions of the Act, the Board may, from time to time, at their discretion, borrow monies in such mode as the Board may deem fit.
Redemption Reserve	The Board, may, out of the profits of the Company available for payment of dividend, set aside such sums as prescribed by the Act and the Rules for the purpose of redemption of debentures which may be issued by the Company in such amounts at such premium in such manner and at such period as the Board may think expedient.
Assignment of Debenture	Such debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Terms of Debenture issue	Without prejudice to the provisions of the above mentioned clause 1, 2 & 3, any such debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, drawings, allotment of shares of the Company appointment of Directors. Provided that debentures, debenture-stock, bonds or other securities with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting. Any trust deed for the securing of any debenture/ debenture -stock and/or any mortgage deed and/or other bond for securing payment of monies borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner, may provide for the appointment, from time to time, by any such mortgagee, lender, trustee or holders of debentures or contracting party as aforesaid, or one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may from time to time remove any Director so appointed by him and appoint any other person in his place and reviewed for filling up any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debentures or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.
Register of charges or mortgages	The Board shall cause a proper register to be kept, in accordance with the Act, or all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified and otherwise.
Subsequent assignees of uncalled capital	Where any uncalled capital of the Company is charged, all persons taking any subsequent charge there on shall take the same subject to such prior charge and shall not be entitled, by notice to the shareholders or otherwise to obtain priority over such prior charge.
Charge in favour of Directors for indemnity	If the Directors or any of them or any other persons, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.
Proceedings of the Board	
When meeting to be convened	The Board of Directors may meet for the conduct of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board and may adjourn and otherwise regulate its meetings, as it deems fit.

Who may summon Board meeting	Any Director may, at any time summon a meeting of the Board, and Secretary or any person authorised by the Board in this behalf, on the requisition of a Director, shall convene a meeting of the Board in consultation with the Chairman or in his absence, the Managing Director or in his absence, the Whole-time Director.
Notice of Board meeting	A meeting of the Board shall be called by giving not less than seven days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director shall be present at the meeting. In case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director.
Participation at Board meetings	The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means, as may be prescribed by the Rules or permitted under law.
Quorum for Board meetings	The quorum for a Board meeting shall be one-third of its total strength or two Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum as provided in the Act. Where at any time the number of interested Directors as specified under Section 184 of the Act is equal to or exceeds two-thirds of the total strength of the Board, the number of Directors who are not interested Directors and present at the meeting, being not less than two, shall be the quorum during such time. For the purpose of this clause, 'total strength' shall not include Directors whose places are vacant.
Adjournment for want of quorum	Where a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.
Chairman and Vice Chairman	The Directors may from time to time elect a Chairman and a ViceChairman of the Board.
Who to preside at the meetings of the Board	All the meetings of the Directors shall be presided over by the Chairman if present, but if any meeting of Directors the Chairman be not present at the time appointed for holding the same, the ViceChairman, if present shall preside and if he be not present at such time or is unwilling to act as a Chairman then the Directors shall choose one of the Directors then present to preside at the meeting.
Matters at Board meeting how decided	Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company for the time being vested in or exercisable by the Directors generally and all matters arising at any meeting of the Board shall be decided by a majority of votes.
Casting vote of Chairman at Board meeting	In case of an equality of votes, the Chairman shall have a second or casting vote.
Committees	The Board may delegate any of their powers to Committees (subject to the provisions of the Act) consisting of such number or numbers of their body as they think fit and they may from time to time revoke or discharge any such Committee either wholly or in part, and either as to persons or purposes.
Participation at Committee Meetings	The participation of Directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means, as may be prescribed by the Rules or permitted under law.
Chairman of Committee	A Committee may elect a Chairman of its meetings unless the Board, while constituting a Committee, has appointed a Chairman of such Committee.
Who to preside at meetings of Committee	If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairman of the meeting.
Committee to meet	A Committee may meet and adjourn as it thinks fit.
Matters at Committee meeting how decided	Matters arising at any meeting of a Committee shall be determined by a majority of votes of the members present unless otherwise stated in the Act
Casting vote of Chairman at Committee meeting	In case of an equality of votes, the Chairman of the Committee shall have a second or casting vote.

Acts of Board or Committee valid notwithstanding defect of appointment	All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
Passing of resolution by circulation	Subject to the provisions of the Act, a resolution in writing, signed, whether manually or by electronic mode or approved electronically through e-mail or any other permitted mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.
Minutes of the proceedings of Board of Directors and Committees to be kept	The Board shall cause minutes of the meetings of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 118 of the Act. The minutes shall contain a fair and correct summary of the proceedings at the meeting including the following: (a) the names of the Directors present at the meetings of the Board of Directors or of any Committee of the Board; (b) in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution. All such minutes of the meetings of the Directors, or of any Committees shall be signed by the Chairman of such meeting or the Chairman of the next succeeding meeting and all the minutes purported to be so signed shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolutions recorded. The Chairman of the Meeting may exclude at his absolute discretion such of the matters as are or would reasonably be regarded as defamatory of any person, irrelevant, or immaterial to the proceedings or detrimental to the interests of the Company.

Managing Director

Business to be carried on by the Managing Director	(a) Subject to the control and supervision of the Board of Directors, the business of the Company shall be carried on by one or more Managing Directors. The Board may from time to time resolve to appoint one or more Managing Directors subject to the approval of the shareholders provided that such appointments shall not be made for a term of more than five years at a time or such term as prescribed by the Act. (b) If a Managing Director ceases to hold office as Director he shall ipso facto and immediately cease to be a Managing Director. (c) In the event of any vacancy arising in the office of a Managing Director or if the Board resolve to increase the number of Managing Directors, the vacancy shall be filled by the Board of Directors and the Managing Directors so appointed shall hold the office for such period as the Board of Directors may fix.
More than one Managing Director	Where there is more than one Managing Director, the Board may, for the limited purpose of reference, designate any of them as Joint Managing Director or in any other manner as it may deem fit.
Remuneration of Managing Director	A Managing Director may, be paid such remuneration (whether by way of salary, perquisites, commission or participation in profits, or otherwise or partly in one way and partly in another) as the Board with the approval of the members in General Meeting may determine.
Powers to be exercised severally	All powers and duties vested in the Managing Directors for the time being in accordance with the provisions of these presents or by a resolution of the Board of Directors may be exercised by any one of them.
Expenses to be charged to the Company	The Managing Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint employees in connection with management of the affairs of the Company and shall be entitled to be paid by the Company for any remuneration that they may pay to such full-time employees/ part-time employees.
Power of Managing Directors	The Managing Directors, shall, subject to the supervision and control of the Board have power to do all acts and things which the Managing Directors shall think usual necessary or desirable in the management of the affairs of the Company. Without prejudice to their general powers conferred hereby, they shall have the following powers subject to the supervision and control of the Board:

(a) to pay the costs, charges, and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company and subsequent to the registration fees and stamps paid in respect thereof and the costs of advertising, printing, stationery, brokerage, legal charges, furniture and fittings of office and such other costs.

(b) to sell for cash or on credit and either wholesale or in retail and for ready or future delivery and realize the proceeds of sale of property, movable or immovable or any rights or privileges belonging to the Company, or in which the Company is interested or over which the Company may have any such powers of disposal and to exchange any such property or rights belonging to the Company for other property or rights.

(c) to determine, from time to time who shall be entitled to sign on the Company's dividend warrants, releases, contracts, and documents and to give the necessary authority for such purposes.

(d) to execute all deeds, agreements, contracts, receipt and other documents that may be necessary or expedient for the purposes of the Company and to make and give receipts, releases and other discharges for moneys or goods or property received in the usual course of business of the Company or lent or payable to or belonging to the Company and for the claims and for the claims and demands of the Company.

(e) to institute, conduct, defend, compound or abandon any actions, suits and legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company and also to compound or compromise or submit to arbitration the same actions suits and legal proceedings.

(f) to enter into, vary or cancel all manner of contracts on behalf of the Company.

(g) to engage and in their discretion to remove, suspend, dismiss and remunerate bankers, legal advisers, accountants, Managers, cashiers, clerks, agents, commission agents, dealers, brokers, foremen, servants, employees or vary description and to employ and remunerate such professional or technical or skilled assistants as from time to time may in their opinion be necessary or advisable in the interests of the Company and upon such terms as to duration of employment, remuneration or otherwise and may require security in such instances and to such amounts as the Managing Directors think fit.

(h) to acquire by purchase, lease, exchange, pledge, hypothecation or otherwise transfer lands, estates, fields, buildings, office showrooms, godowns and other buildings in the State of Tamil Nadu or elsewhere Machinery, Engine, Plant, Rolling Stock, Tools, Machine Tools, Outfits, Stores, Hardware and any other materials of whatever description either on credit or for cash and for present or future delivery.

(i) to plant, develop, improve, cut down, process, sell or otherwise dispose of the products of the Company and to incur all expenses in this behalf.

(j) to erect, maintain, repair, equip, alter and extend buildings and machinery in the State of Tamil Nadu or in any other place.

(k) to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

(l) to pay all moneys due by the Company and look after the finance of the Company.

(m) to open current and time-deposit accounts or other accounts with banker or bankers at their choice, and to operate on such accounts and also when necessary to overdraw or take loans on such account on the security of the Company or of any of its assets.

(n) to draw, accept, endorse, discount, negotiate and discharge on behalf of the Company all bills of exchange, promissory notes, cheques, hundies, drafts, railway receipts, dock warrants, delivery orders, Government promissory notes, other Government instruments, bonds, debentures or debenture-stocks of Corporation, Local Bodies, Port Trusts, Improvement Trusts or other corporate bodies and to execute transfer deeds for transferring stocks, shares or stock certificates of the Government and other local or corporate bodies in connection with any business or any subject of the Company.

(o) Subject to the borrowing limits approved by the Board and the members, the Company may borrow from time to time such sums of money for the purposes of the Company upon such terms as may be expedient and with or without security.

(p) to receive and give effectual receipts and discharge on behalf of and against the Company for moneys, funds, goods, or property lent, payable or belonging to the Company or for advances against goods/assets of the Company.

(q) to make or receive advance of money, goods, machinery, plant and other things by way of sale, mortgage, hypothecation, lien, pledge, deposit or otherwise in such manner and on such terms as the Managing Director may deem fit.

(r) to submit to arbitration and enforce the fulfilment of awards regarding any claims in which the Company may be interested, to adjust, settle or compromise any claims due to or by the Company and to give to debtors of the Company time for payment.

(s) to institute, appear in or defend any legal proceeding in the name of and on behalf of the Company to sign any pledging and other documents to engage and to instruct any Advocate, Solicitors and Lawyers and to execute any vakalat or other authority in their favour and to compound and compromise any claim suit or proceedings.

(t) to make all manner of insurances.

(u) to delegate all or any of the powers, authorities and discretions for the time being vested in the Managing Directors and also from time to time provide by the appointment of an attorney or attorneys to sign, seal, execute, deliver register or causes to be registered all instruments, deeds, documents or writings, usually necessary or expedient for any of the purposes of the Company and not requiring the common seal of the Company. Provided that the Board may from time to time revoke withdraw alter or vary all or any of the above powers. Provided that the Managing Directors shall not exercise the power to –

(i) make calls of shareholders in respect of moneys unpaid on the shares of the Company;

(ii) borrow moneys or make loans except within the limits previously fixed by the Directors at a Board Meeting; or

(iii) invest funds of the Company within the limits previously fixed by the Board at its meeting.

(v) to perform such other acts, things, deeds, matters as may be required for carrying on the operations of the Company.

Whole-time Directors

Whole-time Director

The Board of Directors may appoint one or more persons as Wholetime Director(s) and may designate them as Executive Chairman, Executive Director, President, Chief Executive Officer or any other appropriate designation as the Board may deem fit.

The Whole-time Director(s) shall function subject to the supervision and control of the Board of Directors and exercise such powers as conferred on them by the Board.

A Whole-time Director may be paid such remuneration (whether by way of salary, perquisites, commission or participation in profits, or otherwise or partly in one way and partly in another) as the Board with the approval of the members in General Meeting may, subject to the provisions of Section 196, 197 of the Act and Rules referred therein, or any other law applicable for the time being in force in that behalf, determine.

The Whole-time Director(s) shall not be liable to retire by rotation, so long as they hold such office.

Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer

Chief Executive Officer, Company Secretary, Manager and Chief Financial Officer etc.

Subject to the provisions of the Act,—

A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer so appointed may be removed by means of a resolution of the Board.

A Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	A Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.
Designated Directors	The Board of Directors shall have power, from time to time and at any time, to appoint any person who is in the employment of the Company as "Special Director" on such terms and conditions as to remuneration and otherwise as the Board may deem fit and at the discretion to remove or suspend such person from the said office. Any person so appointed shall not be a Director of the Company for any of the purposes of the Act, nor shall he have any of the powers of, or be subject to any of the duties of a Director. The use of the word "Director" in the said designation shall not be construed as constituting such person a Director of the Company for any of the purposes of the Act. Subject as aforesaid, every person appointed as "Special Director" shall exercise such powers and discharge such duties as the Board of Directors may from time to time determine.
Signing by Director and 23.4. Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer etc.	All acts or matters to be performed or those requiring authentication/authorisation/approval by a Director and Chief Executive Officer/Manager/Company Secretary/Chief Financial Officer shall not be fulfilled by it being done by or to the same person acting both as a Director and as, or in the place of, a Chief Executive Officer/Manager/Company Secretary/Chief Financial Officer.

Dividends and Reserve

Company in General Meeting may declare dividends	The Company in General Meeting may subject to Section 123 of the Act declare dividends to be paid to members, but no dividend so declared shall exceed the amount recommended by the Board.
Interim dividends	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.
Declaration of Dividend	Dividend shall be declared or paid by a Company for any financial year (a) out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of this Act, or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or (b) out of money provided by the Central Government or a State Government for the payment of dividend by the Company in pursuance of a guarantee given by that Government. Where, owing to inadequacy or absence of profits in any financial year, if the Company proposes to declare dividend out of the accumulated profits earned by it in its previous years and transferred to the reserves, such declaration of dividend shall be made subject to the fulfilment of the conditions as prescribed in the Rules. No dividend shall be declared or paid by a Company from its reserves other than free reserves.
Setting aside sums for reserve	The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
Carry forward of profits	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
Proportion of Dividend	Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid up on the shares. No amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of this Article as paid on the share.
Dividends to be apportioned	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
Retention of dividends	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.
Dividend how remitted	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post or such other manner as may be directed by the applicable laws, directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every dividend shall be paid or the warrant or instrument thereof shall be despatched within the time provided in the Act except in the following cases namely: - Where the dividend could not be paid by reason of operation of any law; - Where a shareholder has given directions to the Company regarding the payment of dividend and those directions cannot be complied with and the same has been communicated to the shareholder; - Where there is a dispute regarding the right of the dividend; - Where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder; or
Instrument of payment	Every such cheque or warrant, if paid in physical form, shall be made payable to the order of the person to whom it is sent.
Discharge to Company	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made. Further, in case of joint holders, dividend paid to the first holder shall be an effective discharge.
No interest on dividends	No dividend shall bear interest against the Company.
Waiver of dividends	The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.
Unclaimed or Unpaid Dividend	Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to the shares therein mentioned. No unclaimed or unpaid dividends shall be forfeited by the Board. The Board shall comply with applicable provisions of the Act in respect of any unclaimed or unpaid dividend including transfer of such dividends (and shares thereto) thereto to the Investor Education and Protection Fund in the manner as may be prescribed from time to time

Capitalisation of profits

Capitalisation	The Company by resolution, as prescribed under the Act, in General Meeting may, upon the recommendation of the Board, resolve — (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
Sum how applied	The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards: (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).

A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

Powers of the Board for capitalisation

Whenever such a resolution as aforesaid shall have been passed, the Board shall -

(a) make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and

(b) generally do all acts and things required to give effect thereto.

Board's power to issue fractional certificate / coupon etc.

The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates/ coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

Agreement binding on members

Any agreement made under such authority shall be effective and binding on such members.

Accounts

Books of accounts to be kept

The Company shall keep at its registered office proper books of account and other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of its affairs, including that of its branch office(s), if any.

The Board of Directors may decide to keep all or any of the books of account aforesaid and other relevant papers at such other place in India as it may decide subject to the provisions of Section 128 of the Act and the Rules referred therein.

Inspection by Directors

The books of account and books and papers of the Company, or any of them, shall be open to the inspection by any Director during business hours in accordance with the applicable provisions of the Act and the Rules.

Inspection by members

The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions and regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in General Meeting.

Preservation of books of accounts of the Company

The books of account of every Company relating to a period of not less than eight financial years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

Statement of Accounts to be furnished in General Meeting

The Board of Directors shall lay before each Annual General Meeting, the financial statements for the financial year (standalone) which includes balance sheet, profit and loss account for the financial year, cash flow statement, a statement of changes in equity, if applicable; and any explanatory note annexed to, or forming part of, any document referred hereinabove.

Consolidated Financial Statements to be furnished in General Meeting

The Company shall in addition to financial statements provided herein above prepare a consolidated financial statement of the Company and of all the subsidiaries of the Company which shall also be laid before the Annual General meeting of the Company along with the standalone financial statements.

Authentication of Financial Statements

The financial statements of the Company shall be approved by the Board of Directors before they are signed on behalf of the Board by the Chairman of the Company where he is

	authorised by the Board or by two Directors out of which one shall be Managing Director and the Chief Executive Officer, if he is a Director in the Company, the Chief Financial Officer and the Company Secretary of the Company.
Auditors' Report	The Auditors' report shall be attached to every financial statement.
Board's report to be attached to the Financial Statements	The report by the Board of Directors containing matters as prescribed under Section 134 of the Act and the Rules referred therein shall be signed in the manner prescribed in the Act and be annexed to the financial statements laid before a Company in a General Meeting.
Right of member to copies of audited financial statements	Without prejudice to the provisions of Section 101 of the Act, a copy of the financial statements, including consolidated financial statements, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a Company in its General Meeting, shall be sent to every member of the Company, to every trustee for the debenture-holder of any debentures issued by the Company and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the General meeting. Provided that the provisions of this clause shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents as prescribed by the Act or copies of the documents, as the Company may deem fit, is sent to every member of the Company and to every trustee for the holders of any debentures issued by the Company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements.
Audit	
Accounts to be audited	27.1. The financial statements of the Company shall be audited by one or more Auditors to be appointed pursuant to the provisions of Section 139 of the Act and the Rules referred therein.
Appointment of Statutory Auditors	Subject to the Article 27.3 and the Provisions of the Act, the Company at an Annual General meeting shall appoint an individual or firm as a Statutory Auditor who shall hold office for a term as may be recommended by the Board and approved by the Members. Provided that, subject to the provisions of the Act, the appointment of Statutory Auditors shall be ratified by members at every Annual General Meeting.
Term of Statutory Auditors and rotation	The Company shall not appoint: (a) an individual as auditor for more than one term of five consecutive years; and (b) an audit firm as auditor for more than two terms of five consecutive years: Further, (i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the Company for five years from the completion of his term; (ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the Company for five years from the completion of such term. The above conditions of term and rotation will be subject to the provisions of the Act from time to time.
Retiring Auditors eligible for reappointment	Subject to the Provisions of the Act and related Rules, a retiring auditor may be re-appointed at an annual general meeting if - He is not disqualified for re-appointment; - He has not given the Company a notice in writing of his unwillingness to be re-appointed; - a resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be reappointed;
Eligibility, qualifications and disqualifications of Auditors	An individual or firm shall be appointed at the Annual General Meeting subject to the fulfilment of the eligibility criteria, qualifications and disqualifications prescribed under the Act.
Casual Vacancy in the office of Statutory Auditor	Any casual vacancy in the office of a Statutory Auditor shall be filled by the Board within thirty days from the date on which such vacancy arose.

	But if such casual vacancy is as a result of resignation of a Statutory Auditor, such appointments will also be required to be approved by the members within 3 months from the date of recommendation by the Board in this regard.
Audit of Branch office	The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.
Remuneration of Statutory Auditors	The Remuneration of the Statutory Auditors of the Company shall be fixed by the Company in General Meeting. The remuneration shall, in addition to the fee payable to an auditor, include the expenses, if any, incurred by the auditor in connection with the audit of the Company and any facility extended to him but need not include any remuneration paid to him for any other service rendered by him at the request of the Company.
Appointment of Secretarial Auditor	The Board may appoint a Company Secretary in practice as a Secretarial Auditor, if so required under Section 204 of the Act and the Rules referred therein.
Appointment of Internal Auditor	The Board may appoint an Internal Auditor, if so required under Section 138 of the Act, who shall either be a Chartered Accountant or a Cost Accountant or such other professional as the Board may decide from time to time
Appointment of Cost Auditor	The Board may appoint a Cost Accountant in practice or such other professional as may be prescribed in the Act, if so directed by the Central Government under Section 148 of the Act from time to time. The remuneration determined by the Board for the Cost Auditor is required to be ratified subsequently by the shareholders of the Company.
Powers and Duties of Auditors	The powers and duties of the Statutory Auditors, Cost Auditors and Secretarial Auditors shall be as per the provisions of Section 143 of the Act.
The Seal	
The seal, its custody and use	The Board of Directors shall provide a Common Seal of the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The Common Seal shall be kept at the registered office of the Company and committed to the custody of the Managing Director or Secretary. Every deed or other instrument to which the Common Seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company or unless otherwise authorised by the Board, be signed by at least one Director in whose presence the Common Seal shall have been affixed and countersigned by the Secretary or such other person as may, from time to time, be authorised by the Board.
Notices	
Service of documents and Notice	The Company shall send all documents or notices or other communications to members either personally or by post or registered post or speed post or courier to the address provided by him to the Company or through electronic mode or any other mode prescribed by the Act. Where a notice is sent by post, service of notice shall be deemed to have been effected in the case of a notice of a meeting at the expiration of 48 hours after the notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.
Service on persons acquiring shares on death or insolvency of members	A document may be served by the Company to the persons entitled to a share in consequences of the death or insolvency of a member by sending it through the post or such other permitted mode addressed to them by name or by the title of representatives of the deceased or assignees of the insolvent or by any like description at the address (if any) supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if death or insolvency had not occurred.
Notice to joint-holders	A notice/document may be given by the Company to the joint-holders of a share by giving it to the joint-holder named first in the register in respect of the share.
To whom notice of General Meeting to be given	Subject to the provisions of the Act and these Articles, the notice of General Meetings shall be given: (a) to members of the Company, (b) to the person entitled to a share in consequence of the death or insolvency of a member as provided by Article 29.2 or as authorised by the Act;

(c) to Directors of the Company

(d) to Debenture Trustee(s), if any

(e) to the Statutory Auditor(s), Secretarial Auditor, if any and Cost Auditor, if any of the Company.

(f) to any other person as specified under the Act from time to time

Service of notices by members

All notices to be given on the part of members to the Company shall be left at or sent by registered post or courier or speed post to the registered office of the Company or may be sent by means of such electronic mode or other mode as may be prescribed from time to time

Registers

Statutory registers

The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name, register of contracts and arrangements and such other registers as may be prescribed from time to time for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.

The registers and copies of annual return shall be open for inspection between 11 a.m. and 1 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

Foreign register

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit with respect to the keeping of any such register.

The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, *mutatis mutandis*, as is applicable to the register of members.

Winding up

Winding up of Company

Subject to the applicable provisions of the Act and the Rules made thereunder -

If the Company shall be wound up and the assets available for distribution amongst members as such shall be insufficient to repay the whole of the paid-up capital or capital deemed to be paid-up, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or deemed to be paid-up at the commencement of the winding up, on the shares held by them respectively; and if in a winding up the assets available for distribution amongst the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital paid-up or deemed to be paid-up at the commencement of the winding up on the shares held by them respectively. Where capital is paid-up on any shares in advance of calls upon the footing that the same shall carry interest, such capital shall be excluded and shall be repayable in full before any distribution is made on the paid-up capital or capital deemed to be paid-up together with interest at the rate agreed upon. The provisions of this article shall be subject to any special rights or liabilities attached to any special class of shares forming part of the capital of the Company.

If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanctions required under the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity and Insurance

Directors and officers right to indemnity

Subject to the provisions of the Act, every Director, Managing Director, Manager, Whole-time Director, Chief Financial Officer, Company Secretary or any other officer for the time being of the Company shall be indemnified by the Company against any liability and it shall

	be the duty of the Board to pay out of the funds of the Company, all costs, losses and expenses (including travelling expenses) which any such officer may incur or become liable to by reasons of any contract entered into or act done, concurred in or omitted in or about the execution of his duty or supposed duty in his office and advice except such (if any) as he shall incur through his own wilful neglect or default respectively and no such officer shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity or for any bankers or other persons with whom any money or assets belonging to the Company shall or may be lodged or deposited for safe custody or for any loss, misfortune or damage which may happen in the execution of his office or advice or in relation thereto unless the same shall happen by or through his own wilful neglect or default. Subject as aforesaid, every Director, Managing Director, Manager, Company Secretary, Chief Financial Officer or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court.
Insurance	The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and Officers for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

General Power

General power	Wherever in the Act or Rules, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

Secrecy

Secrecy	No member shall be entitled to visit any works of the Company without the permission of the Board or to require discovery of or any information respecting any detail of the Company's working, trading or any matter which is or may be in the nature of a secret, mystery of trade or secret process, which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will be inexpedient in the interest of the members of the Company to communicate to the public.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from 10:00 a.m. to 5:00 p.m. on any Working Day from the date of filing of this Tranche IV Prospectus with Registrar of Companies until the Tranche IV Issue Closing Date.

A. *Material Contracts*

1. Issue Agreement dated March 31, 2023 executed between our Company and the Lead Manager.
2. Registrar Agreement dated March 31, 2023 executed between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated March 31, 2023 executed between our Company and the Debenture Trustee.
4. Agreed form of Debenture Trust Deed to be executed between our Company and the Debenture Trustee.
5. Consortium Agreement dated January 16, 2024 executed between our Company, Consortium Member and the Lead Manager.
6. Public Issue Account Agreement dated January 16, 2024 executed between our Company, the Registrar, the Public Issue Account Bank, Refund Bank and Sponsor Bank, and the Lead Manager.
7. Tripartite Agreement dated November 26, 1997 entered into between our Company, Registrar to the Issue (*formerly known as Karvy Consultants Limited*) and NSDL.
8. Tripartite Agreement dated January 28, 2000 entered into between our Company, Registrar to the Issue (*formerly known as Karvy Consultants Limited*) and CDSL.

B. *Material Documents*

1. Memorandum of Association and Articles of Association of our Company.
2. Certificate of incorporation dated August 17, 1978 issued to our Company, under the name 'Cholamandalam Investment and Finance Company Limited' by the Registrar of Companies, Tamil Nadu at Chennai.
3. Fresh certificate of incorporation dated April 12, 2006 issued to our Company pursuant to change of name of our Company from 'Cholamandalam Investment and Finance Company Limited' to 'Cholamandalam DBS Finance Limited' issued by the RoC.
4. Fresh certificate of incorporation dated June 2, 2010 issued to our Company pursuant to change of name of our Company from 'Cholamandalam DBS Finance Limited' to 'Cholamandalam Investment and Finance Company Limited'.
4. The certificate of registration bearing number 07-00306 dated June 9, 2011 issued by the RBI to commence/ carry on the business of non-banking financial institution.
5. The certificate of registration bearing number N-07-00893 dated December 15, 2022 issued by the RBI to commence/ carry on the factoring business without accepting public deposits.
6. Share Subscription Agreement dated September 15, 2021 executed by and amongst our Company, Amit Jain, Amit Hooja, Paytail Commerce Private Limited, Vikas Garg and Amit Kumar Chaturvedi.
7. Share Purchase Agreement dated January 17, 2022, executed by and amongst our Company, Payswiff Technologies Private Limited and the sellers specified therein.
8. Scheme of Amalgamation between Payswiff Solutions Private Limited, Payswiff Services Private Limited, Payswiff Technologies Private Limited and their respective shareholders and creditors.
9. Share Swap Agreement dated March 28, 2023 entered amongst our Company and TVS Supply Chain Solutions Limited, White Data Systems India Private Limited, Vellayan Narayanan, Vellayan Lakshmanan and S Ramesh Kumar.
10. Credit rating letter and credit rating rationale dated February 15, 2023 (further revalidated on March 20, 2023, April 13, 2023, July 12, 2023, November 1, 2023 and January 2, 2024) from India Ratings assigning a rating IND AA+/Stable to the NCDs.
11. Credit rating letter and credit rating rationale dated March 16, 2023 (further revalidated on April 3, 2023, July 17, 2023 and November 10, 2023) from ICRA assigning a rating [ICRA]AA+(Stable) to the NCDs.

12. Credit rating letter dated January 4, 2024 from ICRA assigning a rating [ICRA]AA+(Positive) to the NCDs.

13. Copy of the resolution passed at a meeting of Board of Directors held on January 31, 2023 authorising the Issue for an amount aggregating up to ₹ 5,000 crores.

14. Copy of the resolution passed by our Shareholders, pursuant to Sections 180(1)(a) and 180(1)(c) of the Companies Act, 2013, at the AGM held August 1, 2023, approving the overall borrowing limit and security creation limits of our Company.

15. Copy of the resolution of our Debenture Committee dated March 31, 2023 for approval of the Draft Shelf Prospectus.

16. Copy of the resolution of our Debenture Committee dated April 19, 2023 for approval of the Shelf Prospectus.

17. Copy of the resolution of our Debenture Committee dated January 16, 2024 for approval of this Tranche IV Prospectus.

18. Consents of our Directors, Lead Manager to the Issue, Chief Financial Officer, Company Secretary and Compliance Officer, Debenture Trustee for the NCDs, Credit Rating Agency for this Issue, Legal Advisor to the Issue, Bankers to the Company, the Registrar to the Issue, to include their names in this Tranche IV Prospectus in their respective capacity.

19. The consent dated January 16, 2024 from the Statutory Auditors of our Company, namely M/s. Price Waterhouse LLP, Chartered Accountants and M/s. Sundaram & Srinivasan, Chartered Accountants, to include their name as Statutory Auditors, in this Tranche IV Prospectus, and as an "expert" as defined under Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) audit reports dated May 3, 2023 and May 5, 2022 on audited consolidated financial statements for the financial years ended March 31, 2023 and March 31, 2022, respectively, (ii) and the audit reports each dated May 3, 2023 and May 5, 2022 on audited standalone financial statements for the financial years ended March 31, 2023 and March 31, 2022, (iii) review report dated November 2, 2023 on the Unaudited Consolidated Interim Financial Results; and (iv) review report dated November 2, 2023 on the Unaudited Standalone Interim Financial Results included in this Tranche IV Prospectus included in this Tranche IV Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

20. The consent dated January 16, 2024 from M/s. S.R. Batliboi & Associates LLP, Chartered Accountants to include their name in this Tranche IV Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Previous Statutory Auditors, and in respect of their (i) audit report dated May 7, 2021 on audited consolidated financial statements for the year ended March 31, 2021 and (ii) audit report dated May 7, 2021 on audited standalone financial statements for the year ended March 31, 2021 included in this Tranche IV Prospectus and such consent has not been withdrawn as on the date of this Tranche IV Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

21. Consent letter from M/s. Sundaram & Srinivasan, Chartered Accountants for inclusion of the statement of possible tax benefits available to the debenture holders in the form and context in which they appear in this Tranche IV Prospectus.

22. Statement of possible tax benefits dated January 16, 2024 issued by our M/s Sundaram & Srinivasan, Chartered Accountants.

23. Annual reports of our Company for the financial years ended March 31, 2023, 2022 and 2021.

24. Due diligence certificates dated April 19, 2023 and January 16, 2024 for the Shelf Prospectus and Tranche IV Prospectus, respectively filed by the Lead Manager with SEBI.

25. Due diligence certificate dated March 31, 2023 from the Debenture Trustee to the Issue for the Draft Shelf Prospectus.

26. Due diligence certificates dated April 19, 2023 and January 16, 2024 from Debenture Trustee for the Shelf Prospectus and Tranche IV Prospectus, respectively.

27. In-principle approval dated April 13, 2023 for the Issue issued by BSE, by its letter no. DCS/BM/PI-BOND/002/23-24.

28. In-principle approval dated April 13, 2023 for the Issue issued by NSE, by its letter no. NSE/LIST/D/2023/0090.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Tranche IV Issue and the Company including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable , as the case may be have been complied with and no statement made in this Tranche IV Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We further certify that all the disclosures and statements made in this Tranche IV Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Tranche IV Prospectus does not contain any misstatements. Furthermore, all the monies received under this Tranche IV Issue shall be used only for the purposes and objects indicated in this Tranche IV Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Tranche IV Prospectus is as per the original records maintained by the Promoter(s) subscribing to the Memorandum of Association and Articles of Association.

Signed by the Directors of our Company

_____
Vellayan Subbiah
Chairman and Non-Executive Director
DIN: 01138759

_____
Ravindra Kumar Kundu
Executive Director
DIN: 07337155

_____
M.A.M. Arunachalam
Non-Executive Director
DIN: 00202958

_____
Ramesh Rajan Natarajan
Non-Executive Independent Director
DIN: 01628318

_____
Anand Kumar
Non-Executive Independent Director
DIN: 00818724

_____
Rohan Verma
Non-Executive Independent Director
DIN: 01797489

_____
Bhama Krishnamurthy
Non-Executive Independent Director
DIN: 02196839

Date: January 16, 2024

Place: Chennai

ANNEXURE A: FINANCIAL INFORMATION

The Reformatted Financial Information (as defined under the Shelf Prospectus) was disclosed in the Shelf Prospectus and consisted of Reformatted Standalone Financial Information (as defined under the Shelf Prospectus) and Reformatted Consolidated Financial Information (as defined under the Shelf Prospectus). The Reformatted Standalone Financial Information was prepared from the audited standalone financial statements of our Company as at and for each of the years ended March 31, 2022, March 31, 2021 and March 31, 2020, which are prepared in accordance with Indian Accounting Standards (Ind AS) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act, which have been approved by the Board of Directors of our Company at their meetings held on May 5, 2022, May 7, 2021 and June 3, 2020 respectively. The Reformatted Consolidated Financial Information was prepared from the audited consolidated financial statements of the Company and its subsidiaries (together referred to as the Group) and its associates and joint venture (as applicable for respective years) as at and for each of the years ended March 31, 2022, March 31, 2021 and March 31, 2020, which are prepared in accordance with Indian Accounting Standards (Ind AS) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act, which have been approved by the Board of Directors of our Company at their meetings held on May 5, 2022, May 7, 2021 and June 3, 2020 respectively. The audited financial statements and the reports thereon do not constitute a part of the Shelf Prospectus.

Pursuant to the amendments in SEBI NCS Regulations by way of notification dated July 3, 2023, (i) the Audited Financial Statements of our Company for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and which have been approved by the Board of Directors of our Company at their meetings held on May 3, 2023, May 5, 2022 and May 7, 2021, respectively along with auditors reports thereon dated May 3, 2023, May 5, 2022 respectively issued by our Statutory Auditors and dated May 7, 2021 issued by our Previous Statutory Auditors; (ii) Unaudited Consolidated Interim Financial Results for the quarter and six months ended September 30, 2023 along with review report dated November 2, 2023; (iii) and Unaudited Standalone Interim Financial Results for the quarter and six months ended September 30, 2023 along with review report dated November 2, 2023 have been included in this Tranche IV Prospectus.

Financial Statements/Financial Results
Audited Consolidated Financial Statements for as of and for the year ended March 31, 2023
Audited Standalone Financial Statements for as of and for the year ended March 31, 2023
Audited Consolidated Financial Statements for as of and for the year ended March 31, 2022
Audited Standalone Financial Statements for as of and for the year ended March 31, 2022
Audited Consolidated Financial Statements for as of and for the year ended March 31, 2021
Audited Standalone Financial Statements for as of and for the year ended March 31, 2021
Unaudited Consolidated Interim Financial Results as of and for the quarter and six months ended September 30, 2023
Unaudited Standalone Interim Financial Results as of and for the quarter and six months ended September 30, 2023

Independent Auditor's Report

To the Members of Cholamandalam Investment and Finance Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have jointly audited the accompanying consolidated financial statements of Cholamandalam Investment and Finance Company Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate companies and joint venture (refer Note 3A to the accompanying consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, 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").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate companies and joint venture as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our joint audit in accordance with the Standards on Auditing (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 Consolidated Financial Statements" section of our report. We are independent of the Group, its associate companies and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 sub-paragraph 14 of the Other Matters section below, other than the unaudited financial information as certified by the management and referred to in sub-paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. 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.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 11 of the consolidated financial statements) **The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to Rs. 107,138.57 crores and the associated impairment allowances aggregating to Rs. 2,328.92 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.	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 our 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.

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
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.	• 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. .
Assessment of Direct tax and Indirect tax litigations and related disclosure of contingent liabilities (Refer to Note 40(a) of the consolidated financial statements) As at March 31, 2023, the Company has exposure towards litigations relating to various tax matters as set out in the aforesaid Notes. Significant management judgement is required to assess matters relating to direct tax and indirect tax litigations, to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a Key Audit Matter.	Our audit procedures included the following: • We understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to direct and indirect tax laws and regulations. • We inquired with management the recent developments and the status of the material litigations which were reviewed and noted by the Audit Committee. • We performed our assessment on a test check basis on the underlying calculations supporting the contingent liabilities related to litigations disclosed in the consolidated financial statements. • We used auditor's expert to gain an understanding and to evaluate the disputed tax matters. • We considered external legal opinions, where relevant, obtained by management and examined by the auditor's expert. • We obtained the listings from the management and got it reconfirmed from management's consultants. • We evaluated the adequacy of presentation and disclosures in relation to litigations in the consolidated financial statements.
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. 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	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 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. 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.

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
level of automation; a few systems being used by the entity for processing financial transactions; and the complexity of the IT architecture; and its impact on the financial records and financial reporting process of the entity.	• 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 compensating controls or performed alternative audit procedures, where necessary.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (Financial Highlights, Board's report, Management Discussion and Analysis and Report on Corporate Governance) but does not include the consolidated financial statements and our auditor's 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 in the 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 paragraph 14 below), 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

6. The Holding Company's Board of Directors 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 and consolidated cash flows, and changes in equity of the Group including its associate companies and joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate companies and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group

Independent Auditor's Report (Contd.)

and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Directors of the Holding Company, as aforesaid.

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

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

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

9. 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.

10. 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 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 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 Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

Independent Auditor's Report (Contd.)

significant doubt on the ability of the Group and its associate companies and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 and its associate companies and joint venture 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 and its associate companies and joint venture 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 such entities 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 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.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. 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.

13. 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

14. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 78.34 crores and net assets of Rs. 66.61 crores as at March 31, 2023, total revenue of Rs. 81.87 crores, total net profit after tax of Rs. 5.55 crores, and total comprehensive income of Rs. 4.38 crores for the year ended March 31, 2023, and net cash outflows amounting to Rs. 38.83 crores for the period from April 1, 2022 to March 31, 2023, as considered in the consolidated financial statements. This financial statement have been audited by other auditor whose report have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary 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 aforesaid subsidiary is based solely on the reports of the other auditor.

Independent Auditor's Report (Contd.)

One of the subsidiary company whose financial statements reflect total assets of Rs. 169.56 crores and net assets of Rs. 50.72 crores as at March 31, 2023, total revenue of Rs. 51.54 crores, total net profit after tax of Rs. 6.36 crores, and total comprehensive income of Rs. 2.39 crores for the year ended March 31, 2023, and net cash outflows of Rs. 0.56 crores for the period from April 1, 2022 to March 31, 2023, as considered in the consolidated financial statements. The Consolidated financial statements also include Group's share of net loss after tax of Rs. 9.00 crores and total comprehensive loss of Rs. 9.00 crores for the year ended March 31, 2023, in respect of one joint venture, which has been audited by Sundaram and Srinivasan, one of the joint auditors of the Holding Company whose report have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture 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 aforesaid subsidiary and joint venture are based solely on the reports of the other joint auditor.

15. The consolidated financial statements also include the Group's share of net loss after tax of Rs. 2.82 crores and total comprehensive loss of Rs. 2.82 crores for the year ended March 31, 2023, as considered in the Consolidated financial statements in respect of three associate companies, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these associates companies 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 aforesaid associate companies, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

16. 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.

17. As required by Section 143(3) of the Act, 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.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

Independent Auditor's Report (Contd.)

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture incorporated in India, none of the directors of the Group , its associate companies and joint venture incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) 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, 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 the consolidated financial position of the Group, its associate companies and joint venture – Refer Note 40(a) 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 long-term contracts including derivative contracts as at March 31, 2023 - Refer (a) Note 9 and 11 to the consolidated financial statements in respect of such items as it relates to the Group, its associate companies and joint venture.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint venture incorporated in India during the year.

iv. (a) The respective Managements of the Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries/ joint venture respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, 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 or any of such subsidiaries/ joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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/ joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries/ joint venture respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries/ joint venture from any person(s) or

Independent Auditor's Report (Contd.)

entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries/ joint venture shall, 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 has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries/ joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act. No dividend has been declared during the year by the subsidiaries, associates or joint venture during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, associate companies and joint ventures, is applicable to the Group, associate companies and joint venture only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

18. The Group, its associate companies and joint venture have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Sundaram and Srinivasan
Firm Registration Number: 004207S
Chartered Accountants

S. Usha
Partner
Membership No. : 211785
UDIN : 23211785BGWCVK4313

Place : Chennai
Date : May 3, 2023

For Price Waterhouse LLP
Firm Registration Number: 301112E/E300264
Chartered Accountants

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 23203637BGXOYK9948

Place : Chennai
Date : May 3, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 17f of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the consolidated financial statements as at March 31, 2023

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of Cholamandalam Investment and Finance Company Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, as of that date. 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 not applicable to three associates namely Paytail Commerce Private Limited, Vishvakarma Payments Private Limited and White Data System India Private Limited (together referred to as "Associates") and one joint venture namely Payswiff Technologies private Limited (referred to as "Joint Venture"), pursuant to MCA notification GSR 583(E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, 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 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 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. 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 with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Annexure A to Independent Auditor's Report (Contd.)

Referred to in paragraph 17f of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the consolidated financial statements as at March 31, 2023

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. 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 financial statements insofar as it relates to two subsidiary companies, 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 Sundaram and Srinivasan
Firm Registration Number: 004207S
Chartered Accountants

S. Usha
Partner
Membership No. : 211785
UDIN : 23211785BGWCVK4313

Place : Chennai
Date : May 3, 2023

For Price Waterhouse LLP
Firm Registration Number: 301112E/E300264
Chartered Accountants

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 23203637BGXOYK9948

Place : Chennai
Date : May 3, 2023

Consolidated Balance Sheet

As at March 31, 2023

₹ in crores

	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Financial Assets			
Cash and cash equivalents	7	911.85	2,698.84
Bank balances other than cash and cash equivalents	8	2,095.25	1,603.00
Derivative financial instruments	9	272.86	186.53
Receivables	10		
i) Trade receivables		99.13	71.31
ii) Other receivables		103.21	89.64
Loans	11	1,04,809.65	74,144.71
Investments			
i) Associate	46	7.64	33.03
ii) Others	12	3,110.82	1,576.43
iii) Joint Venture	46	443.41	445.59
Other financial assets	13	298.62	335.22
		1,12,152.44	**81,184.30**
Non- Financial Assets			
Current tax assets		270.10	252.00
Deferred tax assets (Net)	14	611.49	674.91
Investment property	15	0.13	0.13
Property, plant and equipment	16	374.69	242.15
Capital Work in Progress		35.74	23.03
Intangible assets under development		24.76	14.32
Other intangible assets	17	27.86	16.32
Other non-financial assets	18	107.12	71.52
		1,451.89	**1,294.38**
Asset classified as held for sale (Investment)		**22.57**	**-**
TOTAL ASSETS		**1,13,626.90**	**82,478.68**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	9	134.27	169.56
Payables			
(I) Trade payables			
i) Total outstanding dues of micro and small enterprises	36 & 51	3.40	3.06
ii) Total outstanding dues of creditors other than micro and small enterprises		168.21	124.53
(II) Other payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		1,064.21	720.00
Debt securities	19	19,682.41	13,321.10
Borrowings (Other than Debt securities)	20	73,186.19	52,004.52
Subordinated liabilities	21	4,488.90	3,847.88
Other financial liabilities	22	363.41	339.52
		99,091.00	**70,530.17**
Non-Financial Liabilities			
Deferred tax Liabilities (Net)		-	0.65
Provisions	23	142.22	119.68
Other non-financial liabilities	24	47.58	59.18
		189.80	**179.51**
Equity			
Equity share capital	25	164.48	164.28
Other equity	26	14,181.62	11,604.72
Total Equity		**14,346.10**	**11,769.00**
TOTAL LIABILITIES AND EQUITY		**1,13,626.90**	**82,478.68**

The accompanying notes are an integral part of the Consolidated financial statements

This is the Consolidated Balance Sheet referred to in our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

Date : May 3, 2023
Place : Chennai

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

₹ in crores

	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Operations			
- Interest income	27A	12,082.58	9,567.35
- Fee & commission income	27B	650.70	472.54
- Net gain on fair value change on financial instrument	27C	69.73	16.11
- Sale of services	27D	81.09	84.75
Total Revenue from operations (I)		**12,884.10**	**10,140.75**
- Other income (II)	28	221.49	91.06
Total Income (III) = (I) + (II)		**13,105.59**	**10,231.81**
Expenses			
- Finance costs	29	5,748.03	4,297.66
- Impairment of financial instruments	30	849.71	880.34
- Employee benefits expense	31	1,360.37	957.20
- Depreciation and amortisation expense	15, 16 & 17	121.09	100.63
- Other expenses	32	1,411.80	1,088.38
Total Expenses (IV)		**9,491.00**	**7,324.21**
Profit before tax (V) = (III) - (IV)		**3,614.59**	**2,907.60**
Tax expense/(benefit)			
- Current tax			
- Pertaining to profit for the current period		885.55	694.52
- Adjustment of tax relating to earlier periods		0.21	0.68
- Deferred tax	14	52.16	53.51
Net tax expense (VI)		**937.92**	**748.71**
Profit for the period - A = (V) - (VI)		**2,676.67**	**2,158.89**
Share of loss from Associates (net of tax)		(2.82)	(0.96)
Share of loss from Joint Venture (net of tax)		(9.00)	(4.42)
Profit for the period		**2,664.85**	**2,153.51**
Other Comprehensive income:			
i)Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit obligations (net)		(0.28)	0.03
Income tax impact		0.07	(0.01)
Net (Loss) / gain on equity instruments designated at FVOCI for the year		(11.17)	16.47
Income tax impact		1.11	(1.41)
ii)Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Cashflow Hedge Reserve		45.64	161.96
Income tax impact		(11.49)	(40.77)
Other comprehensive income/(loss) net of tax for the period (B)		**23.88**	**136.27**
Total Comprehensive Income net of tax (A) + (B)		**2,688.73**	**2,289.78**
Profit for the period attributable to :			
Equity holders of the Parent Company		2,664.85	2,153.51
Non-Controlling Interest		-	-
Other Comprehensive Income (net of tax) for the period attributable to :			
Equity holders of the Parent Company		23.88	136.27
Non-Controlling Interest		-	
Total Comprehensive Income for the period attributable to :			
Equity holders of the Parent Company		2,688.73	2,289.78
Non-Controlling Interest		-	-
Earnings per equity share of ₹ 2 each	33		
Basic (₹)		32.44	26.24
Diluted (₹)		32.38	26.19

The accompanying notes are an integral part of the Consolidated financial statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

Date : May 3, 2023
Place : Chennai

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

1. Current reporting year

₹ in crores

A) Equity Share Capital

Balance as on March 31, 2022	Changes in Equity Share capital due to prior period errors	Restated Balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance as on March 31, 2023
164.28	0.19	**164.47**	**-**	**164.47**

B) Other Equity

₹ in crores

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserve and Surplus										Reval-uation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share Based Payments reserve	Debt instruments through Other Comprehensive Income	Equity instruments through other comprehensive income	Effective portion of cashflow hedge					
Balance as on March 31, 2022	**-**	**-**	**0.04**	**2,888.92**	**33.00**	**4,761.03**	**1,810.77**	**2,020.46**	**54.92**	**-**	**20.01**	**15.57**	**-**	**-**	**-**	**-**	**11,604.72**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	-	-	0.04	2,888.92	33.00	4,761.03	1,810.77	2,020.46	54.92	-	20.01	15.57	-	-	-	-	11,604.72
Profit for the year							2,664.85										2,664.85
Remeasurement of defined benefit plans	-	-	-	-	-	-	(0.21)		-		-	-	-	-	-	-	(0.21)
Total comprehensive income for the period, net of income tax	-		-	-	-	-			-		(10.06)	34.15	-	-	-	-	24.09
Dividend including tax	-		-	-	-	-	(164.36)		-		-	-	-	-	-	-	(164.36)
Share premium received on allotment of equity shares under ESOP				24.07													24.07
Recognition of share based payments	-		-	-	-	-	-		28.46		-	-	-	-	-	-	28.46
Transfer to Reserves from retained earnings during the period	-	-	-	-	-	1,000.00	(1,540.00)	540.00	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2023	**-**	**-**	**0.04**	**2,912.99**	**33.00**	**5,761.03**	**2,771.05**	**2,560.46**	**83.38**	**-**	**9.95**	**49.72**	**-**	**-**	**-**	**-**	**14,181.62**

Consolidated Statement of Changes in Equity for the year ended March 31, 2023 (Contd.)

2. Previous reporting year

A) Equity Share Capital

₹ in crores

Balance as on March 31, 2021	Changes in Equity Share capital due to prior period errors	Restated Balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance as on March 31, 2022
164.07	-	164.07	0.21	164.28

B) Other Equity

₹ in crores

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserve and Surplus														Total
			Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share Based Payments reserve	Debt instruments through Other Comprehensive Income	Equity instruments through other comprehensive income	Effective portion of cashflow hedge	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Money received against share warrants	
Balance as on March 31, 2021	**-**	**-**	**0.04**	**2,866.05**	**33.00**	**3,761.03**	**1,251.38**	**1,590.46**	**34.44**	**-**	**4.95**	**(105.62)**	**-**	**-**	**-**	**-**	**9,435.73**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	-	-	0.04	2,866.05	33.00	3,761.03	1,251.38	1,590.46	34.44	-	4.95	(105.62)	-	-	-	-	9,435.73
Profit for the year							2,153.51										2,153.51
Remeasurement of defined benefit plans	-	-	-	-	-	-	0.02		-		-	-	-	-	-	-	0.02
Total comprehensive income for the period, net of income tax	-		-	-	-	-	-		-		15.06	121.19	-	-	-	-	136.25
Dividend including tax	-		-	-	-	-	(164.14)		-		-	-	-	-	-	-	(164.14)
Share premium received on allotment of equity shares under ESOP				22.87													22.87
Recognition of share based payments	-		-	-	-	-	-		20.48		-	-	-	-	-	-	20.48
Transfer to Reserves from retained earnings during the period						1,000.00	(1,430.00)	430.00									-
Balance as on March 31, 2022	**-**	**-**	**0.04**	**2,888.92**	**33.00**	**4,761.03**	**1,810.77**	**2,020.46**	**54.92**	**-**	**20.01**	**15.57**	**-**	**-**	**-**	**-**	**11,604.72**

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Date : May 3, 2023
Place : Chennai

Consolidated Cash Flow Statement

for the year ended March 31, 2023

₹ in crores

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
Cash Flow from Operating Activities				
Profit Before Tax		**3,614.59**		**2,907.60**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	121.09		100.63	
Impairment of financial instruments	849.71		879.94	
Finance Costs	5,748.03		4,297.66	
Loss on Sale of Property plant and equipment (Net)	0.76		0.07	
Net gain on fair value change in financial instruments	(69.73)		(16.11)	
Interest Income on bank deposits and other investments	(276.08)		(242.32)	
Dividend on Investments	(0.32)		(0.17)	
Income tax refund	-		(6.63)	
Short Term Rent Concessions	-		(1.12)	
Share based payment expense	28.46		20.48	
		6,401.92		5,032.43
Operating Profit Before Working Capital Changes		**10,016.51**		**7,940.03**
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(31,514.65)		(9,185.31)	
Trade Receivables	(41.39)		(62.24)	
Other Financial Assets	36.60		232.82	
Other Non Financial Assets	(35.60)	(31,555.04)	3.28	(9,011.45)
Increase/(Decrease) in operating liabilities & Provisions				
Payables	387.95		206.25	
Other Financial liabilities	(33.11)		(24.24)	
Provisions	22.54		9.23	
Other NonFinancial liabilities	(23.80)	353.58	12.42	203.66
Cash Flow used in Operations		**(21,184.95)**		**(867.76)**
Finance Costs paid	(5,279.92)		(4,117.50)	
Dividend received	0.32		0.17	
Interest Received on Bank Deposits and Other Investments	262.18		260.85	
		(5,017.42)		(3,856.48)
		(26,202.37)		(4,724.24)
Income tax paid (Net of refunds)		(902.68)		(847.09)
Net Cash Used in Operating Activities (A)		**(27,105.05)**		**(5,571.33)**

Consolidated Cash Flow Statement (Contd.)

for the year ended March 31, 2023

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Intangible Assets	(176.74)	(72.88)
Capital Work in Progress	(12.71)	(23.03)
Proceeds from Sale of Property, Plant and Equipment	1.86	1.92
Investment in Bank Fixed Deposits (Net of withdrawals)	(478.35)	2,177.88
Purchase of Mutual Funds Units	(1,40,177.99)	(42,112.89)
Redemption of Mutual Funds Units	1,40,246.47	42,125.89
Investment in Joint Venture and Associate	(6.82)	(459.76)
Proceeds from Sale of Government Securities	2.14	2.41
Investment in Treasury Bill	(1,536.27)	-
Investment in Convertible Notes	(10.00)	-
Net Cash Used in Investing Activities (B)	**(2,148.41)**	**1,639.54**
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital (Including Securities Premium)	24.27	23.08
Payment of Lease liabilities	(57.60)	(54.70)
Proceeds from issue of debt securities	23,257.67	9,501.40
Redemption of Debt securities	(17,192.30)	(8,434.26)
Proceeds from Borrowing other than debt securities	83,698.51	25,206.31
Repayment of borrowing - Other than debt securities	(62,741.77)	(20,599.69)
Proceeds from issue of subordinated liabilities	1,020.00	545.00
Repayment of subordinated liabilities	(378.00)	(872.70)
	27,664.11	5,346.06
Dividends Paid	(164.31)	(164.17)
Net Cash Flow From Financing Activities (C)	**27,466.47**	**5,150.27**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**(1,786.99)**	**1,218.48**
Cash and Cash Equivalents at the Beginning of the Year	2,698.84	1,480.36
Cash and Cash Equivalents at the End of the Year	**911.85**	**2,698.84**

The components of cash and cash equivalents can be referred in Note 7

This is the consolidated cash flow statement referred to in our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

Date : May 3, 2023
Place : Chennai

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

1. Corporate Information

Cholamandalam Investment and Finance Company Limited ("the Company") (CIN L65993TN1978PLC007576) is a public limited Company domiciled in India and the equity shares of the Company is listed on Bombay Stock Exchange and National Stock Exchange. The Company and its subsidiaries viz. Cholamandalam Securities Limited and Cholamandalam Home Finance Limited (together hereinafter referred to as "Group"). The Group is one of the premier diversified financial services companies in India, engaged in providing vehicle finance, home loans, Loan against property, SME loans, unsecured loans, business of broking and distribution of financial products.

The Consolidated financial statements are presented in INR which is also functional currency of the Group.

2.1 Basis of Consolidation

The Consolidated financial statements of the Group have been prepared in all material aspects to comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)] and other relevant provisions of the Act.

The Consolidated financial statements have been prepared in accordance with Ind AS. The Consolidated financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) 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).

The Consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest crores, except when otherwise indicated.

The Consolidated financial statements comprise the financial statements of the Company, its subsidiaries (being the entity that it controls) and its Associates and Joint Venture as at March 31, 2023. 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:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- 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 of during the period are included in the Consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated 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 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 financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31,2023.

Consolidation procedure for subsidiaries:

(a) 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 financial statements at the acquisition date.

(b) 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.

(c) 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 inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the Consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Profit or loss and each component of 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.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of 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.

3A Particulars of consolidation

The financial statements of the following subsidiaries/ associates/joint venture (all incorporated in India) have been considered for consolidation:

Name of the Company	Percentage of Voting Power as on March 31, 2023	March 31, 2022
Cholamandalam Securities Limited (CSEC)	100.00%	100.00%
Cholamandalam Home Finance Limited (CHFL)	100.00%	100.00%
White Data Systems India Private Limited*	30.93%	30.87%
Vishvakarma Payments Private Limited	21.00%	21.00%
Paytail Commerce Private Limited	16.29%	16.29%
Payswiff Technologies Private Limited**	74.70%	73.82%

*The Company entered into a share swap agreement on Mar 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India PrivateLimited (WDSI) and other shareholders of WDSI for the entire equity shares held by the Company in WDSI to TVSSCSL. As consideration for sale of WDSI shares, the Company is to be issued 22,35,265 Compulsory Convertible Preference Shares (CCPS) of TVSSCSL. Accordingly, the company received allotment of CCPS on April 20, 2023, on sale of WDSI equity shares and WDSI ceased to be an Associate.

* *Even though, the Group holds 74.70% 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 shareholder agreement 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

3B 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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

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.

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.

4. 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:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

5. Significant accounting policies

5.1 Financial instruments – initial recognition

5.1.1 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 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.

5.1.2 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.

5.1.3 Measurement categories of financial assets and liabilities

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

- Amortised cost
- FVTPL
- FVOCI

5.1.4 Financial assets and liabilities

5.1.4.1 Bank balances, Loans, Trade receivables and financial investments at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

The details of these conditions are outlined below.

5.1.4.1.1 Business model assessment

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

The Group'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:

- 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
- 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
- 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)
- The expected frequency, value and timing of sales are also important aspects of the Group'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 Group's original expectations, the Group 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.

5.1.4.1.2 The SPPI test

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

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

Contractual terms that introduce exposure to risk or volatility in contractual cashflow that are unrelated to a basic lending arrangement do not give to contractual cashflows that are SPPI, such financial assets are either classified as FVTPL /FVOCI.

5.1.5 Investment in Mutual funds and Convertible note

The Group recognises the investment on trade date and is classified and measured, at fair value through profit or loss. Any gain/losses on disposal or subsequent re-measurement is recognised in the statement of Profit and Loss.

Investment in Convertible Notes are classified and measured in accordance with the requirements of Ind AS 109 requirements through FVTPL.

5.1.6 Equity instruments

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

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are 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.

5.1.7 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 into account any discount or premium on issue funds, and costs that are an integral part of the Effective Interest rate(EIR).

5.1.8 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. Undrawn loan commitments are in the scope of the ECL requirements.

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 together with the corresponding ECLs are disclosed in notes.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

5.1.9 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

5.2 Modification and Derecognition of financial assets and liabilities

5.2.1 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset 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 company 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 financial asset is modified the company assesses whether this modification results in derecognition. In accordance with the company's policy, a modification results in derecognition when it gives rise to substantially different terms. Where a modification does not lead to derecognition, the company calculates the modification gain/loss comparing the gross carrying amount before and after the modification and accounts for the same in the Statement of Profit and Loss.

5.2.1 Derecognition of 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 Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- The Group has transferred its contractual rights to receive cash flows from the financial asset

Or

- It retains 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.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Group has transferred substantially all the risks and rewards of the asset

Or

- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset 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 asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

In case where transfer of a part of financial assets qualifies for de-recognition, 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 financial asset previously carried under amortisation cost category. The resulting interest only strip initially is recognised at FVTPL re-assessed at the end of every reporting period.

5.2.2. Financial liabilities

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

5.3 Impairment of financial assets

5.3.1 Overview of the ECL principles

The Group records allowance for expected credit losses for all financial assets other than FVTPL, together with loan commitments. Equity instruments are not subject to impairment.

Loans

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) as outlined in Notes.

The 12mECL is 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.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument'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

The calculation of ECLs

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.

The key elements of the ECL are summarised below:

Probability of Default ("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.

E**xposure At Default ("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.

Loss Given Default ("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.

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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL 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 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

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: 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%.

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.

5.3.2 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

5.4 Collateral repossessed

In connection with recovery of outstanding dues from borrowers, the Group from time to time and in the normal course of business, resorts to regular repossession of collateral provided against vehicle loans and in certain cases, also exercises its right over property through legal procedures which include seizure of property (wherever applicable). Such assets repossessed are not used for the internal operations. As per the Group's accounting policy, repossessed assets are not recorded in the balance sheet, and instead their estimated realisable value is considered in determining the ECL allowance for the related Stage 3 financial assets.

5.5 Write-offs

Financial assets 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 recorded as an expense in the period of write off. Any subsequent recoveries are credited to impairment on financial instrument in the Consolidated statement of profit and loss.

5.6 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 - 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..

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For the year ended March 31, 2023

5.7 Derivative and Hedge accounting

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL.

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 profit or 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

The Group makes use of derivative instruments 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.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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 OCI within equity (cash flow hedge reserve).

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

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.

5.8 Recognition of interest income

5.8.1 The effective interest rate method

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 discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Interest Income

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account the fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the life of the loan. For credit-impaired financial assets interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

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5.9 Taxes

5.9.1 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 in the countries where the Group operates and generates taxable income.

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.

5.9.2 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.

5.10 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.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

5.11 Property, plant and equipment

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

Depreciation is calculated using the straight–line method to write down the cost of property and equipment to their residual values over their estimated useful lives which is similar to those provided under Schedule II. Land is not depreciated.

Notes forming part of the Consolidated Financial Statements (Contd.)

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Useful life of assets which is same as those prescribed as per Schedule II of the Companies Act, 2013:

Asset Description	Estimated Useful Life
Buildings	60 years
Computer Equipment	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
Server*	3 years
Furniture and Fixtures *	5 years
Vehicles *	5 years

*The Group, based on technical assessment made by technical expert and management estimate, depreciates Furniture & Fixtures and vehicles 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 in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

5.12 Intangible assets

The Group's other intangible assets mainly include the value of computer software. 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.

5.13 Impairment of non–financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised 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 recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

5.14 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

(b) defined benefit plans such as gratuity, pension.

a) Defined Contribution Scheme

Employees' Provident Fund: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. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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.

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

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recognises the following changes in the net defined benefit obligation as an expense in the Consolidated statement of profit and loss:

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

(iii) Other employee benefits

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.

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.

5.16 Provisions and Contingent liabilities

Provisions are recognised 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.

Provision 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.

5.16.1 Provision for Claw Back of Commission Income

The estimated liability for claw back of commission income is recorded in the period in which the underlying revenue is recognised. These estimates are established using historical information on the nature, frequency and expected average cost of claw back and management estimates regarding possible future incidence. The estimates used for accounting of claw back claims are reviewed periodically and revisions are made as required.

5.17 Dividends on ordinary shares

The Group recognises a liability to make cash distributions to equity holders of the parent 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 recognised directly in equity.

5.18 Determination of Fair value

The Group measures financial instruments, such as, derivatives 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:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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The principal or the most advantageous market must be accessible by the Group.

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 Group 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 hierarchy of valuation techniques, as summarised below:

- **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 Group has access to at the measurement date. The Group 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.
- **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 Group will classify the instruments as Level 3.
- **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 Group 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 Group 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.

5.19 Recognition of Income

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

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

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

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

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

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

5.19.1 Interest on overdue balances and Other Charges

Overdue interest in respect of loans is recognised upon realisation.

5.19.2 Fee Income & Sale of Services

a) Fee income from loans are recognised upon satisfaction of following:

   i) Completion of service

   ii) and realisation of the fee income.

b) Servicing and collections fees on assignment are recognised upon completion of service.

c) Advertising income is recognised over the contract period as and when related services are rendered.

d) 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.

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5.20 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 approve the dividend.

5.21 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.

5.22 Foreign Currency transactions

The Group's financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency.

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities 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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

5.23 Earnings Per Share

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

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

5.24 Segment Information

The accounting policies adopted for Segment reporting are in line with the accounting policies of the Group with the following additional policies:

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".

5.25 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.

5.26 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.

5.27 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. A contract is, or contains, a lease If the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding

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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.

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-of-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. Lease liabilities are remeasured with a corresponding adjustment to the related right to use asset if the Group changes its assessment if the whether it will exercise an extension or a termination option.

ROU asset has been presented under Property, plant and equipment while lease liability is presented under Other Financial Liabilities in the Balance Sheet. Lease payments made by the Group are classified as financing cash flows.

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

5.28 Trade receivable

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

6A. 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.

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.

Refer Note 5.1.4.1.1 for related details.

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 value please see Fair value note in Accounting policy. Refer Note 5.18 for related details.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

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:

- 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
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs

The Group 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 – Group 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 Group 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 Group 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 remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the 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.

6B. New Standards and amendments effective on or after April 01, 2022

(i) Ind AS 16, Property, Plant and Equipment

Proceeds before intended use of property, plant and equipment

The amendment clarifies that any excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Carve out from IAS 16, *Property, plant equipment:*

In May, 2020, IASB amended IAS 16, Property, plant equipment to prohibit an entity from deducting from the cost of an item of property, plant and equipment the proceeds from selling items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management.

The said amendments have not been made under Ind AS 16. Further, paragraph 17(e) of Ind AS 16 has been amended to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

(ii) Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

Onerous Contracts – Cost of fulfilling a contract

The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

(iii) Ind AS 103, Business combinations

References to the conceptual framework

The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

(iv) Ind AS 109, Financial Instruments

Fees included in the 10% test for derecognition of financial liabilities

The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

(v) Ind AS 101, First-time adoption of Indian Accounting Standards

Subsidiary as a first-time adopter

Simplifies the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

(vi) Ind AS 41, *Agriculture*

Taxation in fair value measurements

The amendment removes the requirement in Ind AS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113, Fair Value Measurement.

Based on the evaluation made by the Group, no impact is assessed in the financial statements of the Group on account of the above mentioned amendments in (i) to (iv)

6C. New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective 1 April 2023. Below is a summary of such amendments:

(i) Disclosure of Accounting Policies- Amendments to Ind AS 1, Presentation of financial statements

The amendment requires entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

(j) Definition of Accounting Estimates- Amendments to Ind AS 8, Accounting policies, changes in accounting estimates and errors

The amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

(ii) Deferred tax related to assets and liabilities arising from a single transaction- Amendments to Ind AS 12, Income taxes

The amendment requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 7 CASH AND CASH EQUIVALENTS		
Cash on hand	10.98	16.03
Balances with banks		
- In Current Accounts	228.96	117.00
- In Deposit Accounts - Original maturity 3 months or less	650.21	2,539.36
Cheques, drafts on hand	21.70	26.45
Total	**911.85**	**2,698.84**

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 8 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
- In Deposit Accounts - Original maturity more than 3 months	1,017.21	1,083.02
- Non current bank balances	44.11	40.80
- In earmarked accounts		
- Margin account for derivatives	52.27	139.13
- In Unpaid Dividend Accounts	0.76	0.71
- Deposits with Banks as collateral towards securitisation loan	980.37	339.07
- Escrow account on unclaimed debentures	0.45	0.19
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	0.08	0.08
Total	**2,095.25**	**1,603.00**

₹ in crores

Particulars	As at March 31, 2023			As at March 31, 2022		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilites	Notional amounts	Fair Value -Assets	Fair Value -Liabilites
Note : 9 DERIVATIVE FINANCIAL INSTRUMENTS						
Part I						
(i) Other derivatives - Cross Currency Interest Rate Swap	2,541.18	147.42	-	1,897.23	108.09	-
(ii) Overnight Index Swaps	-	4.73	5.59	-	-	2.82
(iii) Forward Contracts	1,933.08	120.71	128.68	1,948.90	78.44	166.74
Total Derivative financial Instruments	**4,474.26**	**272.86**	**134.27**	**3,846.13**	**186.53**	**169.56**
Part II						
Included in above (Part I) are derivatives held for hedging and r isk management purposes as follows:						
(i) Cash flow hedging:						
Others - Cross currency interest rate swap	2,541.18	147.42	-	1,897.23	108.09	-
(ii) Overnight Index Swaps	-	4.73	5.59	-	-	2.82
(iii) Forward Contracts	1,933.08	120.71	128.68	1,948.90	78.44	166.74
Total Derivative financial Instruments	**4,474.26**	**272.86**	**134.27**	**3,846.13**	**186.53**	**169.56**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 9 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

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 periodically monitors and reviews the risks involved.

The notional amount for interest rate swap represents the foreign currency borrowing on which Company has entered to hedge the variable interest rate.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 10 RECEIVABLES		
(i) Trade Receivables		
Secured - Considered good*	8.25	31.89
Unsecured - Considered good	92.05	39.44
	100.30	71.33
Provision for Impairment on receivables	(1.17)	(0.02)
	99.13	71.31
Trade Receivables credit impaired	0.51	0.48
Provision for Impairment on receivables	(0.51)	(0.48)
Total Trade receivables		
Considered good	100.30	71.33
Trade Receivables credit impaired	0.51	0.48
Total	**100.81**	**119.33**
Provision for Impairment on receivables	(1.68)	(0.50)
Subtotal (i)	**99.13**	**71.31**
(ii) Other Receivables		
Considered Good*	103.21	89.64
Subtotal (ii)	**103.21**	**89.64**
Total (i)+(ii)	**202.34**	**160.95**

*Includes dues from related parties(Refer Note 39) and Refer Note 51 - Part 1 for ageing

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 11 LOANS (At amortised cost)		
(A)		
(i) Bills Discounted	926.85	370.99
(ii) Term loans	1,06,211.72	76,102.40
Total (A) - Gross	**1,07,138.57**	**76,473.39**
Less: Impairment Allowance for (i) & (ii)	(2,328.92)	(2,328.68)
Total (A) - Net	**1,04,809.65**	**74,144.71**
(B)		
(i) Secured	99,861.79	75,081.01
(ii) Unsecured	7,276.78	1,392.38
Total (B) - Gross	**1,07,138.57**	**76,473.39**
Less: Impairment Allowance	(2,328.92)	(2,328.68)
Total (B) - Net	**1,04,809.65**	**74,144.71**

All loans are in India and have been granted to individuals or entities other than public sector.

Secured indicates loans secured, wholly or partly, by way of hypothecation of automobile assets and / or pledge of securities and / or equitable mortgage of property and / or equipment. It also includes loans where security creation is in process. Refer Note 19.1 and 20.2 for receivables offered as security for borrowings.

Term loans includes unsecured short term loan to an associate. The loans have been classified under Stage 1 Category at the various reporting periods and related impairment provision as per the Group's accounting policy has been created. The details of the same are disclosed below:

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 11 LOANS (At amortised cost) (Contd.)

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Loan - Oustanding Value		
White Data System India Private Limited - Associate	-	3.00
Impairment Provision		
White Data System India Private Limited - Associate	-	0.01

Note : 11.1 LOANS

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

₹ in crores

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
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	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	-	-	-	-	-	-	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	**915.68**	**3.98**	**7.19**	**926.85**	**7.49**	**0.39**	**5.35**	**13.23**
Term loans								
Opening as on April 1, 2022	66,984.70	5,817.08	3,305.12	76,106.90	340.20	659.58	1,291.37	2,291.15
New assets originated	57,378.00	252.29	247.38	57,877.67	261.16	29.58	52.06	342.80
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	(1,195.29)	(109.04)	-	162.67	(128.33)	(34.34)	-
Transfer to Stage 2	(1,983.66)	2,084.21	(100.55)	-	(12.48)	43.30	(30.82)	-
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	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*	(241.51)	(179.46)	(383.26)	(804.23)	(4.98)	(59.30)	(265.65)	(329.93)
Closing as on March 31, 2023	**99,058.21**	**3,939.10**	**3,214.41**	**1,06,211.72**	**437.19**	**401.84**	**1,476.66**	**2,315.69**
Bills Discounted								
Opening as on April 1, 2021	96.78	-	37.39	134.17	0.57	-	34.34	34.91
New assets originated	332.90	0.39	-	333.29	2.70	0.04	-	2.74
Exposure de-recognised /Matured/Repaid	(93.32)	-	(3.15)	(96.47)	(0.75)	-	(2.21)	(2.96)
Transfer to Stage 1	0.71	-	(0.71)	-	0.21	-	(0.21)	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(4.16)	-	4.16	-	(0.02)	-	0.02	-
Impact on account of exposures transferred during the year between stages	-	-	-	-	-	-	1.18	1.18
Impact of changes on items within the same stage (net)	-	-	-	-	-	-	1.66	1.66
Closing as on March 31, 2022	**332.91**	**0.39**	**37.69**	**370.99**	**2.71**	**0.04**	**34.78**	**37.53**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 11.1 LOANS (Contd.)

₹ in crores

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Term loans								
Opening as on April 1, 2021	61,250.86	4,231.11	2,667.62	68,149.59	536.73	709.63	1,163.15	2,409.51
New assets originated	32,215.57	137.08	84.64	32,437.29	169.17	13.59	11.82	194.58
Exposure de-recognised /Matured/Repaid	(20,991.67)	(2,163.87)	(785.80)	(23,941.34)	(366.43)	(262.55)	(152.11)	(781.09)
Transfer to Stage 1	507.81	(392.78)	(115.03)	-	101.06	(68.01)	(33.05)	-
Transfer to Stage 2	(4,776.09)	4,832.89	(56.81)	(0.01)	(74.37)	90.24	(15.87)	-
Transfer to Stage 3	(1,110.57)	(703.02)	1,813.59	-	(21.81)	(123.10)	144.91	-
Impact on account of exposures transferred during the year between stages	1.17	48.88	77.06	127.11	-	384.27	440.58	824.85
Impact of changes on items within the same stage	198.39	32.05	99.30	329.74	13.11	2.18	116.17	131.46
Write off*	(310.77)	(205.26)	(479.45)	(995.48)	(17.26)	(86.67)	(384.23)	(488.16)
Closing as on March 31, 2022	**66,984.70**	**5,817.08**	**3,305.12**	**76,106.90**	**340.20**	**659.58**	**1,291.37**	**2,291.15**

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

*Total write off includes Loss on disposal of repossessed vehicles - ₹ 566.57 crores for the year ended March 31, 2023 (₹ 601.24 crores - March 31, 2022)

Note : 11.2 Overdue greater than 90 days as on March 31, 2023

₹ in crores

No. of cases	Principal outstanding	Overdue Instalments*
As on March 31,2023		
1,22,022	2,117.71	1,258.70
As on March 31,2022		
87,914	2,032.29	1,488.89

*Overdue instalments includes principal amount overdue and interest overdue

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 12 INVESTMENTS		
Investment in Equity Instruments*		
a) Unquoted - FVOCI **		
Amaravathi Sri Venkatesa Paper Mills Limited 293,272 Equity shares of ₹ 10 each fully paid up#	1.29	1.29
Less: Provision for Dimunition in value of Investment	(1.29)	(1.29)
Saraswat Co-operative Bank Limited 1,000 Equity shares of ₹ 10 each fully paid up#	-	-
The Shamrao Vithal Co-operative Bank Limited 1,000 Equity shares of ₹ 25 each fully paid up#	-	-
Abhishek Co-operative Housing Society 5 shares of ₹ 50 each : Cost ₹ 250 only #	-	-
Chennai Willingdon Corporate Foundation 5 shares of ₹ 10 each: cost ₹ 50 only#	-	-
Chola Insurance Services Private Ltd. 19,133 Equity shares of ₹10 each fully paid up	0.02	0.02
Madras Enterprises Private Limited 30,286 equity shares of ₹10 each fully paid up	0.05	0.05
MSE Financial Ltd 4,10,400 Equity shares of ₹ 1 each fully paid up	0.05	0.04
b) Quoted - FVOCI		
Bombay Stock Exchange Limited 1,95,000 Equity shares of ₹ 2 each fully paid up March 31, 2021 - 65000 Equity Shares	8.40	18.41
Coromandel Engineering Co. Ltd 25,00,100 Equity shares of ₹ 10 each fully paid up	7.25	8.43
c) Investment in mutual funds - FVTPL		
Aditya Birla Sunlife Liquid fund Growth - 42,836.260 units @ Rs. 353.7440 each)	0.50	-
d) Unquoted - FVTPL		
Faering Capital India Evolving Fund 21,662 units of ₹10 each fully paid up	6.02	6.00
e) Investment in Government Securities - amortised cost (Issued by Government of India)	1,541.34	1,543.48

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 12 INVESTMENTS (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
f) Investment in Treasury Bill - amortised cost	1,536.27	-
g) Investment in Convertible Note of Paytail commerce Private Limited (Refer Note-2) - FVTPL	10.92	-
Total	**3,110.82**	**1,576.43**

*Investments are made in India
** The Group has designated certain unquoted investments as FVOCI on the basis that these are not held for trading.
represents amount less than ₹ 1 crore.

Asset classified as held for sale (Investment)

White Data System India Private Limited 12,75,917 Equity shares of ₹ 10 each fully paid up (Refer Note-1)	**22.57**	**-**
	22.57	**-**

Note-1: The Company entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India PrivateLimited (WDSI) and other shareholders of WDSI for the transfer of the entire equity shares held by the Company 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 the company on April 20, 2023 in accordance with Ind As 105 "Non -current Assets Held for Sale and Discontinued Operations", WDSI has ceased to be an Associate of the Group effective March 28,2023 and has been classified as Asset held for Sale as at March 31,2023

Note -2: The Principal amount of Convertible note (₹ 10 crores) shall be converted into fully paid equity shares in accordance with the conversion ratio determined as per the terms of the agreement. If the conversion of the note does not occur on or prior to 25 November 2027, the note shall be redeemed at the principal amount along with interest @9% p.a.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 13 OTHER FINANCIAL ASSET		
At amortised cost		
Unsecured - considered good (unless otherwise stated)		
Security deposits	62.47	38.63
Interest only strip receivable	218.30	289.37
Other advances	17.91	7.22
Gross Total	**298.68**	**335.22**
Less: Impairment Allowance	(0.06)	-
Net Total	**298.62**	**335.22**

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 14 DEFERRED TAX		
Deferred Tax Assets		
Impairment allowance for financial instruments	566.38	575.01
Provision for Contingencies and undrawn commitments	12.92	10.25
Provision for Compensated Absences and Gratuity	22.77	21.44
Impact of Effective interest rate adjustment on Financial Assets	4.76	45.83
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	15.65	16.26
Carry forward of tax losses	0.65	0.65
MAT credit entitlement	2.78	3.10
Others	0.35	7.06
(A)	**626.26**	**679.60**
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	1.16	1.63
Fair Valuation of Investment	1.95	2.24
Items recognised in OCI	10.76	1.47
Others	0.90	-
(B)	**14.77**	**5.34**
Net Deferred Tax Assets (A) - (B)	**611.49**	**674.26**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 14 DEFERRED TAX (Contd.)

₹ in crores

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Income Statement	OCI	Income Statement	OCI
Deferred Tax Assets				
Impairment allowance for financial instruments	8.63	-	39.70	-
Provision for Contingencies and undrawn commitments	(2.67)	-	1.07	-
Provision for Compensated Absences and Gratuity	(1.33)	0.12	(3.32)	-
Impact of Effective interest rate adjustment on Financial Assets	41.07	-	16.98	-
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	0.61	-	(0.22)	-
Carry forward of tax losses and MAT entitlement credit	0.32	-	(3.89)	-
Others	4.59	-	1.93	-
(A)	**51.22**	**0.12**	**52.25**	**-**
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	0.47	-	0.98	-
Fair Valuation of Investment	0.29	-	(2.24)	-
Re-measurement gains / (losses) on defined benefit plans (Net)	-	0.07	-	(0.01)
Net (Loss)/gain on equity instrument designated at FVOCI	-	1.11	-	(1.41)
Cashflow Hedge Reserve	-	11.49	-	(40.77)
(B)	**0.76**	**12.67**	**(1.26)**	**(42.19)**
Net deferred tax charge / (reversal) (A) - (B)	**50.46**	**(12.55)**	**53.51**	**42.19**

₹ in crores

Particulars	Total
Note : 15 INVESTMENT PROPERTIES	
Gross carrying amount as at April 1, 2021	**0.14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2022	**0.14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2023	**0.14**
Accumulated depreciation and impairment	
Balance as at April 1, 2021	0.01
Depreciation for the year	-
Depreciation on disposals	-
Balance as at March 31, 2022**	**0.01**
Depreciation for the period	-
Depreciation on disposals	-
Balance as at March 31, 2023**	**0.01**
Net Carrying amount	
As at March 31, 2022	**0.13**
As at March 31, 2023	**0.13**
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

The Group's investment property consists of 4 properties and has let out one property as at March 31, 2023

** represents amount less than ₹ 1 crore

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 15 INVESTMENT PROPERTIES (Contd.)

i) Income earned and expense incurred in connection with Investment Property

₹ in crores

Particulars	Year ended March31, 2023	Year ended March31,2022
Rental Income	0.05	0.05
Direct Operating expense from property that generated rental income	0.01	0.01
Direct Operating expense from 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.

iv) Fair Value

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Investment Property	3.20	3.09

v) Sensitivity analysis

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair value (₹ in crores)	Sensitivity (₹ in crores)
Investment property As at March 31 2023	Professional valuer	Price per Sq. feet	₹7,000 - ₹13,000 per Sq. feet	5%	3.20	0.16
Investment property As at March 31 2022	Professional valuer	Price per Sq. feet	₹7,000 - ₹13,000 per Sq. feet	5%	3.09	0.15

vi) The Title Deeds of the Immovable Properties mentioned above are in the name of the company

₹ in crores

Particulars	Freehold Land	Computer Equipment	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicles	Buildings (Refer Note below)		Total
							Own Assets	Right of Use Asset	
Note : 16 PROPERTY, PLANT AND EQUIPMENT									
Gross carrying amount as at April 1, 2021	**39.56**	**98.13**	**29.93**	**25.38**	**51.69**	**17.96**	**23.05**	**168.15**	**453.85**
Additions	-	38.46	2.64	2.08	3.48	10.17	-	70.41	127.24
Disposals	-	5.52	0.39	0.10	0.16	5.60	-	6.93	18.70
Gross carrying amount as at March 31, 2022	**39.56**	**131.07**	**32.18**	**27.36**	**55.01**	**22.53**	**23.05**	**231.63**	**562.39**
Additions	-	51.59	5.48	2.60	10.86	71.67	-	103.39	245.59
Disposals	-	6.61	2.48	2.63	4.65	9.47	-	0.71	26.55
Gross carrying amount as at March 31, 2023	**39.56**	**176.05**	**35.18**	**27.33**	**61.22**	**84.73**	**23.05**	**334.31**	**781.43**
Accumulated depreciation / amortisation and impairment									
Balance as at April 1, 2021	**-**	**72.88**	**19.82**	**20.14**	**33.78**	**8.38**	**1.66**	**88.93**	**245.59**
Depreciation for the year	-	20.27	4.87	3.38	8.51	3.95	0.41	44.70	86.09
Depreciation on disposals	-	5.35	0.25	0.10	0.14	3.94	-	1.66	11.44
Balance as at March 31, 2022	**-**	**87.80**	**24.44**	**23.42**	**42.15**	**8.39**	**2.07**	**131.97**	**320.24**
Depreciation for the period	-	29.06	4.70	3.64	8.46	7.11	0.43	55.59	108.99
Depreciation on disposals	-	6.58	2.44	2.62	4.61	5.80	-	0.44	22.49
Balance as at March 31, 2023	**-**	**110.28**	**26.70**	**24.44**	**46.00**	**9.70**	**2.50**	**187.12**	**406.74**
Net Carrying amount									
As at March 31, 2022	**39.56**	**43.27**	**7.74**	**3.94**	**12.86**	**14.14**	**20.98**	**99.66**	**242.15**
As at March 31, 2023	**39.56**	**65.77**	**8.48**	**2.89**	**15.22**	**75.03**	**20.55**	**147.19**	**374.69**
Useful Life of the asset (In Years)		3	5	5	upto 5	5	60	upto 5	
Method of depreciation				Straight-line method					

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 16 PROPERTY, PLANT AND EQUIPMEN (Contd.)

Note

1. Details of Immovable properties of land and buildings, whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security, has been explained in Note 19.1
2. 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.
3. The Title Deeds of the Immovable Properties mentioned above are in the name of the Group
4. Group has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2023

₹ in crores

Particulars	Computer Software
Note : 17 INTANGIBLE ASSETS	
Gross carrying amount as at March 31, 2021	**80.44**
Additions	11.64
Disposals	-
Gross carrying amount as at March 31, 2022	**92.08**
Additions	23.73
Disposals	0.09
Gross carrying amount as at March 31, 2023	**115.72**
Accumulated Amortization and impairment	
Balance as at April 1, 2021	**61.24**
Amortization for the year	14.52
Amortization on disposals	-
Balance as at March 31, 2022	**75.76**
Amortization for the period	12.10
Amortization on disposals	-
Balance as at March 31, 2023	**87.86**
Net Carrying amount	
As at March 31, 2022	**16.32**
As at March 31, 2023	**27.86**
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 18 OTHER NON FINANCIAL ASSETS		
Unsecured - considered good		
Prepaid expenses	31.56	24.95
Capital advances	21.12	1.44
Other assets	42.00	33.27
GST Input Credit	12.44	11.86
Total	**107.12**	**71.52**

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 19 DEBT SECURITIES (at amortised cost)		
Redeemable Non-Convertible Debentures		
Medium-Term - Secured	15,340.63	10,529.95
Medium-Term - Unsecured	25.00	25.00
Commercial Papers - Unsecured	4,316.78	2,766.15
Total	**19,682.41**	**13,321.10**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 19 DEBT SECURITIES (at amortised cost) (Contd.)

All debt securities have been contracted in India

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) The Group has not defaulted in the repayment of dues to its lenders.

19.2 Details of Debentures - Contractual principal repayment value

(i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2023	March 31, 2022		
		₹ in crores			
4,550	10,00,000	455.00	-	May-27	7.95
2,750	10,00,000	275.00	-	Apr-27	7.50
2,700	10,00,000	270.00	270.00	Mar-27	7.30
250	10,00,000	25.00	25.00	Nov-26	8.55
7,000	10,00,000	700.00	-	Apr-26	7.32
60,200	1,00,000	602.00	-	Mar-26	8.50
8,000	10,00,000	800.00	-	Jan-26	7.9217
6,050	10,00,000	605.00	-	Dec-25	8.30
5,000	10,00,000	500.00	-	Nov-25	8.45
5,000	10,00,000	500.00	500.00	Jul-25	7.92
4,974	10,00,000	497.40	497.40	Mar-25	7.08
2,000	10,00,000	200.00	200.00	Feb-25	5.85
8,600	10,00,000	1,360.00	860.00	Dec-24	5.57 to 6.30
1,500	10,00,000	350.00	150.00	Oct-24	6.80
4,000	10,00,000	400.00	400.00	Aug-24	5.53 to 5.58
6,000	10,00,000	1,600.00	600.00	Jul-24	5.46 to 7.38
1,500	10,00,000	1,150.00	150.00	Apr-24	8.6179
6,850	10,00,000	1,005.00	685.00	Feb-24	6.25 to 6.45
5,500	10,00,000	550.00	550.00	Dec-23	6.10
6,023	10,00,000	602.30	602.30	Sep-23	5.58 to 8.80
1,990	10,00,000	199.00	199.00	Aug-23	9.06
9,000	10,00,000	900.00	900.00	May-23	5.70 to 7.50
3,250	10,00,000	325.00	325.00	Apr-23	6.26
8,000	10,00,000	-	800.00	Mar-23	5.85 to 5.68
3,350	10,00,000	-	335.00	Feb-23	5.70 to 7.41
5,900	10,00,000	-	590.00	Dec-22	5.48 to 7.98
6,150	10,00,000	-	615.00	Nov-22	5.45 to 8.00
3,523	10,00,000	-	352.30	Sep-22	8.70
2,000	10,00,000	-	200.00	Jun-22	7.20
		13,870.70	**9,806.00**		

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 19 DEBT SECURITIES (at amortised cost) (Contd.)

(ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put call option

₹ in crores

No. of Debentures	Face Value ₹	Balance as at March 31, 2023 ₹ in crores	Balance as at March 31, 2022 ₹ in crores	Due date of redemption	Redemption price ₹	Premium ₹
1000	10,00,000	100.00	100.00	Mar-27	14,22,599	4,22,599
1250	10,00,000	125.00	125.00	Jul-25	14,61,481	4,61,481
850	10,00,000	85.00	85.00	Jul-25	13,53,045	3,53,045
5000	10,00,000	500.00	-	Jun-25	12,56,740	2,56,740
500	10,00,000	-	50.00	Jan-23	12,54,470	2,54,470
250	10,00,000	25.00	25.00	Dec-24	12,93,960	2,93,960
350	10,00,000	35.00	35.00	Oct-24	13,01,025	3,01,025
		870.00	**420.00**			

(iii) Secured Redeemable Non-Convertible Debentures - Redeemable at par - with Put option

No. of Debentures	Face Value ₹	Balance as at March 31, 2023 ₹ in crores	Balance as at March 31, 2022 ₹ in crores	Due date of redemption	Put option date	Rate of interest %
10	10,00,000	1.00	1.00	Aug-23	Jul-21	9.06
		1.00	**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, 2023 ₹ in crores	Balance as at March 31, 2022 ₹ in crores	Due date of redemption	Put option date	Rate of interest %
10	10,00,000	25.00	25.00	Jul-23		9.06
		25.00	**25.00**			

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 20 BORROWINGS (Other than Debt Securities) at amortised cost		
A) Term Loans		
(i) (a) From Banks - Secured		
- Rupee Loans	52,660.23	41,873.73
- Foreign currency Loans	827.99	615.77
- External Commercial Borrowings	1,525.88	1,945.43
(b) From Banks - Unsecured		
- Short term loans	200.00	-
ii) From Other Parties - Secured		
(a) Financial Institutions - Rupee Loans	4,307.15	1,538.94
(b) External Commercial Borrowings	1,276.71	1,442.85
(c) Securitisation - Rupee Loans	9,982.57	3,433.06
B) Loan repayable on demand - Secured from Banks - Rupee Loans (Refer Note 8 and 20.1(vi))	2,405.66	1,154.74
Total	**73,186.19**	**52,004.52**
Borrowings within India	70,383.60	48,616.24
Borrowings Outside India	2,802.59	3,388.28

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 20 BORROWINGS (Contd.)

20.1 Security

(i) Secured term loans from banks and financial institution are secured by way of specific charge on assets under hypothecation relating to vehicle finance, home loans and loan against property and pari passu charge on immovable property which are owned assets of the Company situated at Chennai.

(ii) Loan repayable on demand is in the nature of Cash Credit from banks and is secured by way of floating charge on assets under hypothecation relating to vehicle finance, home loans and loan against property.

(iii) The Group has not defaulted in the repayment of dues to its lenders.

(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 trust by way of cash collateral and Bank guarantee and also refer note 8

(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 company with banks are in agreement with books of accounts

20.2 Details of term loans - Contractual principal repayment value

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2023	Amount outstanding March 31, 2022
Base Rate / MCLR	< 1year	1	600.00	1,400.00
		2	300.00	1,987.50
		3	841.67	-
		4	757.78	877.56
		8	-	500.00
	1 - 2 years	1	50.00	600.00
		2	-	1,100.00
		4	2380.00	815.06
		8	-	500.00
	2 - 3 years	1	237.50	50.00
		2	-	800.00
		3	-	77.96
		4	1430.00	511.11
	3 - 4 years	1	-	50.00
		3	-	45.00
		4	552.22	251.11
	4 - 5 years	1	-	-
		2	50.00	-
		3	241.67	-
		4	130.00	-
	> 5 Years	1	12.50	-
Base Rate/ MCLR + spread (0.10)	< 1year	1	1600.00	600.00
		2	250.00	250.00
		4	600.00	-
	1 - 2 years	1	1000.00	600.00
		2	-	250.00
		3	375.00	-
		4	100.00	-
	2 - 3 years	1	1000.00	-
		4	100.00	-
	3 - 4 years	4	100.00	-
	4- 5 years	3	75.00	-
Rate based on T Bill + Spread	< 1 year	1	2250.00	1715.50
		2	-	225.00
		3	125.00	60.00
		4	3964.78	1413.52

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

20.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2023	Amount outstanding March 31, 2022
		8	500.00	-
		12	200.00	200.00
	1 - 2 years	1	1550.00	1460.00
		3	137.96	125.00
		4	3080.83	2137.26
		12	200.00	200.00
	2 - 3 years	1	1800.00	1080.00
		2	285.71	-
		3	45.00	435.00
		4	2249.40	1057.26
		9	150.00	-
		12	-	200.00
	3 - 4 years	1	1657.14	880.00
		2	349.29	285.71
		4	410.83	285.83
		9	-	150.00
	4 - 5 years	1	615.00	923.75
		2	100.00	-
		4	-	110.83
Fixed Rate	< 1year	1	333.00	200.00
		2	222.22	100.00
		4	772.72	530.40
	1 - 2 years	1	1516.33	333.00
		2	222.22	100.00
		3	102.20	-
		4	636.32	380.40
	2 - 3 years	1	1684.00	1516.33
		2	222.22	221.00
		3	-	102.20
		4	636.32	-
	3 - 4 years	1	1350.00	1517.33
		2	222.22	100.00
		4	636.32	-
	4 - 5 years	1	277.78	1183.33
		4	636.32	-
	> 5 Years	1	113.77	-
		2	91.00	-
Repo	< 1year	1	458.33	233.33
		2	400.00	829.40
		3	33.33	243.33
		4	3232.88	1132.86
		6	416.67	-
		8	-	360.00
		12	-	833.33
	1 - 2 years	1	601.19	233.33
		2	1121.00	300.00

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

20.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding* March 31, 2023	March 31, 2022
		3	251.79	33.33
		4	2581.74	2516.66
		6	-	416.67
	2 - 3 years	1	-	601.19
		2	1000.00	150.00
		3	18.75	251.79
		4	1896.02	2124.51
	3-4 years	1	43.75	-
		2	760.00	150.00
		3	794.20	18.75
		4	642.22	1438.80
	4 - 5 years	1	425.00	35.00
		2	211.11	10.00
		3	-	794.20
		4	-	220.00
	> 5 Years	1	-	50.00
Overnight MIBOR	< 1year	1	70.56	-
	1 - 2 years	2	111.11	-
	2 - 3 years	2	111.11	-
	3 - 4 years	2	111.11	-
	4 - 5 years	2	111.11	-
Total			**57,532.22**	**43,470.43**
3M MIBOR + Spread	< 1year	1	-	75.00
USD 3M LIBOR + Spread	< 1year	4	233.85	215.70
	1-2 years	4	233.85	215.70
	2-3 years	4	233.85	215.70
	3-4 years	4	233.85	215.70
	4 - 5 years	4	233.85	215.70
	>5 Years	5	58.47	269.63
USD 6M LIBOR + Spread	< 1year	1	-	1,364.18
	1-2 years	1	755.92	-
	2-3 years	1	-	697.25
USD 6M SOFR + Spread	2 - 3 years	1	821.65	-
USD 3M SOFR + Spread	< 1year	1	828.89	-
USD 12M LIBOR + Spread	< 1year	1	-	615.28
Total			**3,634.18**	**4,099.84**

The Group has raised funds in the form of Foreign Currency Loans/ External Commercial Borrowings whose interest payments are benchmarked to LIBOR rates.

The maturity of some of those contracts are beyond June 2023 (IBOR Transition date). Based on the assessment performed by the Group, no significant impact is assessed on those contracts upon this transition

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

20.2 Details of term loans - Contractual principal repayment value (Contd.)

Details of Securitised loan

₹ in crores

Rate of Interest	Maturity	Amount outstanding* March 31, 2023	March 31, 2022
	Less than 1 year	3975.72	1426.19
Fixed	1-2 year	3052.67	838.30
(4.9% to 8%)	2-3 year	1771.34	383.37
	3-4 year	690.48	130.14
	4-5 year	72.07	30.94
	more than 5 years	51.71	80.55
Total		**9,613.99**	**2,889.49**
	Less than 1 year	46.32	67.79
Floating	1-2 year	41.92	58.04
Base Rate/ MCLR - spread	2-3 year	43.09	60.95
(0.75% to 2.65%)	3-4 year	41.08	60.88
	4-5 year	34.34	56.3
	more than 5 years	144.73	237.34
Total		**351.48**	**541.30**

* 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.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 21 SUBORDINATED LIABILITIES (at amortised cost)		
Perpetual Debt - Unsecured	1,529.40	1,328.99
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	407.94	407.36
b) Other Subordinated Debts	2,551.56	2,111.53
Total	**4,488.90**	**3,847.88**

(i) All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.

(ii) The Group has not defaulted in the repayment of dues to its lenders.

21.1 Details of Subordinated Liabilities - Contractual principal repayment value

(i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2023 ₹ in crores	Balance as at March 31, 2022 ₹ in crores	Due date of redemption	Rate of interest %
290	1,00,00,000	290.00	-	Dec-32	8.65
150	1,00,00,000	150.00	150.00	Feb-32	8.10
200	1,00,00,000	200.00	200.00	Oct-31	7.90
400	1,00,00,000	400.00	400.00	Jan-30	9.25
4000	5,00,000	200.00	-	Oct-29	9.00
3000	10,00,000	300.00	300.00	Aug-28	9.75
5300	10,00,000	530.00	530.00	Mar-28	9.05
1500	10,00,000	150.00	150.00	Aug-27	8.53
2500	10,00,000	250.00	250.00	Jun-27	8.78 to 8.80
100	10,00,000	10.00	10.00	Nov-26	9.20
150	10,00,000	15.00	15.00	Jun-24	11.00
50	10,00,000	5.00	5.00	May-24	11.00
250	10,00,000	25.00	25.00	Apr-24	11.00
250	10,00,000	25.00	25.00	Mar-24	11.00
200	10,00,000	20.00	20.00	Feb-24	11.00
250	10,00,000	25.00	25.00	Jan-24	11.00
2000	10,00,000	200.00	200.00	Nov-23	9.08 to 9.20
500	10,00,000	50.00	50.00	Oct-23	9.08
150	10,00,000	15.00	15.00	Sep-23	11.00
600	10,00,000	-	60.00	Dec-22	11.05 to 11.25
		2,860	**2,430**		

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

21.1 Details of Subordinated Liabilities - Contractual principal repayment value (Contd.)

(ii) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt -Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2023 ₹ in crores	Balance as at March 31, 2022 ₹ in crores	Due date of redemption	Redemption price ₹	Premium ₹
150	10,00,000	15.00	15.00	Nov-23	17,57,947	7,57,947
		15.00	**15.00**			

(iii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at March 31, 2023 ₹ in crores	Balance as at March 31, 2022 ₹ in crores	Maturity Date - Perpetual #	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
340	5,00,000	17.00	-	Mar-33	9.40
460	5,00,000	23.00	-	Mar-33	9.40
6000	5,00,000	300.00	-	Mar-33	9.45
400	5,00,000	20.00	-	Jan-33	9.15
400	5,00,000	20.00	-	Dec-32	9.15
21	1,00,00,000	21.00	-	Oct-32	9.15
480	5,00,000	24.00	-	Sep-32	9.15
1200	5,00,000	60.00	-	Aug-32	9.15
45	1,00,00,000	45.00	-	May-32	9.20
25	1,00,00,000	25.00	25.00	Mar-32	9.10
30	1,00,00,000	30.00	30.00	Sep-31	8.98
40	1,00,00,000	40.00	40.00	Jul-31	9.05
100	1,00,00,000	100.00	100.00	May-31	9.2
2000	5,00,000	100.00	100.00	Mar-31	9.25
900	5,00,000	45.00	45.00	Nov-30	9.30
1000	5,00,000	50.00	50.00	Dec-29	10.75
1120	5,00,000	56.00	56.00	Mar-29	10.83
5000	5,00,000	250.00	250.00	Feb-29	10.88
500	5,00,000	25.00	25.00	Aug-24	12.80
174	10,00,000	17.40	17.40	Jul-24	12.90
500	5,00,000	25.00	25.00	Jun-24	12.90
500	5,00,000	25.00	25.00	Feb-24	12.90
50	10,00,000	5.00	5.00	Jan-24	12.60
1,031	10,00,000	103.10	103.10	Dec-23	12.50 to 12.60
245	10,00,000	24.50	24.50	Oct-23	12.60
1,000	5,00,000	50.00	50.00	Oct-23	12.90
300	10,00,000	-	30.00	Feb-23	12.80
1450	10,00,000	-	145.00	Dec-22	12.70 to 12.80
860	5,00,000	-	43.00	Sep-22	12.75
2000	5,00,000	-	100.00	Aug-22	12.90
		1,501.00	**1,289.00**		

Group can redeem using Call option on the maturity date with prior approval of RBI.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 22 OTHER FINANCIAL LIABILITIES		
Unpaid dividend	0.76	0.71
Advance from customers	42.80	33.23
Security deposits received	4.83	3.43
Collections towards derecognised assets pending remittance	111.00	178.37
Lease liability (Refer Note 49)	166.89	110.36
Other liabilities	37.13	13.42
Total	**363.41**	**339.52**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 23 PROVISIONS		
Provision for Employee Benefits		
Compensated absences(Refer Note 37)	90.90	78.95
	90.90	78.95
Other Provisions		
Provision for contingencies and service tax claims (Refer Note 41)	39.53	39.53
Provision for expected credit loss towards undrawn commitments (Refer note 41)	11.79	1.20
	51.32	40.73
Total	**142.22**	**119.68**

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 24 OTHER NON FINANCIAL LIABILITIES		
Income received in advance	2.96	6.07
Statutory liabilities	40.11	46.70
Others	4.51	6.41
Total	**47.58**	**59.18**

₹ in crores

Particulars	As at March 31, 2023 Nos.	As at March 31, 2023 Amount	As at March 31, 2022 Nos.	As at March 31, 2022 Amount
Note : 25 EQUITY SHARE CAPITAL				
AUTHORISED				
Equity Shares of ₹ 2 each with voting rights	1,20,00,00,000	240.00	1,20,00,00,000	240.00
Preference Shares of ₹ 100 each	5,00,00,000	500.00	5,00,00,000	500.00
		740.00		**740.00**
ISSUED				
Equity Shares of ₹ 2 each with voting rights	82,27,24,126	164.54	82,17,55,591	164.35
		164.54		**164.35**
SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹ 2 each with voting rights	82,20,40,356	164.41	82,10,71,821	164.21
Add : Forfeited Shares	6,54,500	0.07	6,54,500	0.07
		164.48		**164.28**

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year/period: ₹ in crores

Particulars	As at March 31, 2023 Nos.	As at March 31, 2023 Amount	As at March 31, 2022 Nos.	As at March 31, 2022 Amount
Equity Shares				
At the beginning of the year	82,10,71,821	164.21	82,00,35,129	164.00
Additional shares pursuant to share split during the period				-
Issued during the year				
a) Employees Stock Option (ESOP) Scheme	9,68,535	0.19	10,36,692	0.21
Outstanding at the end of the year	**82,20,40,356**	**164.40**	**82,10,71,821**	**164.21**
Forfeited shares				
Equity Shares - Amount originally paid up	**6,54,500**	**0.07**	**6,54,500**	**0.07**

Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 25 EQUITY SHARE CAPITAL (Contd.)

b) Equity Shares held by Holding Company

Particulars	As at March 31, 2023	As at March 31, 2022
Cholamandalam Financial Holdings Limited	37,28,85,889	37,28,85,889

c) Details of shareholding more than 5% shares in the Company

₹ in crores

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares				
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	45.36	37,28,85,889	45.41

As per records of the Company, 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.

d) Shares held by Promoters - Please refer Annexure A and Annexure B

As per records of the Company, 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.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 26 OTHER EQUITY		
Statutory Reserve (Refer Note a)		
Balance at the beginning of the year	2,020.46	1,590.46
Add: Amount transferred from retained earnings	540.00	430.00
Closing balance at the end of the year	**2,560.46**	**2,020.46**
Capital Reserve (Refer Note b)		
Balance at the beginning of the year	0.04	0.04
Add: Changes during the year	-	-
Closing balance at the end of the year	**0.04**	**0.04**
Capital Redemption Reserve (Refer Note c)		
Balance at the beginning of the year	33.00	33.00
Add: Changes during the year	-	-
Closing balance at the end of the year	**33.00**	**33.00**
Securities Premium Account (Refer Note d)		
Balance at the beginning of the year	2,888.92	2,866.05
Add: Premium on ESOPs exercised	24.07	22.87
Closing balance at the end of the year	**2,912.99**	**2,888.92**
General Reserve (Refer Note e)		
Balance at the beginning of the year	4,761.03	3,761.03
Add: Amount transferred from retained earnings	1,000.00	1,000.00
Closing balance at the end of the year	**5,761.03**	**4,761.03**
Share Based Payments Reserve (Refer Note f)		
Balance at the beginning of the year	54.92	34.44
Addition during the year	28.46	20.48
Transfer to General reserve	-	-
Closing balance at the end of the year	**83.38**	**54.92**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 26 OTHER EQUITY (Contd.)

Particulars	As at March 31,2023	As at March 31,2022
Retained Earnings (Refer Note g)		
Balance at the beginning of the year	1,810.77	1,251.38
Profit for the year	2,664.85	2,153.51
Less:		
Dividend		
Equity - Final	(164.36)	-
Equity - Interim	-	(164.14)
Transfer to Statutory Reserve	(540.00)	(430.00)
Transfer to General Reserve	(1,000.00)	(1,000.00)
Re-measurement Gain / (Loss) on Defined Benefit Obligation (Net) transferred to Retained Earnings	(0.21)	0.02
Closing balance at the end of the year	**2,771.05**	**1,810.77**
Cashflow hedge reserve (Refer Note h)		
Balance at the beginning of the year	15.57	(105.62)
Addition	34.15	121.19
Closing balance at the end of the year	**49.72**	**15.57**
FVOCI Reserve (Refer Note i)		
Balance at the beginning of the year	20.01	4.95
Addition	(10.06)	15.06
Closing balance at the end of the year	**9.95**	**20.01**
Total Other Equity	**14,181.62**	**11,604.72**

a) Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss account, before any dividend is declared.

b) Capital reserve represents the reserve created on account of amalgamation of Chola Factoring Limited in the year 2013-14.

c) 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 limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

d) Securities premium reserve is used to record the premium on issue of shares. The premium received during the period represents the premium received towards allotment of equity shares issued under ESOP scheme. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the Section 52 of the Companies Act, 2013

e) The general reserve is a free reserve, retained from Group's profits and can be utilized upon fulfilling certain conditions in accordance with specific requirement of Companies Act, 2013.

f) Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting year as employee compensation costs, reflecting the year of receipt of service.

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

h) 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.

i) FVOCI Reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income.

Proposed Dividend

The Board of Directors of the Company have recommended a final dividend of 35% being ₹ 0.70 per share on the equity shares of the Company, for the year ended March 31, 2023 (₹ 0.70 per share - March 31, 2022) which is subject to approval of shareholders. Consequently the proposed dividend has not been recorded in the books in accordance with IND AS 10.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Annexure A

Details of Shareholding of promoters and promoter Group as on March 31,2023

Promoters Name	No. of shares as on March 31, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
Valli Annamalai	12,500	-	12,500	-	-
M Vellachi	11,60,427	0.14	11,60,427	0.14	-
M A M Arunachalam	65,000	0.01	65,000	0.01	-
Arun Alagappan	9,50,000	0.12	9,50,000	0.12	-
M.A.Alagappan	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	6,685	-	6,685	-	-
A Vellayan	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	50,255	0.01	50,255	0.01	-
M V Valli Murugappan	-	-	-	-	-
M M Murugappan	21,035	-	21,035	-	-
A M Meyyammai	2,51,880	0.03	2,51,880	0.03	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	10,000	-	10,000	-	-
Meenakshi Murugappan	245	-	245	-	-
Valli Alagappan	5,200	-	5,000	-	-
A Venkatachalam	2,09,605	0.03	2,09,605	0.03	-
V Narayanan	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	15,960	-	15,960	-	-
M V AR Meenakshi	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	2,27,440	0.03	2,27,440	0.03	-
Sigapi Arunachalam	74,255	0.01	74,255	0.01	-
Uma Ramanathan	23,500	-	23,500	-	-
V Vasantha	1,250	-	1,250	-	-
Dhruv M Arunachalam	50,000	0.01	50,000	0.01	-
Kanika Subbiah	67,000	0.01	67,000	0.01	-
Pranav Alagappan	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	11,90,583	0.14	11,90,583	0.15	(0.01)
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	7,000	-	7,000	-	-
A A Alagammai	2,894	-	2,894	-	-
Umayal R	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	2,91,380	0.04	2,91,380	0.04	-
A M M Vellayan Sons P Ltd	26,725	-	26,575	-	-
Carborundum Universal Limited	500	-	500	-	-
E.I.D. Parry (India) Ltd.	1,965	-	1,965	-	-
M.M.Muthiah Research Foundation	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	3,37,21,870	4.10	3,37,21,870	4.11	(0.01)
Parry Enterprises India Ltd	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TIFinancial Holdings Ltd)	37,28,85,889	45.36	37,28,85,889	45.41	(0.05)

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Annexure A

Details of Shareholding of promoters and promoter Group as on March 31,2023

Promoters Name	No. of shares as on March 31, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
AR Lakshmi Achi Trust	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	1,70,700	0.02	1,70,700	0.02	-
Murugappa Educational and Medical Foundation	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,50,630	0.07	5,85,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	1,93,375	0.02	1,93,375	0.02	-
V S Bhairavi Trust (M V Subbiah & Kanika Subbiah, Trustees holds shares for Trust)	1,88,875	0.02	1,88,875	0.02	-
Arun Murugappan ChildrenTrust(MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	1,41,160	0.02	1,41,160	0.02	-
MA. Alagappan Grand Children Trust (Arun Alagappan and AA Alagammai, Trustees holds shares for Trust)	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,55,955	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,64,000	0.03	2,64,000	0.03	-
M.A. Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees holds shares for Trust)	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	-	25,000	-	-
M M Venkatachalam Family Trust (M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah, S Vellayan, Trustees holds shares for Trust)	15,24,534	0.19	16,01,300	0.20	(0.01)
	42,31,26,532	**51.48**	**42,32,37,948**	**51.56**	**(0.08)**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Annexure B

Details of Shareholding of promoters and promoter Group as on March 31, 2022

Promoters Name	No. of shares as on March 31, 2022	% to shares	No. of shares as on March 31, 2021	% to shares	% Change during the year
Valli Annamalai	12,500	-	12,500	-	-
M Vellachi	11,60,427	0.14	1,94,660	0.02	0.12
M A M Arunachalam	65,000	0.01	65,000	0.01	-
Arun Alagappan	9,50,000	0.12	9,50,000	0.12	-
M.A.Alagappan	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	6,685	-	6,685	-	-
A Vellayan	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	50,255	0.01	50,255	0.01	-
M V Valli Murugappan	-	-	21,56,350	0.26	(0.26)
M M Murugappan	21,035	-	21,035	-	-
A M Meyyammai	2,51,880	0.03	2,51,880	0.03	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	10,000	-	10,000	-	-
Meenakshi Murugappan	245	-	245	-	-
Valli Alagappan	5,000	-	5,000	-	-
A Venkatachalam	2,09,605	0.03	2,09,605	0.03	-
V Narayanan	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	15,960	-	15,960	-	-
M V AR Meenakshi	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	2,27,440	0.03	2,47,440	0.03	-
Sigapi Arunachalam	74,255	0.01	74,255	0.01	-
Uma Ramanathan	23,500	-	23,500	-	-
V Vasantha	1,250	-	1,250	-	-
Dhruv M Arunachalam	50,000	0.01	50,000	0.01	-
Kanika Subbiah	67,000	0.01	67,000	0.01	-
Pranav Alagappan	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	11,90,583	0.15	-	-	0.15
A Venkatachalam HUF (A Venkatachalam hols shares in the capacity of Karta)	7,000	-	7,000	-	-
A A Alagammai	2,894	-	2,894	-	-
Umayal R	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	2,91,380	0.04	2,91,380	0.04	-
A M M Vellayan Sons P Ltd	26,575	-	26,575	-	-
Carborundum Universal Limited	500	-	500	-	-
E.I.D. Parry (India) Ltd.	1,965	-	1,965	-	-
M.M.Muthiah Research Foundation	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	3,37,21,870	4.11	3,37,21,870	4.11	-
Parry Enterprises India Ltd	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	37,28,85,889	45.41	37,28,85,889	45.47	(0.06)

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Annexure B

Details of Shareholding of promoters and promoter Group as on March 31, 2022

Promoters Name	No. of shares as on March 31, 2021	% to shares	No. of shares as on March 31, 2021	% to shares	% Change during the year
AR Lakshmi Achi Trust	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	1,70,700	0.02	1,70,700	0.02	-
Murugappa Educational and Medical Foundation	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,85,630	0.07	5,85,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	1,93,375	0.02	2,33,375	0.03	(0.01)
V S Bhairavi Trust (M V Subbiah & Kanika Subbiah, Trustees holds shares for Trust)	1,88,875	0.02	1,88,875	0.02	-
Arun Murugappan ChildrenTrust(MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	1,41,160	0.02	1,41,160	0.02	-
MA.Alagappan Grand Children Trust (Arun Alagappan and AA Alagammai, Trustees holds shares for Trust)	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,55,955	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,64,000	0.03	2,64,000	0.03	-
Kadamane Estates - Firm- M.A.Alagappan holds shares in the capacity of Partner	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees holds shares for Trust)	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares forTrust)	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	-	25,000	-	-
M M Venkatachalam Family Trust(M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	7,79,785	0.09	7,79,785	0.10	(0.01)
Shambho Trust (M V Subbiah,S Vellayan, Trustees holds shares for Trust)	16,01,300	0.20	16,01,300	0.20	-
	42,32,37,948.00	**51.56**	**42,32,97,948.00**	**51.63**	**(0.07)**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
REVENUE FROM OPERATIONS		
Note : 27A - Interest income		
(i) Interest - on financial assets measured at amortised cost		
(a) Loans		
- Bills Discounting	69.37	17.51
- Term Loans	11,737.13	9,307.52
(b) Bank Deposits		
- under lien	26.88	15.44
- free of lien	108.30	118.17
(C) Others		
- Deposits with Financial Institutions	-	13.59
- Investment in Government Securities	95.00	95.12
- Investment in Treasury Bill	45.90	-
Total (A)	**12,082.58**	**9,567.35**
Note: 27B - Fee & Commission income		
(i) Fee & Commission income *		
- Term loans	524.37	383.74
- Others	126.33	88.80
Total (B)	**650.70**	**472.54**
*Services are transferred at a point in time		
Note: 27C - Net gain on fair value change on financial instrument		
Net gain on fair value changes on FVTPL - Realised		
- Investments in mutual funds	68.81	16.11
Net gain on fair value changes on FVTPL - Un-realised		
Convertible Note	0.92	-
Total (C)	**69.73**	**16.11**
Note: 27D - Sale of Services		
(i) Sale of Services (Refer note below)		
(a) Servicing and Collection fee on Assignment	3.09	5.04
(b) Other Service Income	78.00	79.71
Total (D)	**81.09**	**84.75**
Note: Timing of revenue recognition		
Services transferred at a point in time	75.09	78.75
Services transferred over a time	6.00	6.00
Total	**81.09**	**84.75**

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 28 OTHER INCOME		
Recovery of Bad debts	220.43	83.35
Interest income on Income tax refund	-	6.63
Dividend Income	0.32	0.17
Rent	0.51	0.51
Profit on sale of Property, Plant & Equipment (Net)	0.10	-
Miscellaneous Income	0.13	0.40
Total	**221.49**	**91.06**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 29 FINANCE COSTS		
Interest on financial liabilities measured at amortised cost		
- Debt Securities	1,264.67	788.86
- Borrowings Other than Debt securities	4,081.36	3,072.43
- Subordinated Liabilities	374.89	396.62
Others		
- Bank charges	14.71	19.02
- Interest on lease liability	12.40	8.83
- Interest on income tax	-	11.90
Total	**5,748.03**	**4,297.66**

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 30 IMPAIRMENT ON FINANCIAL INSTRUMENTS		
Impairment provision		
- Loans - measured at amortised cost	848.38	879.94
- Receivable and other Financial assets - measured at amortised cost	1.33	-
Loss on sale of Investment	-	0.40
Total	**849.71**	**880.34**

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 31 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Commission	1,238.00	871.84
Contribution to Provident and Other Funds		
- Employees' Provident Fund	49.03	35.46
- Superannuation Fund	5.02	4.12
Share based employee payments	28.46	20.48
Gratuity Expense (Refer note 37)	15.15	12.97
Staff Welfare Expenses	24.71	12.33
Total	**1,360.37**	**957.20**

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 32 OTHER EXPENSES		
Rent and facility charges	20.02	11.42
Rates and Taxes	51.88	52.29
Energy cost	14.69	11.07
Repairs and Maintenance	7.96	5.53
Communication Costs	41.59	31.72
Business development expense	-	0.04
Brokerage	6.49	5.24
Printing and Stationery	21.70	18.17
Advertisement and publicity Expenses	15.10	12.98
Directors Fees, allowances and expenses	5.35	1.49
Auditors' Remuneration	1.10	1.14
Legal and Professional Charges	142.15	120.24
Insurance	31.93	28.54
Travelling and Conveyance	102.11	48.58

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 32 OTHER EXPENSES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Information Technology Expenses	71.31	49.93
Loss on Sale of Property, Plant and Equipment (Net)	0.76	0.07
Recovery Charges	551.02	424.25
Corporate Social Responsibility Expenditure	43.83	36.54
Outsource cost	274.88	226.51
Miscellaneous Expenses	8.06	3.43
	1,411.93	1,089.18
Less : Expenses Recovered	(0.13)	(0.80)
Total	**1,411.80**	**1,088.38**

Note : 33 EARNINGS PER SHARE

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit After Tax Attributable to Equity Shareholders (₹ in crore)	**2,664.85**	**2,153.51**
Weighted Average Number of Equity Shares (Basic)	82,19,43,335	82,05,81,106
Add: Dilutive effect relating to ESOP/CCPS	13,24,177	15,91,805
Weighted Average Number of Equity Shares (Diluted)	82,29,09,227	82,21,72,911
Earnings per Share - Basic (₹)	**32.44**	**26.24**
Earnings per Share - Diluted (₹)	**32.38**	**26.19**
Face Value Per Share (₹)	2.00	2.00

Note: Earnings per Share calculations are done in accordance with Ind AS 33 "Earnings per Share".

Note : 34 INCOME TAX RECONCILIATION

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2023 and March 31, 2022, is as follows:

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax from continuing operations	3,614.58	2,907.60
Income tax rate of 25.17% (March 31, 2022: 25.17%)	909.79	731.78
Effects of:		
Impact of difference in tax base for Donations & CSR expense	11.02	9.18
Share based payment expense – No deduction claimed under tax	7.07	5.08
Impact of Deduction u/s 80JJA	-	(0.28)
Other adjustments	9.92	2.95
Income tax expense reported in Consolidated statement of Profit and Loss	937.92	748.71

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 35 TRANSFER OF FINANCIAL ASSETS

35.1 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.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Securitisations		
Carrying amount of transferred assets measured at amortised cost	10,433.01	3,750.13
Carrying amount of associated liabilities (Borrowings other than Debt securities - measured at amortised cost)	10,711.01	3,672.47
Fair value of assets	10,379.49	3,805.13
Fair value of associated liabilities	9,957.39	3,427.67
Net position at Fair Value	422.10	377.46

B) Direct bilateral assignment

The Group has 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.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Assignment		
Carrying amount of de-recognised financial asset	1,762.48	2,764.99
Carrying amount of Retained Assets at amortised cost	203.51	317.34

₹ in crores

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Assignment		
Gain on sale of the de-recognised financial asset	-	-

35.2 The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

Note : 36 MICRO, SMALL & MEDIUM 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) are furnished below:

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers under MSMED Act, as at the year end	3.40	3.06
Interest accrued and due to suppliers under MSMED Act, 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 under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 37 RETIREMENT BENEFIT

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the period, the Group recognised ₹ 49.03 crore (Previous year - ₹ 35.46 crore) to Provident Fund under Defined Contribution Plan, ₹ 5.02 crore(Previous year - ₹ 4.12 crore) for Contributions to Superannuation Fund and ₹ 0.24 crore (Previous year - ₹ 0.33 crore) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

B) Gratuity

The Group's defined benefit gratuity plan 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 Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Change in Defined Benefit Obligation and Fair Value of Plan assets:

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Defined Benefit Obligation at the beginning of the year	**86.33**	**74.51**
Current Service Cost	14.37	11.69
Interest Cost	5.74	4.65
Remeasurement Losses/(Gains)		
a. Effect of changes in financial assumptions	(3.63)	(2.38)
b. Effect of experience adjustments	3.37	2.30
Benefits Paid	(6.45)	(4.44)
Defined Benefit Obligation at the end of the year	**99.73**	**86.33**
Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Year	74.09	54.22
Expected Returns on Plan Assets	4.96	3.38
Employer's Contribution	23.33	20.98
Benefits Paid	(6.68)	(4.44)
Return on plan assets (excluding interest income)	(0.54)	(0.05)
Transfer	-	-
Fair Value of Plan Assets at the end of the year	**95.16**	**74.09**
Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the End of the Year	95.16	74.09
Defined benefit obligation at the End of the Year	(99.75)	(86.33)
Amount Recognised in the Balance Sheet under Other Payables	**(4.59)**	**(12.24)**
Cost of the Defined Benefit Plan for the Year		
Current Service Cost	14.37	11.69
Net interest Expense	5.74	4.65
Expected Return on Plan Assets	(4.96)	(3.38)
Net Cost recognized in the statement of Profit and Loss*	**15.15**	**12.96**
Remeasurement Losses/(Gains)		
a) Effect of changes in financial assumptions	(3.63)	(2.37)
b) Effect of experience adjustments	3.37	2.29
c) Changes in demographic assumptions	-	-
d) Return on plan assets (excluding interest income)	0.54	0.05
Net cost recognized in Other Comprehensive Income	**0.28**	**(0.03)**
Assumptions		
Discount Rate	7.25%-7.30% p.a	6.70% p.a.
Future salary increase	7.50% p.a	7.50% p.a.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 37 RETIREMENT BENEFIT (Contd.)

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Attrition Rate		
- Senior management	13 – 17% p.a.	13% p.a.
- Middle management	13 – 17% p.a.	13% p.a.
- Others	13 – 17% p.a.	13% p.a.
Expected rate of return on Plan Assets	6.70% -7.50%p.a	6.25% -7.10%p.a
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
Maturity profile of Defined Benefit Obligations		
Weighted average duration (Based on discounted cash flows)	6 Years	6 Years
Expected Cash flows over the next (valued on undiscounted basis)		
Within the next 12 months (next annual reporting period)	14.40	12.39
Between 2 and 5 years	51.76	42.74
Between 5 and 10 years	48.19	39.39
Beyond 10 Years	51.07	43.51
Total Expected Cash flows	**165.42**	**138.03**

*Recognised under Employee Benefit Expenses

Particulars	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Sensitivity Analysis:				
Discount Rate (+/- 1%)	94.49	106.15	81.43	91.78
Salary Growth Rate (+/- 1%)	105.31	95.07	91.03	81.92
Attrition Rate (+/- 50% of attrition rates)	99.20	100.69	85.08	87.97
Mortality Rate (+/- 10% of mortality rates)	100.04	100.02	86.34	86.34

Notes:

1. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
2. The Group's best estimate of contribution during the next year is ₹ 20.94 crores.
3. 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.
4. The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).
5. 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.
6. The method and type of assumptions used in preparing the sensitivity analysis does not change compared to the prior period.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 37 RETIREMENT BENEFIT (Contd.)

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.

(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	March 31, 2023	March 31, 2022
Discount Rate	7.25 – 7.30%	6.70% p.a.
Future salary increase	7.50% p.a.	7.50% p.a.
Attrition Rate		
- Senior management	13 - 17% p.a.	13% p.a.
- Middle management	13 - 17% p.a.	13% p.a.
- Others	13 - 17% p.a.	13% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

1. The Group has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2023.
2. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
3. 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 : 38 SEGMENT INFORMATION

The Group is primarily engaged in the business of financing. All the activities of the Group revolve around the main business. Further, the Group does not have any separate geographic segments other than India

During year ended March 31, 2023, for management purposes, the Group has been organised into the following operating segments based on products and services, as follows

- Vehicle Finance - Loans to customers against purchase of new/used vehicles, tractors, construction equipments and loan to automobile dealers.
- Loan against property - Loans to customer against immovable property
- Home Loans - loans given for acquisition of residential property and loans against the residential/commercial property
- Others -SME loans, and other secured and unsecured loans & security broking and insurance agency business.

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for 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 an entity as whole basis and are not allocated to operating segments.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 38 SEGMENT REPORTING (Contd.)

₹ in crores

Particulars	Year ended March 31, 2023					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
Interest Income	8,073.59	2,073.95	885.58	773.65	275.81	12,082.58
Fee Income	435.60	66.48	12.73	135.69	0.20	650.70
Net gain on Fair value change on financial instrument	-	-	-	-	69.73	69.73
Sale of Services	68.97	5.69	3.14	3.29	-	81.09
Segment revenue from Operations (I)						
Other income (II)	208.14	6.18	5.84	0.80	0.53	221.49
Total Segment Income (I) + (II)	**8,786.30**	**2,152.30**	**907.29**	**913.43**	**346.27**	**13,105.59**
Expenses						
Finance costs	3,870.46	1,134.21	395.06	348.30	-	5,748.03
Impairment of Financial Instruments	722.88	25.45	22.99	78.39	-	849.71
Employee benefits expense	830.63	148.69	103.53	274.08	3.44	1,360.37
Depreciation and amortisation expense	88.37	13.47	8.60	10.62	0.03	121.09
Other expenses	1,030.95	101.69	81.10	139.24	58.82	1,411.80
Segment Expenses	**6,543.29**	**1,423.51**	**611.28**	**850.63**	**62.29**	**9,491.00**
Segment Profit before taxation	**2,243.01**	**728.79**	**296.01**	**62.80**	**283.98**	**3,614.59**
Tax expense						**937.92**
Share of loss from associate and Joint Venture				(11.82)		**(11.82)**
Profit for the year						**2664.85**

₹ in crores

Particulars	Year ended March 31, 2022					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
Interest Income	7,088.61	1,559.70	594.53	82.50	242.01	9,567.35
Net gain on derecognition of financial instruments under amortised cost category						-
Fee Income	329.94	47.06	4.64	90.70	0.20	472.54
Net gain on Fair value change on financial instrument				3.12	12.99	16.11
Sale of Services	79.61	3.89	1.25	-	-	84.75
Segment revenue from Operations (I)						
Other income (II)	80.21	2.84	0.01	0.86	7.14	91.06
Total Segment Income (I) + (II)	**7,578.37**	**1,613.49**	**600.43**	**177.18**	**262.34**	**10,231.81**
Expenses						
Finance costs	3,202.14	907.09	262.37	38.20	(112.14)	4,297.66
Impairment of Financial Instruments	722.62	106.25	43.81	7.24	0.42	880.34
Employee benefits expense	686.01	111.80	58.99	97.59	2.81	957.20
Depreciation and amortisation expense	80.97	9.82	5.36	4.48	-	100.63
Other expenses	887.35	69.88	40.45	53.82	36.88	1,088.38
Segment Expenses	**5,579.09**	**1,204.84**	**410.98**	**201.33**	**(72.03)**	**7,324.21**
Segment Profit before taxation	**1,999.28**	**408.65**	**189.45**	**(24.15)**	**334.37**	**2,907.60**
Tax expense						**748.71**
Share of loss from associate				(5.38)		**(5.38)**
Profit for the year						**2,153.51**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 38 SEGMENT REPORTING (Contd.)

₹ in crores

Particulars	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
As on March 31, 2023						
Segment Assets	66,722.81	20,473.73	8,018.01	9,632.69		1,04,847.24
Unallocable Assets					8,779.66	8,779.66
Total Assets						**1,13,626.90**
Segment Liabilities	58,319.79	17,895.29	7,008.23	8,383.54		91,606.85
Unallocable Liabilities					7,673.95	7,673.95
Total Liabilities						**99,280.80**
As on March 31, 2022						
Segment Assets	52,187.20	15,250.29	5,062.64	1,756.93		74,257.06
Unallocable Assets					8,221.62	8,221.62
Total Assets						**82,478.68**
Segment Liabilities	44,768.96	13,082.51	4,343.01	1,462.26		63,656.74
Unallocable Liabilities					7,052.94	7,052.94
Total Liabilities						**70,709.68**

In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon. As the assets are allocated to segment based on certain assumptions, hence additions to the Property, plant and equipment have not been disclosed separately for each specific segment.

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 : 39 RELATED PARTY DISCLOSURES

List of Related Parties

- **Holding Company:** Cholamandalam Financial holdings limited
- **Entity having significant influence over holding Company:** Ambadi Investments Limited
- **Subsidiaries of the entity which has significant influence over holding Company:** Parry Enterprises India Limited and Parry Agro Limited.
- **Fellow Subsidiaries:** Cholamandalam MS General Insurance Company Limited
- **Joint Venture of Holding Company:** Cholamandalam MS Risk services Limited
- **Associate :** White Data Systems India Private Limited, Vishvakarma Payments Private Limited(from 30th March 2021), Paytail Commerce Private Limited (from 15th September 2021)
- **Joint Venture:** Payswiff Technologies Private Limited and its subsidiaries (from 8th February 2022)
- **Promoter :** Coromandel International Limited, EID Parry India Limited, Tube Investments of India Limited
- **Promoter Group :** Chola Business Services Limited, Coromandel Engineering Company Limited, Murugappa Morgan Thermal Ceramics Limited, Net access India Limited, Murugappa Management services Limited, AR Lakshmi Archi Trust, M A Murugappan Holdings LLP, AMM Foundation
- **Key Managerial Personnel:**
  a. Mr. D. Arulselvan, President & Chief Financial Officer
  b. Ms. P.Sujatha, Company Secretary
  c. Mr. Ravindra Kumar Kundu, Executive Director
- **Non-Executive Directors**
  a) Mr. Ashok Kumar Barat(upto 30th October 2022)
  b) Mr. N Ramesh Rajan
  c) Mr. Rohan Verma
  d) Ms. Bhama Krishnamurthy
  e) Mr. Vellayan Subbiah
  f) Mr. M A M Arunachalam
  g) Mr. Anand Kumar
  h) Mr. Bharath Vasudevan
- **Private companies in which a director or manager or his relative is a member or director:** Cherry Tin Online Private Limited, Zetwork Manufacturing Business Private Limited, Finance Industry Development Council
- **Firm, in which a director, manager or his relative is a partner:** Kadamane Estates Co.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 39 a) TRANSACTIONS DURING THE YEAR		
Dividend Payments (Equity Shares)		
a) Cholamandalam Financial Holdings Limited	74.58	74.58
b) Ambadi Investments Limited	6.74	6.74
c) Parry Enterprises India Limited	*	*
d) AR Lakshmi Archi Trust**	0.10	0.10
e) M A Murugappan Holdings LLP**	0.02	0.02
f) Kadamane Estates Co#	0.07	0.07
g) Promoter and Promoter Group	3.00	-
Amount received towards reimbursement of expenses		
a) Cholamandalam Financial Holdings Limited	1.31	1.18
b) Cholamandalam MS General Insurance Company Limited	0.05	0.06
c) Parry Enterprises India Limited	0.01	0.01
d) Murugappa Morgan Thermal Ceramics Limited**	0.03	-
Services Received		
a) Cholamandalam MS General Insurance Company Limited	3.85	2.17
b) Parry Enterprises India Limited	7.55	1.94
c) White Data Systems India Private Limited	0.19	0.24
d) Cholamandalam MS Risk Services Limited	-	0.01
e) Chola Business Services Limited**	791.02	-
f) Coromandel Engineering Company Limited**	2.01	-
g) Murugappa Management services Private Limited**	1.34	-
h) Net access India Limited**	14.67	-
i) Payswiff Solutions Private limited	0.17	-
j) Paytail Commerce Private Limited	9.42	-
k) Tube Investments of India Limited**	0.18	-
Expenses – Reimbursed		
a) White Data Systems India Private Limited	0.01	0.03
b) Cherry Tin Online Private Limited#	-	0.08
c) Parry Enterprises India Limited	-	0.07
Services rendered		
a) Cholamandalam MS General Insurance Company Limited	78.13	58.91
b) Cholamandalam Financial Holdings Limited	-	*
c) Ambadi Investments Limited	-	-
d) Key Managerial Personnel	*	*
e) Parry Enterprises India Limited	-	*
f) Chola Business Services Limited**	86.83	-
Rental Income		
a) Coromandel International Limited**	0.44	-
Loans given		
a) White Data Systems India Private Limited	-	3.00
b) Payswiff Solutions Private Limited	-	3.00
c) Zetwerk Manufacturing Businesses Private Limited#	2.48	-
Loans recovered		
a) White Data Systems India Private Limited	3	3.40
b) Payswiff Solutions Private Limited	-	3.00
c) Zetwerk Manufacturing Businesses Private Limited#	2.48	-
Interest Expense		
a) Cholamandalam MS General Insurance Company Limited	14.21	13.13
Interest Income		
a) White Data Systems India Private Limited	0.16	0.21
b) Payswiff Solutions Private Limited	-	0.01

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 39 a) TRANSACTIONS DURING THE YEAR (Contd.)		
Subscriptions/Advertisement Expenses		
a) Finance Industry Development Council#	0.01	0.01
Contribution to CSR activity		
a) AMM Foundation**	15.25	-
Interest earned on Loan		
a) Murugappa Management services Private Limited**	*	-
b) Zetwerk Manufacturing Businesses Private Limited#	0.06	-
Investment in Convertible Notes		
a) Paytail Commerce Private Limited	10.00	-
Invocation of performance security on deliquent loans		
a) Paytail Commerce Private Limited	6.12	-
Purchase of Goods		
a) Parry Agro Industries Limited	0.54	-
Rent & Maintenance		
a) EID Parry India Limited**	5.94	-
Sale of Fixed Asset		
a) Chola Business Services Limited	1.00	-
Debenture Interest paid to promoters and promoter group	0.32	-
Commission and Sitting fees to non-executive Directors	5.11	1.37

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 39 b) BALANCES OUTSTANDING AT THE YEAR END		
Loans - Receivable		
a) White Data Systems India Private Limited	-	3.00
b) Medall Healthcare Private Limited#	12.95	17.32
Debt Securities - Payable		
a) Cholamandalam MS General Insurance Company Limited	(319.21)	(147.93)
b) Debentures held by promoter and promoter group	(59.16)	-
Other Receivable / (Payable)		
a) Cholamandalam Financial Holdings Limited	-	*
b) Paytail Commerce Private Limited	0.28	4.37
c) Cholamandalam MS General Insurance Company Limited	1031.81	6.61
d) White Data Systems India Private Limited	-	(0.10)
e) Parry Enterprises India Limited	(0.26)	(0.45)
f) Cholamandalam MS Risk services Limited	-	(0.01)
g) Ambadi Investments Limited	-	*
h) Coromandel International Limited	0.02	-
i) Chola Business Services Limited	(50.97)	-
j) Payswiff Solutions Private Limited	(0.09)	-
k) Murugappa Management services Private Limited	(0.11)	-
m) EID Parry India Limited	(0.77)	-
n) Net access India Limited	(4.75)	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

₹ in crores

Nature of Transaction	Year ended March 31, 2023	Year ended March 31, 2022
Note : 39 c) REMUNERATION AND OTHER TRANSACTIONS WITH KEY MANAGERIAL PERSONNEL (KMP)		
Gross salary Including Perquisites	7.18	5.57
Other – Contribution to funds	0.82	0.84
Dividend Payments	0.11	0.08
Share based payments	4.09	2.71
Sale of Vehicle(s)	-	0.04
Sale of Asset	-	*
Dividend payments to Relatives of KMP and Directors	0.11	0.11

1. *Represents amounts less than ₹ 1 crore.
2. #Represents entities/parties included as per Companies Act , 2013
3. **Represents entities/parties identified as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2023

Note : 40 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contested Claims not provided for:

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax and Interest on Tax issues where the Group has gone on appeal	65.26	299.77
Decided in the Group's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	0.28	6.34
Sales Tax issues pending before Appellate Authorities in respect of which the Group is on appeal.	27.55	19.52
Decided in the Group's favour by Appellate Authorities and 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.	199.92	199.92
Disputed claims against the Group lodged by various parties under litigation (to the extent quantifiable)	133.54	144.58

i) The Group is of the opinion that the above demands based on management estimate no significant liabilities are expected to arise.
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

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Capital commitments	42.10	40.21
Disbursements – Undrawn lines	2,820.44	1,485.88

(c) Bank Guarantee:

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding bank guarantees given to stock exchanges/stock holding corporation of India limited to meet margin requirements	40.00	30.50

Note : 41 CHANGES IN PROVISIONS

₹ in crores

Particulars	As at March 31, 2022	Additional Provision	Utilisation/ Reversal	As at March 31, 2023
Provision for Contingencies and Service Tax claims	39.53	0.01	-	39.54
Provision for Expected credit loss allowance towards Undrawn commitments	1.20	10.59	-	11.79

₹ in crores

Particulars	As at March 31, 2021	Additional Provision	Utilisation/ Reversal	As at March 31, 2022
Provision for Contingencies and Service Tax claims	43.46	1.08	5.01	39.53
Provision for Expected credit loss allowance towards Undrawn commitments	1.04	0.16	-	1.20

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

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. The undrawn loan commitments amount outstanding as at March 31, 2023 is ₹ 2828.44 crore (₹1485.88 crores as at March 31, 2022).

The Group creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting period and the related expected credit loss on these commitments as at March 31, 2023 is ₹11.79 crores (₹ 1.20 crores as at March 31, 2022).

Note : 42 ESOP DISCLOSURE

ESOP 2007

The Board at its meeting held on June 22, 2007, approved an issue of Stock Options up to a maximum of 5% of the issued Equity Capital of the Company (before Rights Issue) aggregating to 1,904,162 Equity Shares (prior to share split) in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines.

ESOP 2016

The Board at its meeting held on October 7, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 1,56,25,510 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the board, exercisable into not more than 1,56,25,510equity shares of face value of ₹ 2/- each fully paid-up, on such terms and in such manner as the board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Group has recognised expense amounting to ₹ 28.46 crores for employees services received during the year, shown under Employee Benefit Expenses (Refer Note 31).

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

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding	During the Year				Options outstanding	Options vested but not exercised	Options unvested	Exercise Price	Weighted Average Remaining Contractual Life
		As at 31.03.2022	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2023	As at 31.03.2023	As at 31.03.2023		
GT25 Apr 2008	25-Apr-08	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011A	27-Jan-11	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011B	27 Jan 11	-	-	-	-	-	-	-	-	-	-
GT30 APR 2011	30-Apr-11	-	-	-	-	-	-	-	-	-	-
GT27 OCT 2011	27-Oct-11	-	-	-	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding	During the Year				Options outstanding	Options vested but not exercised	Options unvested	Exercise Price	Weighted Average Remaining Contractual Life
		As at 31.03.2022	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2023	As at 31.03.2023	As at 31.03.2023		
GT25 JAN2017	25-Jan-17	10,63,650	-	-	-	5,21,815	5,41,835	5,41,835	-	202.00	-
GT30 JAN2018	30-Jan-18	1,89,240	-	-	-	50,830	1,38,410	1,38,410	-	261.94	-
GT30 JAN2018A	30-Jan-18	17,470	-	-	-	4,000	13,470	13,470	-	261.94	-
GT23 APR2018	23-Apr-18	26,940	-	-	-	26,940	-	-	-	312.47	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 42 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding	During the Year				Options outstanding	Options vested but not exercised	Options unvested	Exercise Price	Weighted Average Remaining Contractual Life
		As at 31.03.2022	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2023	As at 31.03.2023	As at 31.03.2023		
GT26 JUL2018	26-Jul-18	47,360	-	-	-	-	47,360	47,360	-	299.46	-
GT26 JUL2018A	26-Jul-18	90,000	-	-	-	90,000	-	-	-	299.46	-
GT30 OCT2018	30-Oct-18	2,27,300	-	-	-	55,350	1,71,950	1,71,950	-	253.70	-
GT19 MAR2019	19-Mar-19	4,34,920	-	-	40,410	1,03,910	2,90,600	2,90,600	-	278.01	-
GT05 NOV2019	05-Nov-19	1,98,300	-	-	-	20,220	1,78,080	95,400	82,680	316.00	0.60 years
GT23 JAN2020	23-Jan-20	31,800	-	-	31,800	-	-	-	-	317.50	0.82 years
GT03 JUNE2020	03-Jun-20	1,69,520	-	-	85,500	42,380	41,640	-	41,640	157.90	0.68 years
GT07 MAY2021	07-May-21	10,66,600	-	-	44,460	29,640	9,92,500	1,98,500	7,94,000	580.30	1.23 years
GT30 JULY2021	30-Jul-21	24,700	-	-	-	-	24,700	4,940	19,760	487.15	1.46 years
GT29 OCT2021	29-Oct-21	8,05,600	-	-	44,100	23,450	7,38,050	1,44,370	5,93,680	609.00	1.71 years
GT29 OCT2021A	29-Oct-21	2,520	-	-	-	-	2,520	1,260	1,260	609.00	1.71 years
GT01 FEB2022	01-Feb-22	1,26,100	-	-	-	-	1,26,100	25,220	1,00,880	629.50	1.97 years
GT05 MAY2022	05-May-22	-	-	45,200	-	-	45,200	-	45,200	712.15	1.80 years
GT29 JUL2022	29-Jul-22	-	-	56,560	-	-	56,560	-	56,560	690.10	2.03 years
GT29 JUL2022A	29-Jul-22	-	-	92,400	-	-	92,400	-	92,400	690.10	1.46 years
GT29 JUL2022B	29-Jul-22	-	-	5,340	-	-	5,340	-	5,340	690.10	0.33 years
GT24 SEP2022	24-Sep-22	-	-	24,700	-	-	24,700	-	24,700	738.50	2.19 years
GT24 SEP2022A	24-Sep-22	-	-	2,20,880	-	-	2,20,880	-	2,20,880	738.50	1.61 years
GT24 SEP2022B	24-Sep-22	-	-	8,820	1,260	-	7,560	-	7,560	738.50	0.48 years
GT01 NOV2022	01-Nov-22	-	-	45,200	-	-	45,200	-	45,200	709.35	2.29 years
GT31 JAN2023	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**		

Note: Includes options (vested and unvested) issued employees of subsidiary as at March 31, 2023 - 11,276 options prior to share split (March 31, 2022 - 11,276 options)

*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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 42 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding As at 31.03.2021	During the Year 2021-22 Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2022	Options vested but not exercised As at 31.03.2022	Options unvested As at 31.03.2022	Exercise Price	Weighted Average Remaining Contractual Life
Gt 25 Apr 2008	25-Apr-08	-	-	-	-	-	-	-	-	-	-
GT 27 JAN 2011A	27-Jan-11	-	-	-	-	-	-	-	-	-	-
GT 27 JAN 2011B	27-Jan-11	-	-	-	-	-	-	-	-	-	-
GT 30 APR 2011	30-Apr-11	10,240	-	-	-	10,240	-	-	-	33	-
GT 27 OCT 2011	27-Oct-11	8,580	-	-	-	8,580	-	-	-	31	-
Total		**18,820**	**-**	**-**	**-**	**18,820**	**-**	**-**	**-**		

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2021	During the Year 2021-22 Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2022	Options vested but not exercised As at 31.03.2022	Options unvested As at 31.03.2022	Exercise Price	Weighted Average Remaining Contractual Life
GT25 JAN2017	25-Jan-17	16,64,690	-	-	-	6,01,040	10,63,650	10,63,650	-	202.00	-
GT30 JAN2018	30-Jan-18	2,04,085	-	-	-	14,845	1,89,240	1,89,240	-	261.90	-
GT30 JAN2018A	30-Jan-18	87,300	-	-	-	69,830	17,470	17,470	-	261.90	-
GT23 APR2018	23-Apr-18	26,940	-	-	-	-	26,940	13,470	13,470	312.50	0.06 years
GT26 JUL2018	26-Jul-18	47,360	-	-	-	-	47,360	47,360	-	299.50	-
GT26 JUL2018A	26-Jul-18	93,000	-	-	-	3,000	90,000	61,200	28,800	299.50	-
GT30 OCT2018	30-Oct-18	2,97,400	-	-	-	70,100	2,27,300	1,30,580	96,720	253.70	0.58 years
GT19 MAR2019	19-Mar-19	5,71,180	-	-	-	1,36,260	4,34,920	2,86,750	1,48,170	278.00	0.97 years
GT30 JUL2019	30-Jul-19	26,772	-	-	-	26,772	-	-	-	248.20	-
GT05 NOV2019	05-Nov-19	2,50,040	-	-	-	51,740	1,98,300	32,940	1,65,360	316.00	1.10 years
GT23 JAN2020	23-Jan-20	42,400	-	-	10,600	-	31,800	-	31,800	317.50	1.32 years
GT03 JUNE2020	03-Jun-20	2,11,900	-	-	-	42,380	1,69,520	-	1,69,520	157.90	1.30 years
GT03 JUNE2020A	03-Jun-20	1,905	-	-	-	1,905	-	-	-	157.90	1.30 years

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 42 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2021	During the Year 2021-22 Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2022	Options vested but not exercised As at 31.03.2022	Options unvested As at 31.03.2022	Exercise Price	Weighted Average Remaining Contractual Life
GT07 MAY2021	07-May-21	-	-	10,66,600	-	-	10,66,600	-	10,66,600	580.30	1.80 years
GT30 JULY2021	30-Jul-21	-	-	24,700	-	-	24,700	-	24,700	487.20	2.03 years
GT29 OCT2021	29-Oct-21	-	-	8,05,600	-	-	8,05,600	-	8,05,600	609.00	2.28 years
GT29 OCT2021A	29-Oct-21	-	-	2,520	-	-	2,520	-	2,520	609.00	2.28 years
GT01 FEB2022	01-Feb-22	-	-	1,26,100	-	-	1,26,100	-	1,26,100	629.50	2.54 years
Total		**35,24,972**	**-**	**20,25,520**	**10,600**	**10,17,872**	**45,22,020**	**18,42,660**	**26,79,360**		

*Equity shares of face value of Rs 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: Includes options (vested and unvested) issued employees of subsidiary as at March 31, 2022 - 11,276 options prior to share split (March 31, 2021 - 11,276 options)

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2023

ESOP 2007

Particulars	Variables: Date of Grant	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 (₹)
Gt 30 Jul 2007	30-Jul-07	7.10% - 7.56%	3-6 years	40.64% -43.16%	5.65%	193.40	61.42
Gt 24 Oct 2007	24-Oct-07	7.87% -7.98%	3-6 years	41.24% -43.84%	5.65%	149.90	44.25
Gt 25 Jan 2008	25-Jan-08	6.14% -7.10%	3-6 years	44.58% -47.63%	5.65%	262.20	78.15
Gt 25 Apr 2008	25-Apr-08	7.79% - 8.00%	2.5-5.5 years	45.78% - 53.39%	3.97%	191.80	76.74
Gt 30 Jul 2008	30-Jul-08	9.14% - 9.27%	2.5-5.5 years	46.52% - 53.14%	3.97%	105.00	39.22
GT24OCT2008	24-Oct-08	7.54% - 7.68%	2.5-5.5 years	48.2% - 55.48%	3.97%	37.70	14.01
GT 27 JAN 2011A	27-Jan-11	8%	4 years	59.50%	10%	187.60	94.82
GT 27 JAN 2011B	27-Jan-11	8%	3.4 years	61.63%	10%	187.60	90.62
GT 30 APR 2011	30-Apr-11	8%	4 years	59.40%	25%	162.55	73.07
GT28JUL2011	28-Jul-11	8%	4 years	58.64%	25%	175.35	79.17
GT 27 OCT 2011	27-Oct-11	8%	4 years	57.52%	25%	154.55	67.26

The shareholders of the Company, at the 34th Annual General Meeting held on July 30, 2012, authorised extension of exercise period from 3 years from the date of vesting to 6 years from the date of vesting. Accordingly, the Company has measured the fair value of the options using the Black Scholes model immediately before and after the date of modification to arrive at the incremental fair value arising due to the extension of the exercise period. The incremental fair value so calculated is recognised from the modification date over the vesting period in addition to the amount based on the grant date fair value of the stock options.

The incremental (benefit)/cost due to modification of the exercise period from 3 years to 6 years from the date of vesting for the year ended March 31, 2023 is ₹ Nil (March 31, 2022- ₹ Nil)

The fair value of the options has been calculated using the Black Scholes model on the date of modification.

The assumptions considered for the calculation of the fair value (on the date of modification) are as follows:

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 42 ESOP DISCLOSURE (Contd.)

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

	Variables						
Particulars	Date of Grant	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 (₹)
GT25JAN2017	25-Jan-17	6.36% - 6.67%	3.5 -6.51 years	33.39% -34.47%	0.54%	1,010.00	401.29
GT30JAN2018	30-Jan-18	7.11%-7.45%	3.5 – 5.50 years	30.16%-31.46%	0.42%	1,309.70	496.82
GT30JAN2018A	30-Jan-18	7.11%-7.45%	3.5 – 5.50 years	30.16%-31.46%	0.42%	1,309.70	531.84
GT23APR2018	23-Apr-18	7.45%-7.81%	3.51 -6.51 years	30.33%-32.38%	0.42%	1,562.35	646.08
GT26JUL2018	26-Jul-18	7.71%-7.92%	3.51 -5.51 years	30.56%-31.83%	0.43%	1,497.30	586.32
GT30OCT2018	30-Oct-18	7.61%-7.85%	3.51 -6.51 years	32.34%-32.70%	0.51%	1,268.50	531.36
GT19MAR2019	19-Mar-19	6.91% - 7.25%	3.51 -6.51 years	32.19% -32.59%	0.47%	1,390.05	564.13
GT30JUL2019	30-Jul-19	6.15% - 6.27%	3.51 -4.51 years	32.21% -32.93%	0.52%	248.20	83.66*
GT05NOV2019	05-Nov-19	6.15% - 6.27%	3.51 -4.51 years	32.21% -32.93%	0.52%	316.00	112.09*
GT23JAN2020	23-Jan-20	6.15% - 6.27%	3.51 -4.51 years	32.21% -32.93%	0.52%	317.00	109.51*
GT03JUNE2020	03-Jun-20	5%	3.50 years	47.50%	1.33%	157.90	58.27*
GT07MAY2021	07-May-21	5.12% - 6.02%	3.5 -6.5 years	52.06% - 43.62%	0.34%	580.30	276.84
GT30JULY2021	30-Jul-21	5.25% - 6.20%	3.50 -6.51 years	52.06% - 43.65%	0.41%	487.15	232.48
GT29OCT2021	29-Oct-21	5.22% - 6.17%	3.50 -6.51 years	53.2% -43.93%	0.33%	609.00	293.95
GT01Feb2022	01-Feb-22	5.49% - 6.50%	3.50 -6.51 years	53.81% -44.42%	0.32%	629.50	309.23
GT05MAY2022	05-May-22	6.20% - 7.09%	2.5 -5.51 years	59.10% -47.09%	0.28%	712.15	336.08
GT29JUL2022	29-Jul-22	6.84% - 7.18%	3.51 -6.51 years	53.74% -45.29%	0.29%	690.10	351.99
GT29JUL2022A	29-Jul-22	6.84% - 7.1%	3.51 -5.51 years	53.74% -47.07%	0.29%	690.10	339.76
GT29JUL2022B	29-Jul-22	6.84%	3.51 years	53.74%	0.29%	690.10	311.94
GT24SEP2022	24-Sep-22	7.13% - 7.31%	3.51 -6.51 years	53.79% -45.27%	0.27%	738.50	379.33
GT24SEP2022A	24-Sep-22	7.13% - 7.28%	3.51 -5.51 years	53.79% -47.07%	0.27%	738.50	366.36
GT24SEP2022B	24-Sep-22	7.13%	3.51 years	53.79%	0.27%	738.50	336.74
GT01NOV2022	01-Nov-22	7.15% - 7.37%	3.51 -6.51 years	53.81% -45.25%	0.28%	709.35	364.52
GT31JAN2023	31-Jan-23	7.15% - 7.30%	3.51 -6.51 years	53.58% -45.23%	0.28%	710.75	364.41

Note : 43 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ in crores

Particulars	April 01, 2022	Cash flows	Exchange Difference	Other	March 31, 2023
Debt Securities	13,321.10	6,065.37	-	295.94	19,682.41
Borrowings other than debt securities	52,004.52	20,957.74	(81.23)	305.16	73,186.19
Subordinated liabilities	3,847.88	642.00	-	(0.98)	4,488.90
Total	**69,173.50**	**27,665.11**	**(81.23)**	**600.12**	**97,357.50**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 43 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (Contd.)

₹ in crores

Particulars	April 1, 2021	Cash flows	Exchange Difference	Other	March 31, 2022
Debt Securities	12,357.67	1,067.14	-	(103.71)	13,321.10
Borrowings other than debt securities	47,182.26	4,606.63	118.88	96.75	52,004.52
Subordinated liabilities	4,190.06	(327.70)	-	(14.48)	3,847.88
Total	**63,729.99**	**5,346.07**	**118.88**	**(21.44)**	**69,173.50**

(i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of processing fees etc

(ii) Liabilities represents of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

Note : 44 MATURITY ANALYSIS

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

₹ in crores

Particulars	Amount	Maturity Within 12 months	Maturity After 12 months
As on March 31, 2023			
Financial Assets			
Cash and Cash Equivalents	911.85	911.86	-
Bank balances Other than Cash and Cash Equivalents	2,095.25	1,176.46	918.78
Derivative financial instruments	272.86	13.73	259.13
Receivables			
i) Trade Receivables	99.13	99.13	-
ii) Other Receivables	103.21	103.21	-
Loans	1,04,809.65	27,863.56	76,946.10
Investments			
i) Associate	7.64	-	7.64
ii) Others	3,110.82	1,545.33	1,565.49
iii) Joint Venture	443.41	-	443.41
Other Financial Assets	298.62	80.70	217.92
Asset classified as held for sale (Investment)	22.57	-	22.57
Total Financial Assets	**1,12,175.01**	**31,793.98**	**80,381.04**
Non- Financial Assets			
Current tax assets (Net)	270.10	-	270.10
Deferred tax assets (Net)	611.49	-	611.49
Investment Property	0.13	-	0.13
Property, Plant and Equipment	374.69	-	374.69
Capital Work in Progress	35.74	-	35.74
Intangible assets under development	24.76	0.16	24.60
Other Intangible assets	27.86	-	27.86
Other Non-Financial Assets	107.12	13.68	93.44
Total Non- Financial Assets	**1,451.89**	**13.84**	**1,438.05**
Financial Liabilities			
Derivative financial instruments	134.27	17.62	116.65
Payables			
i) Trade Payables-Due to MSME	3.40	3.40	-
ii) Trade Payables-Other than MSME	168.21	168.21	
iii) Other Payables	1,064.21	1,064.18	0.03
Debt Securities	19,682.41	8,451.02	11,231.39
Borrowings(Other than Debt Securities)	73,186.19	25,128.94	48,057.25
Subordinated Liabilities	4,488.90	695.21	3,793.69
Other Financial Liabilities	363.41	212.18	151.23
Total Financial Liabilities	**99,091.00**	**35,740.76**	**63,350.24**
Non-Financial Liabilities			
Current tax liabilities	-	-	-
Deferred tax Liabilities	-	-	-
Provisions	142.22	22.38	119.85
Other Non-Financial Liabilities	47.58	40.11	7.46
Total Non-Financial Liabilities	**189.80**	**62.49**	**127.31**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 44 MATURITY ANALYSIS (Contd.)

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

Particulars	Amount	Maturity Within 12 months	After 12 months
As on March 31, 2022			
Financial Assets			
Cash and Cash Equivalents	2,698.84	2,698.84	-
Bank balances Other than Cash and Cash Equivalents	1,603.00	1,431.54	171.46
Derivative financial instruments	186.53	75.54	110.99
Receivables			
i) Trade Receivables	71.31	71.31	-
ii) Other Receivables	89.64	89.64	-
Loans	74,144.71	21,123.08	53,021.63
Investments			
i) Associate	33.03	-	33.03
ii) Others	1,576.43	9.09	1,567.34
iii) Joint Venture	445.59	-	445.59
Other Financial Assets	335.22	88.48	246.74
Total Financial Assets	**81,184.30**	**25,587.52**	**55,596.78**
Non - Financial Assets			
Current tax assets (Net)	252.00	-	252.00
Deferred tax assets (Net)	674.91	-	674.91
Investment Property	0.13	-	0.13
Property, Plant and Equipment	242.15	-	242.15
Capital Work in Progress	23.03	-	23.03
Intangible assets under development	14.32	0.37	13.95
Other Intangible assets	16.32	-	16.32
Other Non-Financial Assets	71.52	12.66	58.86
Total Non-Financial Assets	**1,294.38**	**13.03**	**1,281.35**
Financial Liabilities			
Derivative financial instruments	169.56	21.65	147.91
Payables			
i) Trade Payables-Due to MSME	3.06	3.06	-
ii) Trade Payables-Other than MSME	124.53	124.53	-
iii) Other Payables	720.00	720.00	-
Debt Securities	13,321.10	5,981.92	7,339.18
Borrowings(Other than Debt Securities)	52,004.52	18,516.20	33,488.32
Subordinated Liabilities	3,847.88	506.04	3,341.84
Other Financial Liabilities	339.52	209.92	129.60
Total Financial Liabilities	**70,530.17**	**26,083.32**	**44,446.85**
Non-Financial Liabilities			
Current tax liabilities	-	-	-
Deferred tax Liabilities	0.65	-	0.65
Provisions	119.68	0.02	119.66
Other Non-Financial Liabilities	59.18	45.91	13.27
Total Non-Financial Liabilities	**179.51**	**45.93**	**133.58**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 45.1 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), 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.

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 requirements prescribed by RBI over the reported period. The Capital adequacy ratio as of March 31, 2023 is 17.13% (March 31, 2022- 19.62%) as against the regulatory requirement of 15%.

45.2 FINANCIAL RISK MANAGEMENT

The key financial risks faced by the Group are credit and market risks comprising liquidity risk, interest rate risk and foreign currency risks.

45.2.1 Credit Risk

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

45.2.1.1 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 has a robust online application underwriting 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 model for the vehicle finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

45.2.1.2 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.

45.2.1.3 ECL Methodology

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.

45.2.1.4 Assumptions and Estimation techniques

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:

45.2.1.4(a) 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

45.2.1.4(b) 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.

45.2.1.4(c) 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 45 CAPITAL MANAGEMENT (Contd.)

45.2.1.5 Mechanics of the ECL method

Stage 1:

All loans (other than purchased credit impaired asset) are categorised as Stage 1 on initial recognition.The 12months 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 12monthsECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These 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 9.1

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, 2022).

45.2.1.6 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.

Annual data from 2010 to 2026 (including forecasts for 5 years) were obtained from World Economic Outlook, October 2021 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. Vasiceks 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 45 CAPITAL MANAGEMENT (Contd.)

45.2.1.7 Macro economic variables

Segment	Macro-Economic Variables correlated for each segment	
Heavy Commercial Vehicle	Gross national savings	Volume of imports of goods and services
Light Commercial Vehicle	Gross national savings	Volume of imports of goods and services
Car & MUV	Gross domestic product, current prices USD	General government total expenditure
Mini Light Commercial Vehicle	Gross national savings	Volume of imports of goods and services
Used Vehicles	Gross domestic product per capita, current prices USD	Inflation, end of period consumer prices
Shubh	Gross national savings	Volume of imports of goods and services
Tractor	Gross national savings	Volume of exports of goods and services
Construction Equipment	Gross domestic product per capita, current prices USD	Volume of imports of goods and services
Loan Against Property	General government total expenditure	Gross domestic product per capita, current prices USD
Home Loan	Gross domestic product, current prices USD	General government total expenditure

Since the company has used Gross Domestic Product (GDP) as a predominant macro economic variable the sensitivity around the same is given below

₹ in crores

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31, 2023	Decrease by 5%	(33.30)
March 31, 2023	Increase by 5%	33.54

45.2.1.8 Concentration of credit risk and Collateral and Credit Enhancements

45.2.1.8(a) 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 63% of the loan book of the Group as of March 31, 2023 (69% as of March 31, 2022). 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 8% 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, 2023 (22% as of March 31, 2022). Portfolio is concentrated in North 30% with small presence in East 5%.South has 40% and West contributes 25% 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, 2022.

45.2.1.8(b) 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 45 CAPITAL MANAGEMENT (Contd.)

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, 2023

₹ in crores

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)	1,425.94

Fair value of collateral held against credit impaired assets - March 31, 2022

₹ in crores

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
3,305.32	2,330.24	2,409.87	238.23	(1,673.02)	1,266.50

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

45.2.2 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. 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.

45.2.2.1 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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 45 CAPITAL MANAGEMENT (Contd.)

from the 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 -47.

45.2.2.2 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.

₹ in crores

Year ended	Increase/(Decrease)	Impact on Profit beforex Tax
March 31, 2023	Increase by 100 bps	(96.50)
March 31, 2023	Decrease by 100 bps	96.50

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31, 2022	Increase by 100 bps	(143.40)
March 31, 2022	Decrease by 100 bps	143.40

45.2.2.3 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.

45.2.2.4 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.

45.3 Disclosure of Effects of Hedge Accounting

Cash flow Hedge

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
Overnight Index 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 forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 45 CAPITAL MANAGEMENT (Contd.)

Year ended March 31, 2023				
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

As at March 31, 2022

As at March 31, 2022								
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				
Cross Currency Interest rate swap	6	0	108.09	-	June 27, 2022 to June 20, 2028	90.89	164.19	Borrowings
Overnight Index Swaps	0	2	-	2.82	October 23, 2022 to March 20,2024	(2.82)	-	Borrowings
Forward contracts	0	3	78.44	166.74	June 27, 2022 to June 20, 2028	10.45	14.53	Borrowings

Cash flow Hedge	**Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crore)**	**Hedge Effectiveness recognised in profit and loss**	**Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss**	**Line item affected in Statement of Profit and Loss because of the Reclassification**
Foreign exchange risk and Interest rate risk	161.97	-	-	NA

Note 46 : (i) 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 the equity shares of Payswiff up to a sum not exceeding ₹ 450 Crores in one or more tranches. This will result in the Group holding up to 73.82% 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 solution that lets business owners accept payments from their customers in-store, at home deliveries, online, and on-the-go using mPOS and POS solution

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Value of Investment in Joint Venture	456.83	450.01
Less: Cumulative Share of Loss of from Joint venture	(13.42)	(4.42)
Closing value of Investment	**443.41**	**445.59**

Even though, the Group holds 73.82% of the paid up equity capital of payswiff, however, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholder agreement 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

₹ in crores

Particulars	March 31, 2023	March 31, 2022
Current assets	43.69	40.25
Non-current assets	78.67	50.33
Current liabilities	(53.99)	(52.39)
Non-current liabilities	(57.98)	(1.52)
Equity	**10.39**	**36.67**
Proportion of the Group's ownership	74.82%	73.82%
Group's share in the Equity of the associate	7.77	27.07

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 46 (ii) INVESTMENT IN AN ASSOCIATES

a) The Group had recognised the value of investment in associate - White Data Systems India Private Limited (WDSI) at fair value on the date of loss of control and the same is carried at cost as at reporting date.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Value of Investment in Subsidiary on the date of loss of control	25.54	25.54
Less: Cumulative Share of Loss of from Associate	(2.97)	(1.52)
Closing value of Investment	**22.57**	**24.02**

The Group has a 30.87% interest in White Data Systems India Private Limited, which is in the business of providing freight data solutions encompassing technology, certification and finance offering in India. The WDSI has dedicated logistics platform "i-loads", seamlessly connects load providers, logistics agents, brokers and transporters through its disruptive technology. It is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in White Data Systems India Private Limited:

₹ in crores

Particulars	March 31, 2023	March 31, 2022
Current assets	10.03	19.54
Non-current assets	25.96	24.22
Current liabilities	(6.38)	(9.21)
Non-current liabilities	(1.68)	(0.60)
Equity	**27.93**	**33.95**
Proportion of the Group's ownership	30.87%	30.87%
Group's share in the Equity of the associate	8.62	10.48

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customers	4.66	4.61
Other Income	0.59	2.00
Depreciation & amortization	3.83	1.90
Finance cost	0.20	0.23
Employee benefit	2.91	1.42
Other expense	2.74	2.78
Profit before tax	**(4.43)**	**0.28**
Deferred tax reversal	(0.98)	0.08
Profit for the year (continuing operations)	(5.41)	0.36
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)	(0.05)
Total comprehensive income for the year (continuing operations)	**(5.42)**	**0.31**
Group's share of profit for the year	**(1.67)**	**0.11**
Adjustment relating to prior periods	**-**	**(0.33)**
Group's share of loss considered in the consolidated statement of Profit and loss for the year ended March 31, 2023	**(1.67)**	**(0.22)**

The associate has no contingent liabilities or capital commitments as at March 31, 2023 and March 31, 2022.

The Company entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India PrivateLimited (WDSI) and other shareholders of WDSI for the entire equity shares held by the Company in WDSI to TVSSCSL. As consideration for sale of WDSI shares, the Company is to be issued 22,35,265 Compulsory Convertible Preference Shares (CCPS) of TVSSCSL. Accordingly, the company received allotment of CCPS on April 20, 2023, on sale of WDSI equity shares and WDSI ceased to be an Associate.

b) Vishwakarma Payments Privatet Limited (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 Rs 1 lakh and its networth as March 31, 2022 is ₹ 1 lakh. It can commence operations only on receipt of license from RBI. The Group holds 21% stake in VPPL.

c) 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 46 INVESTMENT IN AN ASSOCIATE (Contd.)

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Value of investment in Associate	9.75	9.75
Less: Cumulative Share of Loss of from Associate	(1.89)	(0.74)
Closing value of Investment	**7.86**	**9.01**

Particulars	March 31, 2023	March 31, 2022
Current assets	17.72	3.30
Non-current assets	6.33	4.70
Current liabilities	(8.91)	-
Non-current liabilities	(15.00)	(0.07)
Equity	**0.14**	**7.93**
Proportion of the Group's ownership	16.29%	16.29%
Group's share in the Equity of the associate	0.02	1.29

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Operating Income	23.41	2.56
Expenses	30.48	7.67
Profit before tax	**(7.07)**	**(5.11)**
Income tax expense	-	-
Profit for the year (continuing operations)	(7.07)	(5.11)
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	-	-
Total comprehensive income for the year (continuing operations)	**(7.07)**	**(5.11)**
Group's share of loss for the year	**(1.15)**	**(0.74)**
Adjustment relating to prior periods	**-**	**-**
Group's share of loss considered in the consolidated statement of Profit and loss for the year ended March 31, 2023	**(1.15)**	**(0.74)**

Note : 47

Note : 47.1 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.

₹ in crores

Particulars	March 31, 2023		March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	911.85	911.85	2,698.84	2,698.84
Bank balances Other than Cash and Cash Equivalents	2,095.25	2,095.25	1,603.00	1,603.00
Receivables				
i) Trade Receivables	99.13	99.13	71.31	71.31
ii) Other Receivables	103.21	103.21	89.64	89.64
Loans	1,04,809.65	1,04,848.01	74,144.71	75,164.53
Investments in Government Securities	1,541.34	1,396.97	1,543.48	1,426.65
Investment in Treasury Bill	1,536.27	1,532.99	-	-
Investment in Convertible notes	10.92	10.92	-	-
Investment other than associates and Joint venture	22.29	22.29	-	-
Other Financial Assets	298.62	298.62	335.22	367.48
Total Financial Assets	**1,11,428.53**	**1,11,319.24**	**80,486.20**	**81,421.45**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 47.1 FAIR VALUE OF FINANCIAL INSTRUMENTS (Contd.)

₹ in crores

Particulars	March 31, 2023		March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities				
Payables				
i) Trade Payables - Due to MSME	3.40	3.40	3.06	3.06
ii) Trade Payables - Other than MSME	168.21	168.21	124.53	124.53
iii) Other Payables	1,064.21	1,064.21	720.00	722.12
Debt Securities	19,682.41	19,740.72	13,321.10	13,325.60
Borrowings(Other than Debt Securities)	73,186.19	73,532.82	52,004.52	52,484.54
Subordinated Liabilities	4,488.90	4,505.87	3,847.88	3,868.58
Other Financial Liabilities	363.41	363.41	339.52	339.51
Total Financial Liabilities	**98,956.73**	**99,378.64**	**70,360.61**	**70,867.94**

The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.

Note 47.2 Fair value hierarchy

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 of investment in Government securities are derived from rate near to the reporting date of the comparable product.

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2023

₹ in crores

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	15.77	15.77	-	-
FVTPL Equity Instruments	6.52	-	-	6.52
Derivative financial instruments	272.86	-	272.86	-
Assets for which fair values are disclosed				
Loans	1,04,809.65	-		1,04,848.01
Investments in Government Securities	1,541.34	1,396.97	-	-
Investments in T Bill	1,536.27	1,532.99	-	
Investment in Convertible notes*	10.92			10.92
Investment Properties *	0.13	-	-	3.20

There have been no transfers between different levels during the period.

* Fair value of investment in convertible note, investment property is calculated based on valuation given by external independent valuer.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 47.2 FAIR VALUE HIERARCHY (Contd.)

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2023 — ₹ in crores

Particulars	Carrying Value	Fair value measurement using: Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	134.27	-	134.27	-
Liabilities for which fair values are disclosed				
Debt Securities	19,682.41	-	19,740.72	-
Borrowings(Other than Debt Securities)	73,186.19	-	73,532.82	-
Subordinated Liabilities	4,488.90	-	4,505.87	-

There have been no transfers between different levels during the period.

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2022 — ₹ in crores

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 measured at Fair value				
FVTOCI Equity Instruments	26.88	26.88		-
Derivative financial instruments	6.00	-		6.00
Derivative financial instruments	186.53	-	186.53	-
Assets for which fair values are disclosed				
Loans	74,144.71	-		75,164.53
Investment in Government Securities	1,576.43	1,469.05	-	
Investment Properties *	0.13	-	-	3.04

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, 2022 — ₹ in crores

Particulars	Carrying Value	Fair value measurement using: Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	169.56	-	169.56	-
Liabilities for which fair values are disclosed				
Debt Securities	13,321.10	-	13,325.60	-
Borrowings(Other than Debt Securities)	52,004.52	-	52,484.54	-
Subordinated Liabilities	3,847.88	-	3,868.58	-

There have been no transfers between different levels during the period.

Note 47.3 Summary of Financial assets and liabilities which are recognised at amortised cost — ₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Financial Assets		
Cash and Cash Equivalents	911.85	2,698.84
Bank balances other than Cash and Cash Equivalents	2,095.25	1,603.00
Loans	1,04,809.65	74,144.71
Investments in Government Securities	1,541.34	1,543.48
Investment in Treasury Bill	1,536.27	-
Other Financial Assets	298.62	335.22
Financial Liabilities		
Debt Securities	19,682.41	13,321.10
Borrowings(Other than Debt Securities)	73,186.19	52,004.52
Subordinated Liabilities	4,488.90	3,847.88
Other Financial liabilities	363.41	339.52

47.4 Refer Note 15 for sensitivity analysis for investment property, whose fair value is disclosed under the level 3 category.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 48 ANALYSIS OF FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

As at March 31, 2023

₹ in crores

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 and small enterprises	3.40	-	-	-	-	-	-	**3.40**
ii) Total outstanding dues of creditors other than micro and small enterprises	178.35	-	-	-	-	-	-	**178.35**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,071.26	-	-	-	3.00	-	-	**1,074.26**
Debt Securities	698.83	2,582.24	3,909.11	2,305.45	10,795.73	2,062.44	-	**22,353.80**
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	83.46	157.27	924.69	997.14	1,818.53	18,549.02	**22,535.51**
Other Financial Liabilities	167.39	11.97	17.90	33.89	92.14	28.18	29.47	**380.94**
Total Undiscounted financial liabilities	**6,008.48**	**7,472.27**	**12,769.92**	**15,850.96**	**52,596.00**	**16,577.48**	**19,109.81**	**1,30,384.92**

As at March 31, 2022

₹ in crores

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	-	4.81	5.93	10.93	55.41	58.62	33.87	**169.57**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	3.06	-	-	-	-	-	-	**3.06**
ii) Total outstanding dues of creditors other than micro and small enterprises	130.43	-	-	-	-	-	-	**130.43**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	719.97	-	-	-	0.03	-	-	**720.00**
Debt Securities	833.27	1,356.20	1,485.33	2,744.80	6,851.41	1,188.28	-	**14,459.29**
Borrowings (Other than Debt Securities)	1,629.33	4,289.98	6,073.71	8,856.78	26,256.80	9,793.35	704.01	**57,603.96**
Subordinated Liabilities	2.74	67.88	240.79	446.04	1,375.11	675.62	14,370.12	**17,178.30**
Other Financial Liabilities	229.01	9.69	13.81	23.04	66.03	14.56	-	**356.14**
Total Undiscounted financial liabilities	**3,547.81**	**5,728.56**	**7,819.57**	**12,081.59**	**34,604.79**	**11,730.43**	**15,108.00**	**90,620.75**

Note : 49 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES

The Group has taken office premises 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:

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 49 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)

Other Disclosures

(i) Movement in the carrying value of the Right to Use Asset

₹ in crores

Particulars - Buildings	As on March 31, 2023	As on March 31, 2022
Opening Balance	99.66	79.22
Depreciation charge for the Period	(55.59)	(44.70)
Additions during the Period	103.39	70.41
Adjustment/Deletion	(0.27)	(5.27)
Closing Balance	**147.19**	**99.66**

(ii) Classification of current and non current liabilities of the lease liabilities

Particulars	As on March 31, 2023	As on March 31, 2022
Current liablities	104.46	47.09
Non Current Liabilities	63.43	63.27
Total Lease liabilities	**167.89**	**110.36**

(iii) Movement in the carrying value of the Lease Liability

Particulars	As on March 31, 2023	As on March 31, 2022
Opening Balance	110.36	92.53
Interest Expense	12.40	8.84
Lease Payments [Total Cash Outflow]	(57.60)	(54.70)
Short term rent concession	-	(1.12)
Additions during the year	103.39	70.41
Adjustment/Deletion	(0.27)	(5.60)
Closing Balance	**168.28**	**110.36**

(iv) Contractual Maturities of Lease liability outstanding

Particulars	As on March 31, 2023	As on March 31, 2022
Less than one year	105.92	50.13
One to five Years	157.52	76.91
Total	**263.44**	**127.04**

(v) The following are the amount recognised in the Profit or Loss statement

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation expense of right-of-use assets	55.59	44.70
Interest expense on lease liabilities	12.40	8.84
Expense relating to short-term leases (included in other expenses)	2.60	(1.12)
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	**70.59**	**52.42**

Lease expenses relating to short term leases aggregated to ₹ 2.60 crores during the year ended March 31, 2023

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 to provide flexibility in managing the leased-asset portfolio and align with Group's business needs. Management 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 forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

NOTE 50: 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, 2023 AND MARCH 31, 2022

As at March 31, 2023

₹ in crores

Name of the entities	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
I. Parent								
Cholamandalam Investment and Finance Company Limited	96%	13,753.30	100%	2,664	142%	34	100%	2,698
II. Subsidiaries								
Cholamandalam Securities Limited	0%	50.72	0%	7	-38%	(9)	0%	(2)
Cholamandalam Home Finance Limited	0%	68.07	0%	6	-4%	(1)	0%	5
Minority Interests in all subsidiaries	0%	0	0%	0	0%	0	0%	-
III. Joint Venture (Investment as per equity method)								
Payswiff Technologies Private Limited	3%	443	0%	(9)	0%	0	0%	(9)
IV. Associates (Investment as per equity method)								
White Data Systems India Private Limited	0%	23	0%	(2)	0%	0	0%	(2)
Vishvakarma Payments Private Limited	0%	0	0%	0	0%	0	0%	0
Paytail Commerce Private :Limited	0%	8	0%	(1)	0%	0	0%	(1)
	100%	**14,346**	**100%**	**2,665**	**100%**	**24**	**100%**	**2,689**

As at March 31, 2022

Name of the entities	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
I. Parent								
Cholamandalam Investment and Finance Company Limited	95%	11,167.52	100%	2,145.22	89%	121.23	99%	2,266.45
II. Subsidiaries								
Cholamandalam Securities Limited	0%	57.62	0%	5.48	10%	13.36	1%	18.84
Cholamandalam Home Finance Limited	1%	62.23	0%	8.19	1%	1.68	0%	9.87
Minority Interests in all subsidiaries	0%	-	0%	-	0%	-	0%	-
III. Joint Venture (Investment as per equity method)		-						
Payswiff Technologies Private Limited	4%	445.60	0%	(4.41)	0%	-	0%	(4.41)
IV. Associates (Investment as per equity method)								
White Data Systems India Private Limited	0%	27.02	0%	(0.22)	0%	-	0%	(0.22)
Vishvakarma Payments Private Limited	0%	-	0%	-	0%	-	0%	-
Paytail Commerce Private :Limited	0%	9.01	0%	(0.75)	0%	-	0%	(0.75)
	100%	**11,769.00**	**100%**	**2,153.51**	**100%**	**136.27**	**100%**	**2,289.78**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 51 ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III

Part 1 - Ageing Analysis

A. Trade Receivables ageing schedule as on March 31,2023

₹ in crores

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 increasein credit risk						-
(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. Trade Receivables ageing schedule as on March 31, 2022

₹ in crores

Particulars	Outstanding for following periods from due date of transcation					
	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	70.05	0.54	0.01	0.23	-	70.83
(ii) Undisputed Trade Receivables - which have significant increasein credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	0.02	0.05	0.04	0.05	0.32	0.48
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**70.07**	**0.59**	**0.05**	**0.28**	**0.32**	**71.31**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 51 ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III (Contd.)

C. CWIP ageing schedule as on March 31,2023

₹ in crores

Capital-work-in-progress	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	12.71	23.03	-	-	35.74
Projects Temporarily Suspended	-	-	-	-	-

D. CWIP ageing schedule as on March 31,2022

Intangible assets under development	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	23.03	-	-	-	23.03
Projects Temporarily Suspended	-	-	-	-	-

E. Intangible assets under development ageing schedule as on March 31, 2023

Intangible assets under development	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	-	-	-	-	-

F. Intangible assets under development ageing schedule as on March 31, 2022

Intangible assets under development	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	10.17	2.84	0.85	0.46	14.32
Projects Temporarily Suspended	-	-	-	-	-

G. 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) MSME	3.40	-	-	-	3.40
(ii) Others	158.91	4.07	4.83	0.40	168.21
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**162.31**	**4.07**	**4.83**	**0.40**	**171.61**

H. Trade Payables ageing schedule as on March 31, 2022

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) MSME	3.06	-	-	-	3.06
(ii) Others	124.02	0.05	0.07	0.39	124.53
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**127.08**	**0.05**	**0.07**	**0.39**	**127.59**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 51 ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III

Part - II - Other Disclosures
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.
Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
As per the information available, the Group has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
The Group being an non-banking finance company, as part of its normal business, grants loans and advances to its customers, other entities and persons ensuring adherence to all regulatory requirements. Further, the company 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.
Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2023

Note : 52 EVENTS AFTER REPORTING DATE

On April 25, 2023, the company made a public issue of secured, rated, listed redeemable non-convertible debentures of the face value of ₹ 1,000 each ("NCDs") with a base Issue size of ₹ 500 crores with an option to retain any oversubscription up to ₹ 500 crores, aggregating up to ₹ 1,000 crores within the shelf limit of ₹ 5,000 crore ("Tranche I Issue").

There have been no other events after the reporting date apart from above that require disclosure in the financial statements

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : **301112E/ E300264**

A.J. Shaikh
Partner
Membership No. : 221268

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : **004207S**

S. Usha
Partner
Membership No. : **211785**

Date : May 3, 2023
Place : Chennai

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Independent Auditor's Report

To the Members of Cholamandalam Investment and Finance Company Limited

Report on the Audit of the Standalone financial statements

Opinion

1. We have jointly audited the accompanying standalone financial statements of Cholamandalam Investment and Finance Company Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and notes forming part of the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its standalone cash flows for the year then ended.

Basis for Opinion

3. We conducted our joint audit in accordance with the Standards on Auditing (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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 9 of the standalone financial statements)	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:
The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to ₹ 107,077.24 crores and the associated impairment allowances aggregating to ₹ 2,328.92 crores are significant to the standalone 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	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.

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
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.	• 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 standalone financial statements.
Assessment of Direct tax and Indirect tax litigations and related disclosure of contingent liabilities (Refer to Note 38(a) of the standalone financial statements) **As at March 31, 2023, the Company has exposure towards litigations relating to various tax matters as set out in the aforesaid Notes.** **Significant management judgement is required to assess matters relating to direct tax and indirect tax litigations, to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate.** **As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a Key Audit Matter.**	Our audit procedures included the following: • We understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to direct and indirect tax laws and regulations. • We inquired with management the recent developments and the status of the material litigations which were reviewed and noted by the Audit Committee. • We performed our assessment on a test check basis on the underlying calculations supporting the contingent liabilities related to litigations disclosed in the standalone financial statements. • We used auditor's expert to gain an understanding and to evaluate the disputed tax matters. • We considered external legal opinions, where relevant, obtained by management and examined by the auditor's expert. • We obtained the listings from the management and got it reconfirmed from management's consultants. • We evaluated the adequacy of presentation and disclosures in relation to litigations in the standalone financial statements.
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.

Independent Auditor's Report (Contd.)

Key audit matter	How our 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; and 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 compensating controls or performed alternative audit procedures, where necessary.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (Financial Highlights, Board's Report, Management Discussion and Analysis and Report on Corporate Governance) but does not include the standalone financial statements and our auditor's 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the standalone financial position, standalone financial performance, changes in equity and standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Independent Auditor's Report (Contd.)

7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

8. Our objectives are to obtain reasonable assurance about 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.

9. As part of an audit in accordance with SAs, we exercise professional judgement 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

10. 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.

11. 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.

12. 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

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

Independent Auditor's Report (Contd.)

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38(a) to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7 and 9 to the standalone financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50A - Part - II - Other disclosures to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50A – Part - II - Other disclosures to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Sundaram and Srinivasan
Firm Registration Number: 004207S
Chartered Accountants

S. Usha
Partner
Membership No. : 211785
UDIN : 23211785BGWCVI4300

Place : Chennai
Date : May 3, 2023

For Price Waterhouse LLP
Firm Registration Number: 301112E/E300264
Chartered Accountants

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 23203637BGXOYJ3321

Place : Chennai
Date : May 3, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as at the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of Cholamandalam Investment and Finance Company Limited ("the Company") as of March 31, 2023 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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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.

Annexure A to Independent Auditor's Report (Contd.)

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as at the year ended March 31, 2023

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Sundaram and Srinivasan
Firm Registration Number: 004207S
Chartered Accountants

S. Usha
Partner
Membership No. : 211785
UDIN : 23211785BGWCVI4300

Place : Chennai
Date : May 3, 2023

For Price Waterhouse LLP
Firm Registration Number: 301112E/E300264
Chartered Accountants

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 23203637BGXOYJ3321

Place : Chennai
Date : May 3, 2023

Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2023

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Notes 13 and 14to the standalone financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks , which are in agreement with the unaudited books of account (Also refer Note 18.1 to the standalone financial statements). .

iii. (a) The Company is registered with Reserve Bank of India (RBI) under section 45-IA as a non-banking financial company, and its principal business is to give loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable to the Company.

(b) Based on our examination and the information and explanations given to us, in respect of the loans, investments/ guarantees/ securities/ advances in nature of the loan, in our opinion, the terms and conditions under which such loans were granted/ investments were made/ guarantees provided/ security provided are not prejudicial to the Company's interest.

(c) In respect of the loans/ advances in nature of loan, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Considering that the Company is a non-banking financial company engaged in the business of granting loans to retail customers for vehicles and housing, etc., the entity-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been reported because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 9 and 53 to the standalone financial statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) In respect of the loans/ advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2023, is Rs. 1,258.70 crores. In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon. Refer Note 9.2 in the standalone financial statements for details of number of cases and the amount of principal and interest overdue as at March 31, 2023.

(e) This Company is registered with the Reserve Bank of India (RBI) under section 45-IA as a non-banking financial company, and its principal business is to give loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.

(f) The loans/advances in nature of loans granted during the year, including to promoters/related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.

Annexure B to Independent Auditor's Report (Contd.)

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2023

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and sub-section (1) of Section 186 of the Act in respect of the loans and investments made and guarantees and security provided by it. The provisions of sub-sections (2) to (11) of Section 186 are not applicable to the Company as it is a non-banking financial company registered with the RBI engaged in the business of giving loans.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Further, the provisions of sub-section (1) of Section 73 are not applicable to the Company as it is a non-banking financial company registered with RBI, engaged in the business of giving loans.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of 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 is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In Crores)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Tax and interest	0.21	2005-06	Assessing Officer
Income Tax Act, 1961	Tax and interest	*	2008-09	High Court
Income Tax Act, 1961	Tax and interest	6.41	1990-91, 1991-92 and 2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Tax and interest	0.58	2015-16	Assessing Officer (International Taxation)
Income Tax Act, 1961	Tax and interest	14.08	2020-21	CIT (Appeals)
Bihar Finance Act, 1981	Sales tax	0.02	1992-93 and 1993-94	Sales Tax Appellate Tribunal, Jamshedpur
Delhi Sales Tax Act, 1975	Sales tax	0.08	1991-92	Deputy Commissioner of Sales Tax, Appeals
Gujarat Sales Tax Act, 1969	Sales tax	0.02	1997-98	Sales Tax Appellate Tribunal, Baroda
Odisha Value Added Tax Act, 2004	Sales tax	3.03	2007-08 to 2013-14	Odisha Sales Tax Appellate Tribunal
Rajasthan Sales Tax Act	Sales tax	1.02	2006-07 to 2014-15	Supreme Court
Rajasthan Sales Tax Act	Sales tax	0.15	2012-13, 2016-17 and 2017-18	Assessing Officer
Tamilnadu General Sales Tax Act, 1959	TNGST and CST	9.99	1995-96	High Court
Tamilnadu Value Added Tax Act, 2006	Sales tax	4.39	2006-07 to 2013-14	High Court
Finance Act, 1994	Service tax	196.90	2005-06 to 2017-18	CESTAT
Goods and Services Tax Act, 2018	Goods and Services Tax	0.11	2017-18	Commissioner of GST (Appeals)

*Represents amount less than rounding off norm adopted by the company

Annexure B to Independent Auditor's Report (Contd.)

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2023

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained (Also refer Note 18.1 (v) to the standalone financial statements).

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Deposit Taking Systemically Important Investment and Credit Company.

Annexure B to Independent Auditor's Report (Contd.)

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2023

(b) The Company has conducted non-banking financial activities during the year and the Company holds a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group has two CICs as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 50 A to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Sundaram and Srinivasan
Firm Registration Number: 004207S
Chartered Accountants

S. Usha
Partner
Membership No. : 211785
UDIN : 23211785BGWCVI4300

Place : Chennai
Date : May 3, 2023

For Price Waterhouse LLP
Firm Registration Number: 301112E/E300264
Chartered Accountants

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 23203637BGXOYJ3321

Place : Chennai
Date : May 3, 2023

Standalone Balance Sheet As at March 31, 2023

₹ in crores

	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Financial Assets			
Cash and Cash Equivalents	5	910.29	2,657.88
Bank Balances other than Cash and Cash Equivalents	6	2,051.13	1,562.20
Derivative financial instruments	7	272.86	186.53
Receivables	8		
i) Trade Receivables		77.18	32.47
ii) Other Receivables		113.88	95.54
Loans	9	1,04,748.32	74,149.21
Investments	10	3,620.02	2,076.16
Other Financial Assets	11	273.77	320.88
		1,12,067.45	**81,080.87**
Non- Financial Assets			
Current Tax Assets(Net)		267.06	250.71
Deferred Tax Assets (Net)	12	608.50	671.43
Investment Property	13	0.13	0.13
Property, Plant and Equipment	14	372.17	239.89
Capital Work in Progress		35.74	23.03
Intangible Assets Under Development		24.60	13.95
Other Intangible Assets	15	26.43	14.55
Other Non-Financial Assets	16	105.43	68.79
		1,440.06	**1,282.48**
Asset classified as held for sale - Investment	10	**8.00**	**-**
TOTAL ASSETS		**1,13,515.51**	**82,363.35**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	7	134.27	169.56
Payables			
(I) Trade Payables			
i) Total outstanding dues of micro and small enterprises		3.40	3.06
ii) Total outstanding dues of creditors other than micro and small enterprises		119.93	79.84
(II) Other Payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		1,064.69	719.90
Debt Securities	17	19,682.41	13,321.10
Borrowings(Other than Debt Securities)	18	73,186.19	52,004.52
Subordinated Liabilities	19	4,487.46	3,847.88
Other Financial Liabilities	20	354.11	333.43
		99,032.46	**70,479.29**
Non-Financial Liabilities			
Current Tax Liabilities(Net)		-	-
Provisions	21	140.88	118.27
Other Non-Financial Liabilities	22	46.12	58.11
		187.00	**176.38**
Equity			
Equity Share Capital	23A	164.48	164.28
Other Equity	23B	14,131.57	11,543.40
		14,296.05	**11,707.68**
TOTAL LIABILITIES AND EQUITY		**1,13,515.51**	**82,363.35**

The accompanying notes are an integral part of the Standalone financial statements

As per our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/E300264

A.J. Shaikh
Partner
Membership No. : 203637

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

Date : May 3, 2023
Place : Chennai

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Standalone Statement of Profit and Loss for the year ended March 31, 2023

₹ in crores

	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Operations			
Interest Income	24A	12,082.18	9,566.81
Fee Income	24B	524.37	383.74
Net gain on fair value change on financial instruments	24C	69.40	12.99
Sale of Services	24D	81.09	84.75
Total Revenue from operations (I)		**12,757.04**	**10,048.29**
Other Income (II)	25	220.94	90.48
Total Income (III) = (I) + (II)		**12,977.98**	**10,138.77**
Expenses			
Finance costs	26	5,748.75	4,298.82
Impairment of financial Instruments (Net)	27	849.68	880.30
Employee benefits expense	28	1,265.68	894.53
Depreciation and amortisation expense	13, 14 & 15	118.88	97.35
Other expenses	29	1,395.30	1,076.83
Total Expenses (IV)		**9,378.29**	**7,247.83**
Profit before tax (V) = (III) - (IV)		**3,599.69**	**2,890.94**
Tax expense/(benefit)			
- Current tax		881.72	691.96
- Adjustment of tax relating to earlier periods		0.21	0.68
- Deferred tax		51.56	51.59
Net tax expense (VI)		933.49	744.23
Profit for the year - A = (V) - (VI)		**2,666.20**	**2,146.71**
Other Comprehensive income:			
i) Items that will not be reclassified to profit or loss:			
Re-measurement gains / (losses) of Post employment benefit Obligations (net)		(0.46)	0.05
Income tax impact		0.12	(0.01)
ii) Items that will be reclassified to profit or loss:			
Net Gain On Cashflow Hedge Reserve		45.64	161.97
Income tax impact		(11.49)	(40.77)
Other comprehensive income/(loss) net of tax for the year (B)		**33.81**	**121.24**
Total comprehensive income net of tax for the year (A + B)		**2,700.01**	**2,267.95**
Earnings per equity share of ₹ 2 each	30		
Basic (₹)		32.45	26.16
Diluted (₹)		32.40	26.11

The accompanying notes are an integral part of the Standalone financial statements

As per our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/E300264

A.J. Shaikh
Partner
Membership No. : 203637

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Date : May 3, 2023
Place : Chennai

Standalone Statement of Changes in Equity for the year ended March 31, 2023

₹ in crores

1. Current reporting year

A) Equity Share Capital

Balance as at March 31, 2022	Changes in Equity Share capital due to prior year errors	Restated Balance at the beginning of the current reporting year	Changes in Equity share capital during the current year	Balance as at March 31, 2023
164.28	-	164.28	0.20	164.48

B) Other Equity (Refer Note 23B)

₹ in crores

Particulars	Share application Money Pending for allotment	Reserve and Surplus										Total
		Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share based Payments Reserve	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive income	Effective portion of cashflow hedge	
Balance as at March 31, 2022	**-**	**0.04**	**2,888.92**	**33.00**	**4,739.13**	**1,792.82**	**2,020.46**	**54.93**	**-**	**(1.29)**	**15.39**	**11,543.40**
Changes in accounting policy /prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting year	-	0.04	2,888.92	33.00	4,739.13	1,792.82	2,020.46	54.93	-	(1.29)	15.39	**11,543.40**
Profit for the year	-	-	-	-	-	2,666.20	-	-	-	-	-	**2,666.20**
Remeasurement of defined benefit plans	-	-	-	-	-	(0.35)	-	-	-	-	-	**(0.35)**
Total comprehensive income for the period, net of income tax	-	-	-	-	-	-	-	-	-	-	34.15	**34.15**
Dividend including tax	-	-	-	-	-	(164.36)	-	-	-	-	-	**(164.36)**
Share premium received on allotment of equity shares under ESOP	-	-	24.07	-	-	-	-	-	-	-	-	**24.07**
Recognition of share based payments	-	-	-	-	-	-	-	28.46	-	-	-	**28.46**
Transfer to reserves from Retained earings during the year	-	-	-	-	1,000	(1,540)	540.00	-	-	-	-	-
Balance as at March 31, 2023	**-**	**0.04**	**2,912.99**	**33.00**	**5,739.13**	**2,754.31**	**2,560.46**	**83.39**	**-**	**(1.29)**	**49.54**	**14,131.57**

Standalone Statement of Changes in Equity for the year ended March 31, 2023 (Contd.)

₹ in crores

Standalone Statement of Changes in Equity for the year ended March 31, 2022

2. Previous reporting year

A) Equity Share Capital

Balance as on March 31, 2021	Changes in Equity Share capital due to prior year errors	Restated Balance at the beginning of the current reporting year	Changes in Equity share capital during the current year	Balance as on March 31, 2022
164.07	-	164.07	0.21	164.28

B) Other Equity (Refer Note 23B)

₹ in crores

Particulars	Reserve and Surplus											
	Share application Money Pending for allotment	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share based Payments Reserve	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive income	Effective portion of cashflow hedge	Total
Balance as at March 31, 2021	**-**	**0.04**	**2,866.05**	**33.00**	**3,739.13**	**1,240.21**	**1,590.46**	**34.45**	**-**	**(1.29)**	**(105.81)**	**9,396.24**
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting year	-	0.04	2,866.05	33.00	3,739.13	1,240.21	1,590.46	34.45	-	(1.29)	(105.81)	**9,396.24**
Profit for the year	-	-	-	-	-	2,146.71	-	-	-	-	-	**2,146.71**
Remeasurement of defined benefit plans	-	-	-	-	-	0.04	-	-	-	-	-	**0.04**
Total comprehensive income for the period, net of income tax	-	-	-	-	-	-		-	-	-	121.20	**121.20**
Dividend including tax	-	-	-	-	-	(164.14)	-	-	-	-	-	**(164.14)**
Share premium received on allotment of equity shares under ESOP	-	-	22.87	-	-	-	-	-	-	-	-	**22.87**
Recognition of share based payments	-	-	-	-	-	-	-	20.48	-	-	-	**20.48**
Transfer to reserves from Retained earings during the year	-	-	-	-	1,000.00	(1,430.00)	430.00	-	-	-	-	**-**
Balance as at March 31, 2022	**-**	**0.04**	**2,888.92**	**33.00**	**4,739.13**	**1,792.82**	**2,020.46**	**54.93**	**-**	**(1.29)**	**15.39**	**11,543.40**

The accompanying notes are an integral part of the Standalone financial statements

As per our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/E300264

A.J. Shaikh
Partner
Membership No. : 203637

Date : May 3, 2023
Place : Chennai

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Standalone Cash Flow Statement for the year ended March 31, 2023

₹ in crores

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
Cash Flow from Operating Activities				
Profit Before Tax		**3,599.69**		**2,890.94**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	118.88		97.35	
Impairment of financial instruments	849.68		880.30	
Finance Costs	5,748.75		4,298.82	
Loss on Sale of Property plant and equipment (Net)	0.74		0.07	
Net gain on fair value change in financial instrument	(69.40)		(12.99)	
Interest Income on bank deposits and other investments	(273.83)		(241.68)	
Interest on Income Tax Refund	-		(6.62)	
Short Term Rent Concessions	-		(1.12)	
Share based payment expense	28.08		20.20	
		6,402.90		5,034.33
Operating Profit Before Working Capital Changes		10,002.59		7,925.27
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(31,448.79)		(9,190.17)	
Trade receivables	(63.05)		(61.58)	
Other Financial Assets	47.11		215.49	
Other Non Financial Assets	(36.64)	(31,501.37)	1.55	(9,034.71)
Increase/(Decrease) in operating liabilities and provisions				
Payables	384.84		208.07	
Other Financial liabilities	(36.28)		(25.51)	
Provisions	22.61		8.69	
Other Non Financial liabilities	(11.99)	359.18	12.34	203.59
Cash Flow used in Operations		(21,139.60)		(905.85)
Finance Costs paid	(5,277.88)		(4,117.31)	
Interest Received on Bank Deposits and other investments	278.75		260.42	
		(4,999.13)		(3,856.89)
		(26,138.73)		(4,762.74)
Income tax paid (Net of refunds)		(898.16)		(844.78)
Net Cash Used in Operating Activities (A)		**(27,036.89)**		**(5,607.52)**
Cash Flow from Investing Activities				
Purchase of Property, plant and Equipment and Intangible Assets	(174.20)		(70.92)	
Capital Work in Progress	(12.71)		(23.03)	
Proceeds from Sale of Property, plant and equipment	3.03		1.92	
Investment in Subsidiaries/Associates	(6.81)		(459.76)	
Purchase of Mutual Funds Units	(1,40,177.99)		(42,112.89)	
Redemption of Mutual Funds Units	1,40,246.47		42,125.89	
Proceeds from Sale of Government Securities	2.14		2.42	

Standalone Cash Flow Statement for the year ended March 31, 2023

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Investment in Treasury Bill	(1,536.27)	-
Investment in Convertible Notes	(10.00)	-
Investment in Bank Fixed Deposits (net of withdrawals)	(493.78)	2,203.05
Net Cash Used in Investing Activities (B)	**(2,160.12)**	**1,666.68**
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital (Including Securities Premium)	24.27	23.08
Payment of Lease liabilities	(58.65)	(54.11)
Proceeds from issue of Debt securities	23,257.67	9,501.40
Redemption of Debt securities	(17,192.30)	(8,434.26)
Proceeds from Borrowing other than debt securities	83,475.01	25,274.81
Repayment of Borrowings other than debt securities	(62,534.27)	(20,668.18)
Proceeds from issue of subordinated liabilities	1,020.00	545.00
Repayment of subordinated liabilities	(378.00)	(872.70)
	27,648.11	5,346.07
Dividends Paid	(164.31)	(164.17)
Net Cash From Financing Activities (C)	**27,449.42**	**5,150.87**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(1,747.59)**	**1,210.03**
Cash and Cash Equivalents at the Beginning of the year	2,657.88	1,447.85
Cash and Cash Equivalents at the End of the year	910.29	2,657.88

The components of cash and cash equivalents can be referred in Note 5

The accompanying notes are an integral part of the Standalone financial statements

As per our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/E300264

A.J. Shaikh
Partner
Membership No. : 203637

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Date : May 3, 2023
Place : Chennai

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

1. Corporate information

Cholamandalam Investment and Finance Company Limited ("the Company") (CIN L65993TN1978PLC007576) is a public limited Company domiciled in India. The Company is listed on Bombay Stock Exchange and National Stock Exchange. The Company is one of the premier diversified non-banking finance companies in India, engaged in providing vehicle finance, home loans, Loan against property, SME loans and Unsecured Loans.

The standalone financial statements are presented in INR which is also functional currency of the Company.

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in all material aspects to comply Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act ,2013 ("the Act")[Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)] and other relevant provisions of the Act.

The standalone financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) instruments, fair value through Profit and Loss (FVTPL) instruments, derivative financial instruments and certain other financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments)

In the preparation of the financial statements, Management makes estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these judgements,assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

The standalone financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest crores, except when otherwise indicated.

The regulatory disclosures as required by Master Directions for Non-Banking Financial Company - Systemically Important Non-Deposit taking Company Directions, 2016 issued by the RBI ('RBI Master Directions') and other relevant circulars/ directions included as a part of the Notes to Accounts are prepared as per the Ind AS framework, pursuant to the RBI notification on Implementation of Indian Accounting Standards, dated March 13,2020..

2.2 Presentation of financial statements

Financial assets and financial liabilities are generally reported on a gross basis 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:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

3 Significant accounting policies

3.1 Financial instruments – initial recognition

3.1.1 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 Company becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared by the Company (as per the terms of the agreement with the borrowers) or when the Company assumes unconditional obligations to release the disbursement amount to third party on the direction of the borrower, whichever is earlier. The Company recognises debt securities and borrowings when funds reach the Company.

3.1.2 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 adjusted for transaction costs/fees which are directly attributable to acquisition of financial assets or financial liabilities, except in the case of financial assets and financial liabilities recorded at FVTPL in which case transaction costs/fees are recognised immediately in statement of profit and loss

3.1.3 Measurement categories of financial assets and liabilities

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

- Amortised cost
- Fair Value through Profit and Loss ("FVTPL")
- Fair Value through Other Comprehensive Income ("FVOCI")

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

3.2 Financial assets and liabilities

3.2.1 Bank balances, Loans, Trade receivables and financial investments at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- 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.

3.2.1.1 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:

- 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
- 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
- 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)
- 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..

3.2.1.2 The SPPI test

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

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

Contractual terms that introduce exposure to risk or volatility in contractual cashflow that are unrelated to a basic lending arrangement do not give to contractual cashflows that are SPPI, such financial assets are either classified as FVTPL /FVOCI

3.2.2 Investment in Mutual funds

The Company recognises the investment in mutual funds on trade date and is classified and measured, at fair value through profit or loss. Any gain/losses on disposal or subsequent re-measurement is recognised in the statement of Profit and Loss.

Investment in Convertible Notes are classified and measured in accordance with the requirements of Ind AS 109 through FVTPL.

3.2.3 Equity instruments

Investment in Subsidiaries and Joint Ventures are carried at Cost in the Separate Financial Statements as permitted under Ind AS 27.

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

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI (Other Comprehensive Income).Equity instruments at FVOCI are not subject to an impairment assessment.

3.2.4 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 into account any discount or premium on issue funds, and costs that are an integral part of the Effective Interest Rate ("EIR").

3.2.5 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the Expected Credit Losses ("ECL") requirements.

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 together with the corresponding ECLs are disclosed in notes.

3.3 Modification and Derecognition of financial assets and liabilities

3.4.1 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset 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 company 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 financial asset is modified the company assesses whether this modification results in derecognition. In accordance with the company's policy, a modification results in derecognition when it gives rise to substantially different terms. Where a modification does not lead to derecognition, the company calculates the modification gain/loss comparing the gross carrying amount before and after the modification and accounts for the same in the Statement of Profit and Loss.

3.4.1A Derecognition of 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.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset

Or

- It retains 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.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities, when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset

Or

- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee issued by the Originator over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

In case where transfer of a part of financial assets qualifies for de-recognition, 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 financial asset previously carried under amortisation cost category. The resulting interest only strip initially is recognised at FVTPL and re-assessed at the end of every reporting period.

3.4.2. Financial liabilities

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

3.5 Impairment of financial assets

3.5.1 Overview of the ECL principles

The Company records allowance for expected credit losses for all financial assets other than FVTPL, together with loan commitments. Equity instruments are not subject to impairment.

Loans

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) as outlined in Notes.

The 12mECL is 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.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument'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 Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company 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 Company 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 Company records an allowance for the LTECLs.

3.5.2 The calculation of ECLs

The Company 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.

The key elements of the ECL are summarised below:

Probability of Default ("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.

Exposure At Default ("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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

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.

Loss Given Default ("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.

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

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL 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 Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company 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: For loans considered credit-impaired, the Company 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%.

Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Company 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 Company follows 'simplified approach' for recognition of impairment loss allowance on other financial assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case-by-case approach, taking into consideration different recovery scenarios.

3.5.3 Forward looking information

The Company 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 Company'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

3.6 Collateral repossessed

The Company generally does not use the assets repossessed for 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 assets held for sale.

3.7 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. Where the amount to be written off is greater than the accumulated loss allowance, the difference recorded as an expense in the period of write off. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

3.8 Restructured, rescheduled and modified loans

The Company 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 Company 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 Company also reassesses whether there has been a significant increase in credit risk. The Company

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

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 1 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.

3.9 Derivative and Hedge accounting

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVTPL.

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 or 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.

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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 OCI within equity (cash flow hedge reserve).

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

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.

3.10 Recognition of interest income

3.10.1 The effective interest rate method

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 discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

3.10.2 Interest Income

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account the fees and costs that are an integral part of the EIR. For credit-impaired financial assets interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

3.11 Taxes

3.11.1 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 substantively enacted, by the reporting date in the countries where the Company 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.

3.11.2 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.

3.12 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 Company'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.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

3.13 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.

Useful life of assets as per Schedule II:

Asset Description	Estimated Useful Life
Buildings	60 years
Computer Equipment	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 Company, based on technical assessment made by technical expert and management estimate, depreciates Furniture & Fixtures and vehicles 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 in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.14 Intangible assets

The Company's intangible assets mainly include the value of computer software.

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 Company.

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.

3.15 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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised 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 recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.16 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 company operates the following post-employment schemes:

(a) defined contribution plans such as provident fund

(b) defined benefit plans such as gratuity, pension.

Defined Contribution Scheme

Employees' Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Employees' State Insurance: The Company 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 Company 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 Company 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 Company makes contribution to a Gratuity Fund administered by trustees and managed by LIC. The Company 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.

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

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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the 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

(iii) Other employee benefits

Compensated Absences: The Company 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.

3.17 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 Company 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 Company 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 Company'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.

3.18 Provisions and Contingent liabilities

Provisions are recognised only 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.

Provision 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.

3.19 Dividends on ordinary shares

The Company 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 Company. As per the Companies Act, 2013 in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.20 Determination of Fair value

The Company measures financial instruments, such as, derivatives 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:

- In the principal market for the asset or liability, or
- 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

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 hierarchy of valuation techniques, as summarised below:

- **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.
- **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.
- **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.

3.21 Recognition of Income

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price of the consideration received or receivable.

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 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.

3.21.1 Interest on overdue balances and Other Charges

Overdue interest in respect of loans is recognised upon realisation.

3.21.2 Fee Income & Sale of Service

a) Fee income from loans are recognised at point in time upon satisfaction of following:

   i) Completion of service

   ii) and realisation of the fee income.

b) Servicing and collections fees on assignment are recognised upon completion of service.

c) Advertising income is recognised over the contract period as and when related services are rendered.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

3.22 Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company'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 company approve the dividend.

3.23 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.

3.24 Foreign Currency transactions

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities 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.

Foreign exchange differences are regarded as an adjustment to borrowing cost are presented in the statement of profit and loss within finance cost.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.25 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.

3.26 Segment Information

An operating segment is a component of the Company that engages in the business activities from which it may earn revenues and incur expenses ,whose operating results are regularly reviewed by Company'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".

3.27 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 Company.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

3.28 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.

3.29 Leases

The Company's lease asset consists of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease If the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company 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 Company 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 Company 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 Company changes its assessment if the whether it will exercise an extension or a termination option.

The Company has opted to presented 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 Company are classified as financing cash flows.

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

4A. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported 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 Company'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 Company from time to time enters into direct bilateral assignment deals, which qualify for de-recognition under Ind AS 109. Accordingly, the assessment of the Company's business model for managing its financial assets becomes a critical judgment.

Further, the Company 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 Company 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.

Refer Note 3.2.1.1 for related details.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

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 value please see Fair value note in accounting policy. Refer Note 3.20 for related details..

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 Company'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:

- The Company'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
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward-looking information as economic inputs

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

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

4B. New Standards and amendments effective on or after April 01, 2022

(i) Ind AS 16, Property, Plant and Equipment

Proceeds before intended use of property, plant and equipment

Paragraph 17(e) of Ind AS 16 has been amended to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

(ii) Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

Onerous Contracts – Cost of fulfilling a contract

The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

(iii) Ind AS 103, Business combinations

References to the conceptual framework

The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

(iv) Ind AS 109, Financial Instruments

Fees included in the 10% test for derecognition of financial liabilities

The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

(v) Ind AS 101, First-time adoption of Indian Accounting Standards

Subsidiary as a first-time adopter

Simplifies the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

(vi) Ind AS 41, Agriculture

Taxation in fair value measurements

The amendment removes the requirement in Ind AS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113, *Fair Value Measurement*.

Based on the evaluation made by the Company, no impact is assessed in the financial statements of the Company on account of the above mentioned amendments in (i) to (vi).

4C New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective 1 April 2023. Below is a summary of such amendments:

(i) Disclosure of Accounting Policies- Amendments to Ind AS 1, Presentation of financial statements

The amendment requires entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

(j) Definition of Accounting Estimates- Amendments to Ind AS 8, Accounting policies, changes in accounting estimates and errors

The amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

(ii) Deferred tax related to assets and liabilities arising from a single transaction- Amendments to Ind AS 12, Income taxes

The amendment requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 5 CASH AND CASH EQUIVALENTS		
Cash on hand	11.00	16.03
Balances with banks		
- In Current Accounts	227.23	115.06
- In Deposit Accounts - Original maturity of 3 months or less	650.21	2,500.34
Cheques, drafts on hand	21.85	26.45
Total	**910.29**	**2,657.88**

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 6 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
- In Deposit Accounts - Original maturity more than 3 months	1,017.21	1,083.02
- In earmarked accounts		
-Margin account for derivatives	52.27	139.13
- In Unpaid Dividend Accounts	0.76	0.71
- Deposits with Banks as collateral towards securitisation loan	980.36	339.07
- In Unclaimed Debenture Account	0.45	0.19
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	0.08	0.08
Total	**2,051.13**	**1,562.20**

₹ in crores

Particulars	As at March 31, 2023			As at March 31, 2022		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilites	Notional amounts	Fair Value -Assets	Fair Value -Liabilites
Note : 7 DERIVATIVE FINANCIAL INSTRUMENTS						
Part I						
(i) Other derivatives - Cross Currency Interest Rate Swap	2,541.18	147.42	-	1,897.23	108.09	-
(ii) Interest rate Swaps	500.00	4.73	5.59	-	-	2.82
(iii) Forward Contracts	1,933.08	120.71	128.68	1,948.90	78.44	166.74
Total Derivative financial Instruments	**4,974.26**	**272.86**	**134.27**	**3,846.13**	**186.53**	**169.56**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cash flow hedging:						
Others - Cross currency interest rate swap	2,541.18	147.42	-	1,897.23	108.09	-
(ii) Interest rate Swaps	500.00	4.73	5.59	-	-	2.82
(iii) Forward Contracts	1,933.08	120.71	128.68	1,948.90	78.44	166.74
Total Derivative financial Instruments	**4,974.26**	**272.86**	**134.27**	**3,846.13**	**186.53**	**169.56**

The Company has a Board approved policy for entering into derivative transactions. Derivative transaction comprises of Currency, Interest Rate Swaps and forward contracts. The Company undertakes such transactions for hedging interest / foreign exchange risk on borrowing. The Asset Liability Management Committee and Business Committee periodically monitors and reviews the risks involved. Also, refer note 42.2.2.4 (a).

The notional amount for interest rate swap represents the foreign currency borrowing on which Company has entered to hedge the variable interest rate.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 8 RECEIVABLES (Unsecured)		
(i) Trade Receivables		
Considered Good*	78.34	32.47
Less: Impairment Allowance	(1.16)	-
Total	**77.18**	**32.47**
(ii) Other Receivables		
Considered Good*	113.99	95.54
Less: Impairment Allowance	(0.11)	-
Total	**113.88**	**95.54**

*Includes dues from related parties
No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 9 LOANS (At amortised cost)		
(A)		
(i) Bills Discounted	926.85	370.99
(ii) Term loans	1,06,150.39	76,106.90
Total (A) Gross	**1,07,077.24**	**76,477.89**
Less: Impairment Allowance for (i) & (ii)	(2,328.92)	(2,328.68)
Total (A) Net	**1,04,748.32**	**74,149.21**
(B)		
(i) Secured by tangible assets	99,800.46	75,085.60
(ii) Unsecured	7,276.78	1,392.29
Total (B) - Gross	**1,07,077.24**	**76,477.89**
Less: Impairment Allowance for (i) & (ii)	(2,328.92)	(2,328.68)
Total (B) - Net	**1,04,748.32**	**74,149.21**
(C)		
(I) Loans In India		
(i) Public Sector		
(ii) Others	1,07,077.24	76,477.89
Less: Impairment Allowance	(2,328.92)	(2,328.68)
Total (C)(I) - Net	**1,04,748.32**	**74,149.21**

All loans are in India and have been granted to individuals or entities other than public sector

Secured indicates loans secured, wholly or partly, by way of hypothecation of automobile assets and / or pledge of securities and / or equitable mortgage of property and / or equipment. It also includes loans where security creation is in process. Refer Note 17.1 and 18.2 for receivables offered as security for borrowings.

Term loans includes unsecured short term loans to a subsidiary and associate. These loans have been classified under Stage 1 Category at the various reporting periods and related impairment provision as per the Company's accounting policy has been created. The details of the same are disclosed below:

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Loan - Outstanding Value		
Cholamandalam Securities Limited	12.50	4.50
White Data System India Private Limited	-	3.00
Impairment Allowance		
Cholamandalam Securities Limited	-	0.01
White Data System India Private Limited	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 9.1 LOANS

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

₹ in crores

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
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 period between stages	-	-	-	-	-	-	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	**915.68**	**3.98**	**7.19**	**926.85**	**7.49**	**0.39**	**5.35**	**13.23**
Term loans								
Opening as on April 1, 2022	66,984.70	5,817.08	3,305.12	76,106.90	340.20	659.58	1,291.37	2,291.15
New assets originated / Increase in existing assets (Net)	57,316.67	252.29	247.38	57,816.34	261.16	29.58	52.06	342.80
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	(1,195.29)	(109.04)	-	162.67	(128.33)	(34.34)	-
Transfer to Stage 2	(1,983.66)	2,084.21	(100.55)	-	(12.48)	43.30	(30.82)	-
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 period between stages	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	(241.51)	(179.46)	(383.26)	(804.23)	(4.98)	(59.30)	(265.65)	(329.93)
Closing as on March 31, 2023	**98,996.88**	**3,939.10**	**3,214.41**	**1,06,150.39**	**437.19**	**401.84**	**1,476.66**	**2,315.69**
Bills Discounted								
Opening as on April 1, 2021	96.78	-	37.39	134.17	0.57	-	34.34	34.91
New assets originated / Increase in existing assets (Net)	332.9	0.39	0	333.29	2.70	0.04	-	2.74
Exposure de-recognised / matured / repaid	(93.32)	-	(3.15)	(96.47)	(0.75)	-	(2.21)	(2.96)
Transfer to Stage 1	0.71	-	(0.71)	-	0.21	-	(0.21)	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(4.16)	-	4.16	-	(0.02)	-	0.02	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	1.18	1.18
Impact of changes on items within the same stage	-	-	-	-	-	-	1.66	1.66
Closing as on March 31, 2022	**332.91**	**0.39**	**37.69**	**370.99**	**2.71**	**0.04**	**34.78**	**37.53**
Term loans								
Opening as on April 1, 2021	61,250.86	4,231.11	2,667.62	68,149.59	536.73	709.63	1163.15	2,409.51
New assets originated	32,215.57	137.07	84.64	32,437.28	169.17	13.59	11.82	194.58
Exposure de-recognised / matured / repaid	(20,991.67)	(2,163.87)	(785.80)	(23,941.34)	(366.43)	(262.55)	(152.11)	(781.09)
Transfer to Stage 1	507.81	(392.78)	(115.03)	-	101.06	(68.01)	(33.05)	-
Transfer to Stage 2	(4,776.09)	4,832.90	(56.81)	-	(74.37)	90.24	(15.87)	-
Transfer to Stage 3	(1,110.57)	(703.02)	1,813.59	-	(21.81)	(123.10)	144.91	-
Impact on account of exposures transferred during the period between stages	1.17	48.88	77.06	127.11	-	384.27	440.58	824.85
Impact of changes on items within the same stage	198.39	32.05	99.30	329.74	13.11	2.18	116.17	131.46
Write off*	(310.77)	(205.26)	(479.45)	(995.48)	(17.26)	(86.67)	(384.23)	(488.16)
Closing as on March 31, 2022	**66,984.70**	**5,817.08**	**3,305.12**	**76,106.90**	**340.20**	**659.58**	**1,291.37**	**2,291.15**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 9.1 LOANS (Contd.)

ECL across stages have been computed on collective basis.

The Company uses Days past due of the customer to determine the credit quality of loans

*Total write off includes Loss on disposal of repossessed vehicles - ₹ 566.57 crores for the year ended March 31, 2023 (₹ 601.24 crores-March 31, 2022)

Note : 9.2 OVERDUE GREATER THAN 90 DAYS

₹ in crores

No. of cases	Principal outstanding	Overdue Instalments*
As on March 31,2023		
1,22,022	2,117.71	1,258.70
As on March 31,2022		
87,914	2,032.29	1,488.89

*Overdue instalments includes principal amount overdue and interest overdue

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 10 INVESTMENTS		
Investment in Equity Instruments* Unquoted		
a) Subsidiaries at cost		
Cholamandalam Home Finance Limited 4,24,00,000 Equity shares of ₹ 10 each fully paid up	42.40	42.40
Cholamandalam Securities Limited 2,25,00,014 Equity shares of ₹ 10 each fully paid up	22.50	22.50
b) Joint Venture		
Payswiff Technologies Private Limited 28,16,117 Equity shares of ₹ 10 each fully paid up	456.82	450.01
c) Associate at cost		
White Data System India Private Limited 12,75,917 Equity shares of ₹ 10 each fully paid up (Refer Note-1)	-	8.00
Vishvakarma Payments Private Limited 2,100 Equity shares of ₹ 10 each fully paid up#	-	-
Paytail commerce Private limited 27,482 Equity shares of ₹ 10 each fully paid up	9.75	9.75
d) Others - Unquoted - FVOCI **		
Amaravathi Sri Venkatesa Paper Mills Limited 2,93,272 Equity shares of ₹ 10 each fully paid up#	1.29	1.29
Less: Provision for Dimunition in Value of Investment	(1.29)	(1.29)
Saraswat Co-operative Bank Limited 1,000 Equity shares of ₹ 10 each fully paid up#	-	-
The Shamrao Vithal Co-operative Bank Limited 1,000 Equity shares of ₹ 25 each fully paid up#	-	-
Chola Insurance Distribution Services Private Limited 19,133 Equity shares of ₹10 each fully paid up	0.02	0.02
Abhishek Co-operative Housing Society 5 shares of ₹ 50 each : Cost ₹ 250 only #	-	-
Chennai Willingdon Corporate Foundation 5 shares of ₹ 10 each fully paid up #	-	-
Total	**0.02**	**0.02**
e) Investment in Indian Government Securities - Quoted - amortised cost	1,541.34	1,543.48
f) Investment in Treasury Bill - amortised cost	1,536.27	-
g) Investment in Convertible Note of Paytail commerce Private Limited (Refer Note-2) - FVTPL	10.92	-
Total	**3,620.02**	**2,076.16**

*Investments are made in India

**The Company has designated certain unquoted equity instruments as FVOCI on the basis that these are not held for trading.

Asset classified as held for sale - Investment		
White Data System India Private Limited 12,75,917 Equity shares of ₹ 10 each fully paid up (Refer Note-1)	8.00	-
Total	**8.00**	**-**

represents amount less than ₹ 1 crores

Note-1: The Company entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India PrivateLimited (WDSI) and other shareholders of WDSI for the transfer of the entire equity shares held by the Company in WDSI to TVSSCSL. As consideration for transfe¯r of WDSI shares, TVSSCSL has allotted 22,35,265 Compulsory Convertible Preference Shares (CCPS) of TVSSCSL to the company on April 20, 2023. In accordance with Ind As 105 "Non -current Assets Held for Sale and Discontinued Operations", WDSI has ceased to be an Associate of the company effective March 28, 2023 and has been classified as Asset held for Sale as at March 31, 2023.

Note -2: The Principal amount of Convertible note (₹ 10 crores)shall be converted into fully paid equity shares in accordance with the conversion ratio determined as per the terms of the agreement. If the conversion of the note does not occur on or prior to 25 November 2027, the note shall be redeemed at the principal amount along with interest @9% p.a.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 11 OTHER FINANCIAL ASSETS		
Unsecured - considered good		
At amortised cost		
Security deposits	38.14	24.73
Other advances	17.39	6.78
Interest only strip receivable	218.30	289.37
Total - Gross	**273.83**	**320.88**
Less: Impairment Allowance	(0.06)	-
Total - Net	**273.77**	**320.88**

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 12 DEFERRED TAX		
Deferred Tax Assets		
Impairment allowance for financial instruments	566.25	574.87
Provision for Contingencies and Undrawn commitments	12.92	10.25
Provision for Compensated Absences and Gratuity	22.54	21.05
Impact of Effective interest rate adjustment on Financial Assets	4.76	45.83
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961.	14.85	15.50
Items recognised in OCI		
Others	-	7.03
(A)	**621.32**	**674.53**
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	1.16	1.63
Items recognised in OCI	10.76	1.47
Others	0.90	-
(B)	**12.82**	**3.10**
Net Deferred Tax Assets (A) - (B)	**608.50**	**671.43**

₹ in crores

	Year ended March 31, 2023 Statement of Profit and Loss	Year ended March 31, 2023 OCI	Year ended March 31, 2022 Statement of Profit and Loss	Year ended March 31, 2022 OCI
Deferred Tax Assets				
Impairment allowance for financial instruments	8.62	-	39.85	-
Provision for Contingencies and Undrawn commitments	(2.67)	-	0.95	-
Provision for Compensated Absences and Gratuity	(1.49)	0.12	(3.13)	-
Impact of Effective interest rate adjustment on Financial Assets	41.07	-	17.00	-
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961.	0.65	-	(4.05)	-
Others	4.91	-	1.97	-
(A)	**51.09**	**0.12**	**52.59**	**-**
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	(0.47)	-	0.98	-
Re-measurement gains / (losses) on defined benefit plans (net)		-	-	(0.01)
Cashflow Hedge reserve	-	11.49	-	40.77
(B)	**(0.47)**	**11.49**	**0.98**	**40.76**
Net deferred tax charge / (reversal) (A) - (B)	**51.56**	**(11.37)**	**51.61**	**(40.76)**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particular	
Note : 13 INVESTMENT PROPERTY	
Gross carrying amount as at April 01, 2021	**0.14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2022	**0.14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2023	**0.14**
Accumulated depreciation and impairment	
Balance as at April 1, 2021	**-**
Depreciation for the year	0.01
Depreciation on disposals	-
Balance as at March 31, 2022	**0.01**
Depreciation for the year	-
Depreciation on disposals	-
Balance as at March 31, 2023	**0.01**
Net Carrying amount	
As at March 31, 2022	**0.13**
As at March 31, 2023	**0.13**
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

The Company's investment property consists of 4 properties and has let out one property as at March 31, 2023 and as at March 31, 2022.

Income earned and expense incurred in connection with investment property

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental Income	0.05	0.05
Direct Operating expense from property that generated rental income	0.01	0.01
Direct Operating expense from property that did not generate the 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.

₹ in crores

	As at March 31, 2023	As at March 31, 2022
iv) Fair Value		
Investment Property (₹ in crores)	3.20	3.09

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair value (₹ in crores)	Sensitivity (₹ in crores)
v) Sensitivity analysis						
Investment Property As at March 31, 2023	Professional valuer	Price per Sq. feet	₹ 7,000 - 13,000 per Sq. feet	5%	3.20	0.16
Investment Property As at March 31, 2022	Professional valuer	Price per Sq. feet	₹ 7,000 - 13,000 per Sq. feet	5%	3.09	0.15

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	Freehold Land	Computer Equipment	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicles	Buildings (Refer Note below)		Total
							Owned Assets	Right of Use Assets	
Note : 14 PROPERTY, PLANT AND EQUIPMENT									
Gross carrying amount as at April 1, 2021	**39.56**	**95.93**	**29.24**	**24.64**	**50.13**	**17.80**	**23.05**	**163.42**	**443.77**
Additions	-	37.74	2.63	2.08	3.48	10.05	-	70.41	126.39
Disposals	-	5.52	0.39	0.10	0.16	5.60	-	2.91	14.68
Gross carrying amount as at March 31, 2022	**39.56**	**128.15**	**31.48**	**26.62**	**53.45**	**22.25**	**23.05**	**230.92**	**555.48**
Additions	-	51.37	5.27	2.60	10.86	70.51	-	105.82	246.43
Disposals	-	6.61	2.48	2.63	4.62	9.47	-	2.61	28.42
Gross carrying amount as at March 31, 2023	**39.56**	**172.91**	**34.27**	**26.59**	**59.69**	**83.29**	**23.05**	**334.13**	**773.49**
Accumulated depreciation / amortisation and impairment									
Balance as at April 1, 2021	-	71.16	19.45	19.66	33.09	8.41	1.66	87.32	240.75
Depreciation for the year	-	19.76	4.75	3.30	8.25	3.90	0.41	44.26	84.63
Depreciation on disposals	-	5.35	0.25	0.10	0.15	3.94	-	-	9.79
Balance as at March 31, 2022	**-**	**85.57**	**23.95**	**22.86**	**41.19**	**8.37**	**2.07**	**131.58**	**315.59**
Depreciation for the year	-	28.73	4.52	3.56	8.19	6.98	0.43	55.41	107.82
Depreciation on disposals	-	6.58	2.44	2.62	4.60	5.80	-	0.05	22.09
Balance as at March 31, 2023	**-**	**107.72**	**26.03**	**23.80**	**44.78**	**9.55**	**2.50**	**186.94**	**401.32**
Net Carrying amount									
As at March 31, 2022	**39.56**	**42.58**	**7.53**	**3.76**	**12.26**	**13.88**	**20.98**	**99.34**	**239.89**
As at March 31, 2023	**39.56**	**65.19**	**8.24**	**2.79**	**14.91**	**73.74**	**20.55**	**147.19**	**372.17**
Useful Life of the asset (In Years)		3	5	5	upto 5	5	60	upto 5	
Method of depreciation					Straight-line method				

Note

1. Details of Immovable properties of land and buildings (Owned Assets), whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security, has been explained in Note 17.1
2. The Company 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.
3. The Title Deeds of the Immovable Properties mentioned above are in the name of the company.
4. Company has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2023

₹ in crores

Particulars	Computer Software
Note : 15 INTANGIBLE ASSETS	
Gross carrying amount as at April 1, 2021	**73.53**
Additions	10.81
Disposals	-
Gross carrying amount as at March 31, 2022	**84.34**
Additions	22.94
Disposals	-
Gross carrying amount as at March 31, 2023	**107.28**
Accumulated Amortization and impairment	
Balance as at April 1, 2021	**57.08**
Amortization for the year	12.71
Amortization on disposals	-
Balance as at March 31, 2022	**69.79**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 15 INTANGIBLE ASSETS (Contd.)

₹ in crores

Particulars	Computer Software
Amortization for the year	11.06
Amortization on disposals	-
Balance as at March 31, 2023	**80.85**
Net Carrying amount	
As at March 31, 2022	**14.55**
As at March 31, 2023	**26.43**
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 16 OTHER NON FINANCIAL ASSETS		
Prepaid expenses	30.59	24.31
Capital advances	21.12	1.43
GST Input Credit	12.00	9.93
Others	41.72	33.12
Total	**105.43**	**68.79**

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 17 DEBT SECURITIES (at amortised cost)		
Redeemable Non-Convertible Debentures		
Medium-Term - Secured	15,340.63	10,529.95
Medium-Term - Unsecured	25.00	25.00
Commercial Papers - Unsecured	4,316.78	2,766.15
Total	**19,682.41**	**13,321.10**

All debt securities have been contracted in India

17.1 Security

(i) Redeemable Non-Convertible Debentures - Medium-term is secured by way of specific charge against identified loan receivables and *pari passu* charge on immovable property which are owned assets of the Company situated at Chennai.

(ii) The Company has not defaulted in the repayment of dues to its lenders.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 17 DEBT SECURITIES (at amortised cost) (Contd.)

17.2 Details of Debentures - Contractual principal repayment value

(i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2023	March 31, 2022		
		₹ in crores			
4,550	10,00,000	455.00	-	May-27	7.95
2,750	10,00,000	275.00	270.00	Apr-27	7.50
2,700	10,00,000	270.00	25.00	Mar-27	7.30
250	10,00,000	25.00	-	Nov-26	8.55
7,000	10,00,000	700.00	-	Apr-26	7.32
60,200	1,00,000	602.00	-	Mar-26	8.50
8,000	10,00,000	800.00	-	Jan-26	7.9217
6,050	10,00,000	605.00	-	Dec-25	8.30
5,000	10,00,000	500.00	-	Nov-25	8.45
5,000	10,00,000	500.00	500.00	Jul-25	7.92
4,974	10,00,000	497.40	497.40	Mar-25	7.08
2,000	10,00,000	200.00	200.00	Feb-25	5.85
13,600	10,00,000	1,360.00	860.00	Dec-24	5.57 to 6.30
3,500	10,00,000	350.00	150.00	Oct-24	6.80
4,000	10,00,000	400.00	400.00	Aug-24	5.53 to 5.58
16,000	10,00,000	1,600.00	600.00	Jul-24	5.46 to 7.38
11,500	10,00,000	1,150.00	150.00	Apr-24	8.6179
10,050	10,00,000	1,005.00	685.00	Feb-24	6.25 to 7.31
5,500	10,00,000	550.00	550.00	Dec-23	6.10
6,023	10,00,000	602.30	602.30	Sep-23	5.58 to 8.80
1,990	10,00,000	199.00	199.00	Aug-23	9.06
9,000	10,00,000	900.00	900.00	May-23	5.70 to 7.50
3,250	10,00,000	325.00	325.00	Apr-23	6.26
8,000	10,00,000	-	800.00	Mar-23	5.85 to 5.68
3,350	10,00,000	-	335.00	Feb-23	5.70 to 7.41
5,900	10,00,000	-	590.00	Dec-22	5.48 to 7.98
6,150	10,00,000	-	615.00	Nov-22	5.45 to 8.00
3,523	10,00,000	-	352.30	Sep-22	8.70
2,000	10,00,000	-	200.00	Jun-22	7.20
		13,870.70	**9,806.00**		

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

17.2 Details of Debentures - Contractual principal repayment value (Contd.)

(ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2023 ₹ in crores	Balance as at March 31, 2022 ₹ in crores	Due date of redemption	Redemption price ₹	Premium ₹
1000	10,00,000	100.00	100.00	Mar-27	14,22,599	4,22,599
1250	10,00,000	125.00	125.00	Jul-25	14,61,481	4,61,481
850	10,00,000	85.00	85.00	Jul-25	13,53,045	3,53,045
5000	10,00,000	500.00	-	Jun-25	12,56,740	2,56,740
500	10,00,000	-	50.00	Jan-23	12,54,470	2,54,470
250	10,00,000	25.00	25.00	Dec-24	12,93,960	2,93,960
350	10,00,000	35.00	35.00	Oct-24	13,01,025	3,01,025
		870.00	**420.00**			

(iii) Secured Redeemable Non-Convertible Debentures - Redeemable at par - with Put option

No. of Debentures	Face Value ₹	Balance as at March 31, 2023 ₹ in crores	Balance as at March 31, 2022 ₹ in crores	Due date of redemption	Put option date	Rate of interest %
10	10,00,000	1.00	1.00	Aug-23	Jul-21	9.06
		1.00	**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, 2023 ₹ in crores	Balance as at March 31, 2022 ₹ in crores	Due date of redemption	Put option date	Rate of interest %
250	10,00,000	25.00	25.00	Jul-23	-	5.12
		25.00	**25.00**		**-**	

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 18 BORROWINGS (Other than Debt Securities) at amortised cost		
A) Term Loans		
i) (a) From Banks - Secured		
- Rupee Loans	52,660.23	41,873.73
- Foreign currency Loans	827.99	615.77
- External Commercial Borrowings	1,525.88	1,945.43
(b) From Banks - Unsecured		
- Short term loans	200.00	-
ii) From Other Parties - Secured		
- Financial Institutions - Rupee Loans		
- Rupee Loans	4,307.15	1,538.94
- External Commercial Borrowings	1,276.71	1,442.85
- Securitisation - Rupee Loans	9,982.57	3,433.06
B) Loan repayable on demand - Secured from Banks - Rupee Loans (Refer Note 6)	2,405.66	1,154.74
- Unsecured		
Total	**73,186.19**	**52,004.52**
Borrowings within India	70,383.60	48,616.24
Borrowings Outside India	2,802.59	3,388.28

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 18 BORROWINGS (Contd.)

18.1 Security

(i) Secured term loans from banks and financial institution are secured by way of specific charge on assets under hypothecation relating to vehicle finance, home loans and loan against property and pari passu charge on immovable property which are owned assets of the Company situated at Chennai.

(ii) Loan repayable on demand is in the nature of Cash Credit from banks and is secured by way of floating charge on assets under hypothecation relating to vehicle finance, home loans and loan against property.

(iii) The Company has not defaulted in the repayment of dues to its lenders.

(iv) Securitisation rupee loan represents the net outstanding value (Net of Investment in Pass-through Certificates) of the proceeds received by the Company from securitisation trust in respect of loan assets transferred by the Company pursuant to Deed of Assignment. The Company has provided Credit enhancement to the trust by way of cash collateral and Bank guarantee.

(v) The company has utilised the borrowings for the purpose for which it was obtained.

(vi) The quarterly statements or returns of current assets filed by the company with banks are in agreement with books of accounts.

18.2 Details of term loans - Contractual principal repayment value

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2023	Amount outstanding March 31, 2022
Base Rate / MCLR	< 1year	1	600.00	1,400.00
		2	300.00	1,987.50
		3	841.67	-
		4	757.78	877.56
		8	-	500.00
	1 - 2 years	1	50.00	600.00
		2	-	1,100.00
		4	2,380.00	815.06
		8	-	500.00
	2 - 3 years	1	237.50	50.00
		2	-	800.00
		3	-	77.96
		4	1,430.00	511.11
	3 - 4 years	1	-	50.00
		3	-	45.00
		4	552.22	251.11
	4 - 5 years	2	50.00	-
		3	241.67	-
		4	130.00	-
	> 5 Years	1	12.50	-
Base Rate/ MCLR + spread (0.10%)	< 1year	1	1,600.00	600.00
		2	250.00	250.00
		4	600.00	-
	1 - 2 years	1	1,000.00	600.00
		2	-	250.00
		3	375.00	-
		4	100.00	-
	2 - 3 years	1	1,000.00	-
		4	100.00	-
		4	100.00	-
		3	75.00	-
Rate based on T Bill + Spread	< 1 year	1	2,250.00	1,715.50
		2	-	225.00
		3	125.00	60.00
		4	3,964.78	1,413.52
		8	500.00	-
		12	200.00	200.00
	1 - 2 years	1	1,550.00	1,460.00
		3	137.96	125.00
		4	3,080.83	2,137.26

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

18.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2022	Amount outstanding March 31, 2021
		12	200.00	200.00
	2 - 3 years	1	1,800.00	1,080.00
		2	285.71	-
		3	45.00	435.00
		4	2,249.40	1,057.26
		9	150.00	-
		12	-	200.00
	3 - 4 years	1	1,657.14	880.00
		2	349.29	285.71
		4	410.83	285.83
		9	-	150.00
	4 - 5 years	1	615.00	923.75
		2	100.00	-
		4	-	110.83
Fixed Rate	< 1year	1	333.00	200.00
		2	222.22	100.00
		4	772.72	530.40
	1 - 2 years	1	1,516.33	333.00
		2	222.22	100.00
		3	102.20	-
		4	636.32	380.40
	2 - 3 years	1	1,684.00	1,516.33
		2	222.22	221.00
		3	-	102.20
		4	636.32	-
	3 - 4 years	1	1,350.00	1,517.33
		2	222.22	100.00
		4	636.32	-
	4 - 5 years	1	277.78	1,183.33
		4	636.32	-
	>5 years	1	113.77	-
		2	91.00	-
Repo	< 1year	1	458.33	233.33
		2	400.00	829.40
		3	33.33	243.33
		4	3,232.88	1,132.86
		6	416.67	-
		8	-	360.00
		12	-	833.33
	1 - 2 years	1	601.19	233.33
		2	1,121.00	300.00
		3	251.79	33.33
		4	2,581.74	2,516.66
		6	-	416.67
	2 - 3 years	1	-	601.19
		2	1,000.00	150.00
		3	18.75	251.79
		4	1,896.02	2,124.51
	3 - 4 years	1	43.75	-
		2	760.00	150.00
		3	794.20	18.75
		4	642.22	1,438.80
	4 - 5 years	1	425.00	35.00
		2	211.11	10.00

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

18.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2022	Amount outstanding March 31, 2021
		3	-	794.20
		4	-	220.00
	> 5 Years	1	-	50.00
O/N MIBOR	< 1year	1	70.56	-
	1 - 2 years	2	111.11	-
	2 - 3 years	2	111.11	-
	3 - 4 years	2	111.11	-
	4 - 5 years	2	111.11	-
Total			**57,532.22**	**43,470.43**
3M MIBOR + Spread	< 1year	1	-	75.00
USD 3M LIBOR + Spread	< 1year	4	233.85	215.70
	1-2 years	4	233.85	215.70
	2-3 years	4	233.85	215.70
	3 - 4 years	4	233.85	215.70
	4 - 5 years	4	233.85	215.70
	> 1year	1	58.46	-
	>5 Years	5	-	269.63
USD 6M LIBOR + Spread	< 1year	1	-	1,364.18
	1-2 years	1	755.92	-
	2-3 years	1	-	697.25
USD 6M SOFR + Spread	2 - 3 years	1	821.65	-
USD 3M SOFR + Spread	< 1year	1	828.89	-
USD 12M LIBOR + Spread	< 1year	1	-	615.28
Total			**3,634.17**	**4,099.84**

Details of Securitised loan

₹ in crores

Rate of Interest	Maturity	Amount outstanding* March 31, 2023	Amount outstanding* March 31, 2022
	Less than 1 year	3,975.72	1,426.19
Fixed	1-2 year	3,052.67	838.30
(4.9% to 8%)	2-3 year	1,771.34	383.37
	3-4 year	690.48	130.14
	4-5 year	72.07	30.94
	more than 5 years	51.71	80.55
Total		**9,613.99**	**2,889.49**
	Less than 1 year	46.32	67.79
Floating	1-2 year	41.92	58.04
Base Rate/ MCLR - spread	2-3 year	43.09	60.95
(0.75% to 2.65%)	3-4 year	41.08	60.88
	4-5 year	34.34	56.30
	more than 5 years	144.73	237.34
Total		**351.48**	**541.30**

* 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 19 SUBORDINATED LIABILITIES (at amortised cost)		
Perpetual Debt - Unsecured	1,527.96	1,328.99
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	407.94	407.36
b) Other Subordinated Debts	2,551.56	2,111.53
Total	**4,487.46**	**3,847.88**

i) All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.
ii) The Company has not defaulted in the repayment of dues to its lenders.

19.1 Details of Subordinated Liabilities - Contractual principal repayment value

(i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2023 (₹ in crores)	Balance as at March 31, 2022 (₹ in crores)	Due date of redemption	Rate of interest %
290	1,00,00,000	290.00	-	Dec-32	8.65
150	1,00,00,000	150.00	150.00	Feb-32	8.10
200	1,00,00,000	200.00	200.00	Oct-31	7.90
400	1,00,00,000	400.00	400.00	Jan-30	9.25
4000	5,00,000	200.00	-	Oct-29	9.00
3000	10,00,000	300.00	300.00	Aug-28	9.75
5300	10,00,000	530.00	530.00	Mar-28	9.05
1500	10,00,000	150.00	150.00	Aug-27	8.53
2500	10,00,000	250.00	250.00	Jun-27	8.78 to 8.80
100	10,00,000	10.00	10.00	Nov-26	9.20
150	10,00,000	15.00	15.00	Jun-24	11.00
50	10,00,000	5.00	5.00	May-24	11.00
250	10,00,000	25.00	25.00	Apr-24	11.00
250	10,00,000	25.00	25.00	Mar-24	11.00
200	10,00,000	20.00	20.00	Feb-24	11.00
250	10,00,000	25.00	25.00	Jan-24	11.00
2,000	10,00,000	200.00	200.00	Nov-23	9.08 to 9.20
500	10,00,000	50.00	50.00	Oct-23	9.08
150	10,00,000	15.00	15.00	Sep-23	11.00
600	10,00,000	-	60.00	Dec-22	11.05 to 11.25
		2,860.00	**2,430.00**		

(ii) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt -Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2023 (₹ in crores)	Balance as at March 31, 2022 (₹ in crores)	Due date of redemption	Redemption price ₹	Premium ₹
150	10,00,000	15.00	15.00	Nov-23	17,57,947	7,57,947
		15.00	**15.00**			

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

19.1 Details of Subordinated Liabilities - Contractual principal repayment value (Contd.)

(iii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at March 31, 2023 ₹ in crores	Balance as at March 31, 2022 ₹ in crores	Maturity Date - Perpetual#	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
340	5,00,000	17.00	-	Mar-33	9.40
460	5,00,000	23.00	-	Mar-33	9.40
6000	5,00,000	300.00	-	Mar-33	9.45
400	5,00,000	20.00	-	Jan-33	9.15
400	5,00,000	20.00	-	Dec-32	9.15
21	1,00,00,000	21.00	-	Oct-32	9.15
480	5,00,000	24.00	-	Sep-32	9.15
1200	5,00,000	60.00	-	Aug-32	9.15
45	1,00,00,000	45.00	-	May-32	9.20
25	1,00,00,000	25.00	25.00	Mar-32	9.10
30	1,00,00,000	30.00	30.00	Sep-31	8.98
40	1,00,00,000	40.00	40.00	Jul-31	9.05
100	1,00,00,000	100.00	100.00	May-31	9.20
2000	5,00,000	100.00	100.00	Mar-31	9.25
900	5,00,000	45.00	45.00	Nov-30	9.30
1000	5,00,000	50.00	50.00	Dec-29	10.75
1,120	5,00,000	56.00	56.00	Mar-29	10.83
5000	5,00,000	250.00	250.00	Feb-29	10.88
500	5,00,000	25.00	25.00	Aug-24	12.80
174	10,00,000	17.00	17.00	Jul-24	12.90
500	5,00,000	25.00	25.00	Jun-24	12.90
500	5,00,000	25.00	25.00	Feb-24	12.90
50	10,00,000	5.00	5.00	Jan-24	12.60
1,031	10,00,000	103.00	103.00	Dec-23	12.50 to 12.60
245	10,00,000	25.00	25.00	Oct-23	12.60
1,000	5,00,000	50.00	50.00	Oct-23	12.90
300	10,00,000	-	30.00	Feb-23	12.80
1,450	10,00,000	-	145.00	Dec-22	12.70 to 12.80
860	5,00,000	-	43.00	Sep-22	12.75
2,000	5,00,000	-	100.00	Aug-22	12.90
		1,501.00	**1,289.00**		

Company can redeem using Call option on the maturity date with prior approval of RBI.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 20 OTHER FINANCIAL LIABILITIES		
Unpaid dividend	0.76	0.71
Advance from customers	37.53	29.63
Security deposits received	4.83	3.43
Collections towards derecognised assets pending remittance	111.00	178.37
Lease liability (Refer note 48)	166.89	109.98
Other liabilities	33.10	11.31
Total	**354.11**	**333.43**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 21 PROVISIONS		
Provision for Employee Benefits		
- Compensated absences	89.55	77.54
	89.55	**77.54**
Other Provisions		
Provision for contingencies and service tax claims (Refer note 39)	39.54	39.53
Provision for expected credit loss towards undrawn commitments (Refer Note 39)	11.79	1.20
	51.33	**40.73**
Total	**140.88**	**118.27**

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 22 OTHER NON FINANCIAL LIABILITIES		
Income received in advance	2.95	6.07
Statutory liabilities	38.66	45.63
Others	4.51	6.41
Total	**46.12**	**58.11**

₹ in crores

Particulars	As at March 31, 2023 Nos.	As at March 31, 2023 Amount	As at March 31, 2022 Nos.	As at March 31, 2022 Amount
Note : 23 A) EQUITY SHARE CAPITAL				
AUTHORISED				
Equity Shares of ₹ 2 each with voting rights	1,20,00,00,000	240.00	1,20,00,00,000	240.00
Preference Shares of ₹ 100 each	5,00,00,000	500.00	5,00,00,000	500.00
		740.0		**740.00**
ISSUED				
Equity Shares of ₹ 2 each with voting rights	82,27,24,126	164.54	82,17,55,591	164.35
		164.54		**164.35**
SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹ 2 each with voting rights	82,20,40,356	164.41	82,10,71,821	164.21
Add : Forfeited Shares	6,54,500	0.07	6,54,500	0.07
		164.48		**164.28**

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the period:

₹ in crores

	As at March 31, 2023 Nos.	As at March 31, 2023 Amount	As at March 31, 2022 Nos.	As at March 31, 2022 Amount
Equity Shares				
At the beginning of the year (₹ 2/- each)	82,10,71,821	164.21	82,00,35,129	164.00
Issued during the year				
Employees Stock Option (ESOP) Scheme	9,68,535	0.20	10,36,692	0.21
Outstanding at the end of the year - ₹2/- each	**82,20,40,356**	**164.41**	**82,10,71,821**	**164.21**
Forfeited shares				
Equity Shares - Amount originally paid up	**6,54,500**	**0.07**	**6,54,500**	**0.07**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

i) Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

b) Equity Shares held by Holding Company

	As at March 31, 2023	As at March 31, 2022
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	37,28,85,889

c) Details of shareholding more than 5% shares in the Company

₹ in crores

Equity Shares	As at March 31, 2023 Nos.	% holding in the class	As at March 31, 2022 Nos.	% holding in the class
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	45.36	37,28,85,889	45.41

d) Shares held by Promoters - Please refer Annexure A and Annexure B

As per records of the Company, 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.

Annexure A

Details of Shareholding of promoters and promoter Group as on March 31, 2023

Promoters Name	No. of shares as on April 1, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
Valli Annamalai	12,500	-	12,500	-	-
M Vellachi	11,60,427	0.14	11,60,427	0.14	-
M A M Arunachalam	65,000	0.01	65,000	0.01	-
Arun Alagappan	9,50,000	0.12	9,50,000	0.12	-
M.A.Alagappan	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	6,685	-	6,685	-	-
A Vellayan	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	50,255	0.01	50,255	0.01	-
M V Valli Murugappan	-	-	-	-	-
M M Murugappan	21,035	-	21,035	-	-
A M Meyyammai	2,51,880	0.03	2,51,880	0.03	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	10,000	-	10,000	-	-
Meenakshi Murugappan	245	-	245	-	-
Valli Alagappan	5,200	-	5,000	-	-
A Venkatachalam	2,09,605	0.03	2,09,605	0.03	-
V Narayanan	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	15,960	-	15,960	-	-
M V AR Meenakshi	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	2,27,440	0.03	2,27,440	0.03	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

Annexure A

Details of Shareholding of promoters and promoter Group as on March 31, 2023

Promoters Name	No. of shares as on April 1, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
Sigapi Arunachalam	74,255	0.01	74,255	0.01	-
Uma Ramanathan	23,500	-	23,500	-	-
V Vasantha	1,250	-	1,250	-	-
Dhruv M Arunachalam	50,000	0.01	50,000	0.01	-
Kanika Subbiah	67,000	0.01	67,000	0.01	-
Pranav Alagappan	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	11,90,583	0.14	11,90,583	0.15	(0.01)
A Venkatachalam HUF (A Venkatachalam) holds shares in the capacity of Karta	7,000	-	7,000	-	-
A A Alagammai	2,894	-	2,894	-	-
Umayal R	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	2,91,380	0.04	2,91,380	0.04	-
A M M Vellayan Sons P Ltd	26,725	-	26,575	-	-
Carborundum Universal Limited	500	-	500	-	-
E.I.D. Parry (India) Ltd.	1,965	-	1,965	-	-
M.M.Muthiah Research Foundation	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	3,37,21,870	4.10	3,37,21,870	4.11	(0.01)
Parry Enterprises India Ltd	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	37,28,85,889	45.36	37,28,85,889	45.41	(0.05)
AR Lakshmi Achi Trust	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	1,70,700	0.02	1,70,700	0.02	-
Murugappa Educational and Medical Foundation	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,50,630	0.07	5,85,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	1,93,375	0.02	1,93,375	0.02	-
V S Bhairavi Trust (M V Subbiah & Kanika Subbiah, Trustees holds shares for Trust)	1,88,875	0.02	1,88,875	0.02	-
Arun Murugappan Children Trust (MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	1,41,160	0.02	1,41,160	0.02	-
MA.Alagappan Grand Children Trust (Arun Alagappan and AA Alagammai, Trustees holds shares for Trust)	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,55,955	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,64,000	0.03	2,64,000	0.03	-
M.A.Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	3,55,850	0.04	3,55,850	0.04	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

Annexure A

Details of Shareholding of promoters and promoter Group as on March 31, 2023

Promoters Name	No. of shares as on April 1, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees holds shares for Trust)	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	-	25,000	-	-
M M Venkatachalam Family Trust(M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan &) M V Seetha Subbiah, Trustees holds shares for Trust	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah, S Vellayan, Trustees holds shares for Trust)	15,24,534	0.19	16,01,300	0.20	(0.01)
	42,31,26,532	**51.48**	**42,32,37,948**	**51.56**	**(0.08)**

Annexure B

Details of Shareholding of promoters and promoter Group as on March 31, 2022

Promoters Name	No. of shares as on March 31, 2022	% to shares	No. of shares as on March 31, 2021	% to shares	% Change during the year
Valli Annamalai	12,500	-	12,500	-	-
M Vellachi	11,60,427	0.14	1,94,660	0.02	0.12
M A M Arunachalam	65,000	0.01	65,000	0.01	-
Arun Alagappan	9,50,000	0.12	9,50,000	0.12	-
M.A.Alagappan	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	6,685	-	6,685	-	-
A Vellayan	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	50,255	0.01	50,255	0.01	-
M V Valli Murugappan	-	-	21,56,350	0.26	(0.26)
M M Murugappan	21,035	-	21,035	-	-
A M Meyyammai	2,51,880	0.03	2,51,880	0.03	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	10,000	-	10,000	-	-
Meenakshi Murugappan	245	-	245	-	-
Valli Alagappan	5,000	-	5,000	-	-
A Venkatachalam	2,09,605	0.03	2,09,605	0.03	-
V Narayanan	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	15,960	-	15,960	-	-
M V AR Meenakshi	8,53,155	0.10	8,53,155	0.10	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

Annexure B

Details of Shareholding of promoters and promoter Group as on March 31, 2022

Promoters Name	No. of shares as on March 31, 2022	% to shares	No. of shares as on March 31, 2021	% to shares	% Change during the year
A. Keertika Unnamalai	2,27,440	0.03	2,47,440	0.03	-
Sigapi Arunachalam	74,255	0.01	74,255	0.01	-
Uma Ramanathan	23,500	-	23,500	-	-
V Vasantha	1,250	-	1,250	-	-
Dhruv M Arunachalam	50,000	0.01	50,000	0.01	-
Kanika Subbiah	67,000	0.01	67,000	0.01	-
Pranav Alagappan	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	11,90,583	0.15	-	-	0.15
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	7,000	-	7,000	-	-
A A Alagammai	2,894	-	2,894	-	-
Umayal R	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	2,91,380	0.04	2,91,380	0.04	-
A M M Vellayan Sons P Ltd	26,575	-	26,575	-	-
Carborundum Universal Limited	500	-	500	-	-
E.I.D. Parry (India) Ltd.	1,965	-	1,965	-	-
M.M.Muthiah Research Foundation	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	3,37,21,870	4.11	3,37,21,870	4.11	-
Parry Enterprises India Ltd	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	37,28,85,889	45.41	37,28,85,889	45.47	(0.06)
AR Lakshmi Achi Trust	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	1,70,700	0.02	1,70,700	0.02	-
Murugappa Educational and Medical Foundation	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,85,630	0.07	5,85,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	1,93,375	0.02	2,33,375	0.03	(0.01)
V S Bhairavi Trust (M V Subbiah & Kanika Subbiah, Trustees holds shares for Trust)	1,88,875	0.02	1,88,875	0.02	-
Arun Murugappan ChildrenTrust(MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	1,41,160	0.02	1,41,160	0.02	-
MA.Alagappan Grand Children Trust (Arun Alagappan and AA Alagammai, Trustees holds shares for Trust)	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,55,955	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,64,000	0.03	2,64,000	0.03	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

Annexure B

Details of Shareholding of promoters and promoter Group as on March 31, 2022

Promoters Name	No. of shares as on March 31, 2022	% to shares	No. of shares as on March 31, 2021	% to shares	% Change during the year
Kadamane Estates - Firm- M.A.Alagappan holds shares in the capacity of Partner	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees holds shares for Trust)	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares forTrust)	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	-	25,000	-	-
M M Venkatachalam Family Trust(M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	7,79,785	0.09	7,79,785	0.10	(0.01)
Shambho Trust (M V Subbiah,S Vellayan, Trustees holds shares for Trust)	16,01,300	0.20	16,01,300	0.20	-
	42,32,37,948.00	**51.56**	**42,32,97,948.00**	**51.63**	**(0.07)**

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 23 B) OTHER EQUITY		
Statutory Reserve (Refer Note a)		
Balance at the beginning of the year	2,020.46	1,590.46
Add: Amount transferred from retained earnings	540	430.00
Closing balance at the end of the year	**2,560.46**	**2,020.46**
Capital Reserve (Refer Note b)		
Balance at the beginning of the year	0.04	0.04
Add: Changes during the year	-	-
Closing balance at the end of the year	**0.04**	**0.04**
Capital Redemption Reserve (Refer Note c)		
Balance at the beginning of the year	33.00	33.00
Add: Changes during the period	-	-
Closing balance at the end of the year	**33.00**	**33.00**
Securities Premium Account (Refer Note d)		
Balance at the beginning of the year	2,888.92	2,866.05
Add: Premium on ESOPs exercised	24.07	22.87
Closing balance at the end of the year	**2,912.99**	**2,888.92**
General Reserve (Refer Note e)		
Balance at the beginning of the year	4,739.13	3,739.13
Add: Amount transferred from retained earnings	1,000.00	1,000.00
Closing balance at the end of the year	**5,739.13**	**4,739.13**
Share Based Payments Reserve (Refer Note f)		
Balance at the beginning of the year	54.93	34.45
Addition during the period	28.46	20.48
Transfer to General reserve	-	-
Closing balance at the end of the year	**83.39**	**54.93**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 23 B) OTHER EQUITY (Contd.)

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings (Refer Note g)		
Balance at the beginning of the year	1,792.82	1,240.21
Profit for the year	2,666.20	2,146.71
Less:		
Dividend		
Equity - Final	(57.51)	-
Equity - Interim	(106.85)	(164.14)
Transfer to Statutory Reserve	(540.00)	(430.00)
Transfer to General Reserve	(1,000.00)	(1,000.00)
Re-measurement Gain / (Loss) on Defined Benefit Obligations (Net) transferred to Retained Earnings	(0.35)	0.04
Closing balance at the end of the year	**2,754.31**	**1,792.82**
Cash flow hedge reserve (Refer Note h)		
Balance at the beginning of the year	15.39	(105.81)
Addition	34.15	121.20
Closing balance at the end of the year	**49.54**	**15.39**
FVOCI Reserve (Refer Note i)		
Balance at the beginning of the year	(1.29)	(1.29)
Addition	-	-
Closing balance at the end of the year	**(1.29)**	**(1.29)**
Share Application Money pending Allotment at the end of the year	**-**	**-**
Total Other Equity	**14,131.57**	**11,543.40**

a) Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit annually as disclosed in the Statement of Profit and Loss account, before any dividend is declared.

b) Capital reserve represents the reserve created on account of amalgamation of Chola Factoring Limited in the year 2013-14.

c) 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 limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

d) Securities premium reserve is used to record the premium on issue of shares. The premium received during the year represents the premium received towards allotment of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the provisions of the Companies Act, 2013.

e) The general reserve is a free reserve, retained from Company's profits and can be utilized upon fulfilling certain conditions in accordance with specific requirement of Companies Act, 2013.

f) Under IND AS 102, 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. Share based payment reserve represents the among of reserve created for recognition of employee compensation cost at grant date and fair value of options vested and but not execersied by the employess and unvested options are recoginised in statement of profit and loss account

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

h) 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 Company accounting policies.

i) FVOCI Reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income.

Proposed dividend

The Board of Directors of the Company have recommended a final dividend of 35% being ₹ 0.70 per share on the equity shares of the Company, for the year ended March 31, 2023 (₹ 0.70 per share - March 31, 2022) which is subject to approval of shareholders. Consequently the proposed dividend has not been recognised in the books in accordance with IND AS 10.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
REVENUE FROM OPERATIONS		
Note : 24A		
(i) Interest - on financial assets measured at amortised cost		
(a) Loans		
- Bills Discounting	69.37	17.51
- Term loans	11,738.98	9,307.62
(b) Term Deposits With Banks	-	-
- under lien	26.88	15.44
- free of lien	106.05	117.53
(C) Others	-	-
- Deposits with Financial Institutions	-	13.59
- Investment in Government Securities	95.00	95.12
- Investment in Treasury Bill	45.90	-
Total (A)	**12,082.18**	**9,566.81**
Note : 24B		
(i) Fee Income*		
- Term loans	524.37	383.74
Total (B)	**524.37**	**383.74**
*Services are rendered at a point in time		
Note : 24C		
Net gain on fair value changes on FVTPL - Realised		
Investment in mutual funds	68.48	12.99
Net gain on fair value changes on FVTPL - Un-realised		
Convertible Note	0.92	-
Total (C)	**69.40**	**12.99**
Note : 24D		
(i) Sale of Services		
(a) Servicing and Collection fee on Assignment	3.09	5.04
(b) Other Service Income	78.00	79.71
Total (D)	**81.09**	**84.75**
Note: Timing of revenue recognition		
Services rendered at a point in time	75.09	78.75
Services rendered over a time	6.00	6.00
Total	**81.09**	**84.75**

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 25 OTHER INCOME		
Recovery of Bad debts	220.43	83.35
Interest on Income tax refund	-	6.62
Rent	0.51	0.51
Total	**220.94**	**90.48**

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 26 FINANCE COST		
Interest on financial liabilities measured at amortised cost		
- Debt securities	1,264.66	788.86
- Borrowings other than debt securities	4,082.29	3,073.83
- Subordinated liabilities	374.89	396.62
Others		
- Bank charges	14.51	18.91
- Interest on lease liability	12.40	8.70
- Interest on income tax	-	11.90
Total	**5,748.75**	**4,298.82**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 27 IMPAIRMENT OF FINANCIAL INSTRUMENTS		
Impairment provision		
- Loans - measured at amortised cost	848.35	879.90
- Receivable and other Financial assets - measured at amortised cost	1.33	-
Loss on sale of Investments	-	0.40
Total	**849.68**	**880.30**

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 28 EMPLOYEE BENEFITS EXPENSE		
Salaries, bonus and commission	1,145.70	810.95
Contribution to provident and other funds		
- Employees' provident fund	48.11	34.73
- Superannuation fund	4.91	4.03
Share based payment Expense	28.08	20.20
Gratuity expense	14.98	12.74
Staff welfare expenses	23.90	11.88
Total	**1,265.68**	**894.53**

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Note : 29 OTHER EXPENSES		
Rent and facility charges	20.07	11.98
Rates and taxes	51.34	51.73
Energy cost	14.59	11.07
Repairs and maintenance	8.29	5.85
Communication costs	41.14	31.25
Printing and stationery	21.70	18.17
Advertisement and publicity expenses	15.11	12.98
Directors fees, allowances and expenses	3.33	1.47
Auditors' remuneration	0.91	0.94
Legal and professional charges	141.27	119.28
Insurance	31.16	27.91
Travelling and conveyance	101.38	47.95
Information technology expenses	68.65	47.75
Loss on sale of property, plant and equipment (Net)	0.74	0.07
Recovery charges	551.28	424.25
Corporate social responsibility expenditure	43.63	36.44
Outsource cost	274.39	225.91
Miscellaneous expenses	8.00	3.40
	1,396.98	1,078.40
Less : Expenses recovered	(1.68)	(1.57)
Total	**1,395.30**	**1,076.83**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 29 OTHER EXPENSES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
29.1 Details of CSR expenditure		
Gross Amount required to be spent towards CSR u/s 135 (5) of Companies Act , 2013 (A)	43.43	36.32
Amount spent during the year (B)		
(a) Construction/ acquisition of asset	-	
(b) Others	43.63	36.44
Excess/(shortfall) (A-B)	0.20	0.12

None of the CSR projects undertaken by the Company falls under definition of "On-going Projects"

There is no amount required to be contributed to specified fund u/s 135(6)

Note : 30

a) Earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit After Tax Attributable to Equity Shareholders **(₹ in Crore)**	2,666.20	2,146.71
Weighted Average Number of Equity Shares (Basic)	82,15,85,050	82,05,81,106
Add: Dilutive effect relating to ESOP	13,24,177	15,91,805
Weighted Average Number of Equity Shares (Diluted)	82,29,09227	82,21,72,911
Earnings per Share - Basic (₹)	32.45	26.16
Earnings per Share - Diluted (₹)	32.40	26.11
Face Value Per Share (₹)	2	2

Note:

Earnings per Share calculations are done in accordance with Ind AS 33 "Earnings per Share".

b) Income tax reconciliation

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. Reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March, 2023 and 2022 is, as follows:

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax from continuing operations	3,599.69	2,890.94
Income tax rate of 25.17% (31 March 2022: 25.17%)	906.04	727.59
Effects of:		
Impact of difference in tax base for Donations and CSR Expense	11.02	9.18
Share based payment expense – No deduction claimed under tax	7.07	5.08
Impact Deduction u/s 80JJA	-	(0.28)
Expenses /provisions not deductible in determining taxable profit	9.98	(3.09)
Other Adjustments	(0.62)	5.75
Income tax expense reported in statement of profit and loss	933.49	744.23
Effective income tax rate	25.93%	25.74%

Note : 31 TRANSFER OF FINANCIAL ASSETS

31.1 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 Company has Securitised certain loans, however the Company has not transferred substantially all risks and rewards, hence these assets have not been de-recognised in its entirety.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 31 TRANSFER OF FINANCIAL ASSETS (Contd.)

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Securitisations		
Carrying amount of transferred assets measured at amortised cost	10,433.01	3,750.13
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	10,711.01	3,672.47
Fair value of assets	10,379.49	3,805.13
Fair value of associated liabilities	9,957.39	3,668.82
Net position at Fair Value	422.10	136.31

B) Direct bilateral assignment

The Company has 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 Company'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.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Assignment		
Carrying amount of de-recognised financial asset	1,762.48	2,764.99
Carrying amount of Retained Assets at amortised cost	203.51	317.34

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Assignment		
Gain on sale of the de-recognised financial asset	-	-

31.2 The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

₹ in crores

Particulars	Year ended March 31, 2023		Year ended March 31, 2022
Note : 32 AUDITORS' REMUNERATION			
Statutory Audit	0.52	0.52	0.04
Limited Review	0.24	0.16	0.05
Tax Audit	-	-	
Other Services	0.05	0.01	0.11
Reimbursement of Expenses (incl. input tax credit expensed)	0.10	0.03	0.02
Total	**0.91**	**0.72**	**0.22***

* Represents the amount paid to the previous auditor during the year ended 31st March 2022

Note : 33 MICRO, SMALL & MEDIUM ENTERPRISES

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers under MSMED Act, as at the year end	3.40	3.06
Interest accrued and due to suppliers under MSMED Act, 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 under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note: 34 a) EXPENDITURE IN FOREIGN CURRENCIES

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on borrowings	211.68	215.49
License fees	-	4.72
Professional charges	6.26	0.30

Note: b) REMITTANCES IN FOREIGN CURRENCIES

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of Computer Equipment	-	13.46
Borrowing origination costs	0.99	0.32
Travel Expenses	5.08	-
Repayment of Borrowing	1,501.47	404.92

c) There is no dividend paid in foreign currency.

Note : 35 RETIREMENT BENEFIT

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Company recognised ₹ 48.11. crore (Previous Year - ₹ 34.73 crore) to Provident Fund under Defined Contribution Plan, ₹ 4.91 crore (Previous Year - ₹ 4.03 crore) for Contributions to Superannuation Fund and ₹ 0.24 crore (Previous Year – ₹ 0.32 crore) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

B) Defined Benefit Plan

1) Gratuity

The Company's defined benefit gratuity plan 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 Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans :

Change in Defined Benefit Obligation and Fair value of Plan assets:

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Defined Benefit Obligation at the beginning of the year	**84.63**	**73.03**
Current Service Cost	14.17	11.50
Interest Cost	5.66	4.56
Remeasurement Losses/(Gains)		
a. Effect of changes in financial assumptions	(3.55)	(2.34)
b. Effect of experience adjustments	3.39	2.22
Benefits Paid	(6.36)	(4.34)
Defined Benefit Obligation at the end of the year	**97.94**	**84.63**
Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Year	72.45	53.11
Expected Returns on Plan Assets	4.85	3.32
Employer's Contribution	23.00	20.52
Benefits Paid	(6.36)	(4.34)
Return on plan assets (excluding interest income)	(0.63)	(0.07)
Transfer in/out	-	(0.09)
Fair Value of Plan Assets at the end of the year	**93.31**	**72.45**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 35 RETIREMENT BENEFIT (Contd.)

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the End of the Year	93.31	72.45
Defined benefit obligation at the End of the Year	(97.94)	(84.63)
Amount Recognised in the Balance Sheet under Other Payables	**(4.63)**	**(12.18)**
Cost of the Defined Benefit Plan for the Year		
Current Service Cost	14.17	11.50
Net interest Expense	5.66	4.56
Expected Return on Plan Assets	(4.85)	(3.32)
Net Cost recognized in the statement of Profit and Loss*	**14.98**	**12.74**
Remeasurement Losses/(Gains)		
a) Effect of changes in financial assumptions	(3.55)	(2.34)
b) Effect of experience adjustments	3.39	2.22
c) Return on plan assets (excluding interest income)	0.63	0.07
Net cost recognized in Other Comprehensive Income	**0.47**	**(0.05)**
Assumptions		
Discount Rate	7.30% p.a	6.70% p.a.
Future salary increase	7.50% p.a.	7.50% p.a.
Attrition Rate		
- Senior management	13% p.a.	13% p.a.
- Middle management	13% p.a.	13% p.a.
- Others	13% p.a.	13% p.a.
Expected rate of return on Plan Assets	7.30% p.a	6.70% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
Maturity profile of Defined Benefit Obligations		
Weighted average duration (Based on discounted cash flows)	6 years	6 years
Expected Cash flows over the next (valued on undiscounted basis)		
Within the next 12 months (next annual reporting period)	14.06	12.10
Between 2 and 5 years	50.77	41.73
Between 5 and 10 years	47.58	38.68
Beyond 10 Years	50.70	43.14
Total Expected Cash flows	**163.11**	**135.65**

* Recognized under Employee Benefit Expenses

Sensitivity Analysis:

₹ in crores

Particulars	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount Rate (+/- 1%)	92.94	104.46	79.80	89.99
Salary Growth Rate (+/- 1%)	103.63	93.51	89.25	80.28
Attrition Rate (+/- 50% of attrition rates)	97.60	99.06	83.41	86.21
Mortality Rate (+/- 10% of mortality rates)	98.42	98.40	84.63	84.63

Notes:

1. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
2. The Company's best estimate of contribution during the next year is ₹ 20.94 Crores.
3. 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.
4. The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).
5. 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.
6. The method and type of assumptions used in preparing the sensitivity analysis does not change as compared to the prior period

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 35 RETIREMENT BENEFIT (Contd.)

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 Company is exposed to various risks in providing the above gratuity benefit which are as follows:

(a) Interest Rate risk: The plan exposes the company 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 company 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.

(d) Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company 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 pay-outs (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 Company 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.

2. Compensated Absences

Assumptions	March 31, 2023	March 31, 2022
Discount Rate	7.30%	6.70% p.a.
Future salary increase	7.50%	7.50% p.a.
Attrition Rate	13% p.a.	13% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

1. The Company has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2023.
2. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
3. 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 : 36 SEGMENT INFORMATION

The Company is primarily engaged in the business of financing. All the activities of the Company revolve around the main business. Further, the Company does not have any separate geographic segments other than India

During year ending 31 March 2023, For management purposes, the Company has been organised into the following operating segments based on products and services, as follows

Vehicle Finance Loans - Loans to customers against purchase of new/used vehicles, tractors, construction equipment and loan to automobile dealers.

Loan against property - Loans to customer against immovable property

Home Loans - Loans given for acquisition of residential property and loan against residential property

Other loans - This includes, SME loans and other secured and unsecured loans

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for 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 an entity as a whole basis and are not allocated to operating segments.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 36 SEGMENT INFORMATION (Contd.)

₹ in crores

Particulars	Year ended March 31, 2023					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
- Interest Income	8,073.59	2,073.95	885.58	773.25	275.81	**12,082.18**
- Fee Income	435.60	66.48	12.73	9.36	0.20	**524.37**
- Net gain on Fair value change on financial instrument	-	-	-	-	69.40	**69.40**
- Sale of Services	68.97	5.69	3.14	3.29	-	**81.09**
- Others						
Segment revenue from Operations (I)	**8,578.16**	**2,146.12**	**901.45**	**785.90**	**345.41**	**12,757.04**
Other Income (II)	208.14	6.18	5.84	0.25	0.53	**220.94**
Total Segment Income - (I) + (II)	**8,786.30**	**2,152.30**	**907.29**	**786.15**	**345.94**	**12,977.98**
Expenses						
- Finance costs	3,870.46	1,134.21	395.06	349.02	-	**5,748.75**
- Impairment of Financial Instruments	722.88	25.45	22.99	77.96	0.40	**849.68**
- Employee benefits expense	830.63	148.69	103.53	179.39	3.44	**1,265.68**
- Depreciation and amortisation expense	88.37	13.47	8.60	8.41	0.03	**118.88**
- Other expenses	1,030.95	101.69	81.09	122.75	58.82	**1,395.30**
Segment Expenses	**6,543.29**	**1,423.51**	**611.27**	**737.53**	**62.69**	**9,378.29**
Segment Profit / (loss) before taxation	**2,243.01**	**728.79**	**296.02**	**48.62**	**283.25**	**3,599.69**
Tax expense						**933.49**
Profit for the year						**2,666.20**

₹ in crores

Particulars	Year ended March 31, 2022					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
- Interest Income	7,088.61	1,541.71	612.52	81.96	242.01	**9,566.81**
- Net gain on derecognition of financial instruments under amortised cost category	-	-	-	-	-	
- Fee Income	329.94	44.55	7.15	1.90	0.20	**383.74**
- Net gain on Fair value change on financial instrument					12.99	**12.99**
- Sale of Services	79.61	3.89	1.25	-	-	**84.75**
Segment revenue from Operations (I)	**7,498.16**	**1,590.15**	**620.92**	**83.86**	**255.20**	**10,048.29**
- Other income (II)	80.21	2.84	0.01	0.29	7.13	**90.48**
Total Segment Income - (I) + (II)	**7,578.37**	**1,592.99**	**620.93**	**84.15**	**262.33**	**10,138.77**
Expenses						
- Finance costs	3,202.14	899.72	269.75	39.36	(112.15)	**4,298.82**
- Impairment of Financial Instruments	722.62	104.80	45.27	7.20	0.41	**880.30**
- Employee benefits expense	686.01	110.77	60.02	34.92	2.81	**894.53**
- Depreciation and amortisation expense	80.97	9.77	5.40	1.20	0.01	**97.35**
- Other expenses	887.35	66.23	44.08	42.27	36.90	**1,076.83**
Segment Expenses	**5,579.09**	**1,191.29**	**424.52**	**124.95**	**(72.02)**	**7,247.83**
Segment Profit / (loss) before taxation	**1,999.28**	**401.70**	**196.41**	**(40.80)**	**334.35**	**2,890.94**
Tax expense						**744.23**
Profit for the year						**2,146.71**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 36 SEGMENT INFORMATION (Contd.)

₹ in crores

Particulars	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
As on March 31, 2023						
Segment Assets	66,722.81	20,473.73	8,018.01	9,521.30		**1,04,735.85**
Unallocable Assets					8,779.66	**8,779.66**
Total Assets						**1,13,515.51**
Segment Liabilities	58,319.79	17,895.29	7,008.23	8,322.20		**91,545.51**
Unallocable Liabilities					7,673.95	**7,673.95**
Total Liabilities						**99,219.46**
As on March 31, 2022						
Segment Assets	52,187.20	15,250.29	5,062.64	1,641.60		**74,141.73**
Unallocable Assets					8,221.62	**8,221.62**
Total Assets						**82,363.35**
Segment Liabilities	44,768.96	13,082.51	4,343.01	1,408.25		**63,602.73**
Unallocable Liabilities					7,052.94	**7,052.94**
Total Liabilities						**70,655.67**

In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon. As the assets are allocated to segment based on certain assumptions, hence additions to the Property, plant and equipment have not been disclosed separately for each specific segment.

There are no revenue from transactions with a single external customer or counter party which amounted to 10% or more of the Company's total revenue in the Current year and Previous year.

Note : 37 RELATED PARTY DISCLOSURES

List of Related Parties:

- **Holding Company:** Cholamandalam Financial Holdings Limited
- **Entity having significant influence over holding Company:** Ambadi Investments Limited
- **Subsidiaries of the entity which has significant influence over holding Company:** Parry Enterprises Limited and Parry Agro Limited
- **Fellow Subsidiaries:** Cholamandalam MS General Insurance Company Limited
- **Joint Venture of Holding Company:** Cholamandalam MS Risk Services Limited
- **Subsidiaries:** Cholamandalam Securities Limited, Cholamandalam Home Finance Limited
- **Joint Venture:** Payswiff Technologies Private Limited and its subsidiaries (from 8th February 2022)
- **Associate :** White Data Systems India Private Limited (up to March 28, 2023), Vishvakarma Payments Private Limited, Paytail Commerce Private Limited (from 15th September 2021)
- **Promoter:** Coromandel International Limited,EID Parry India Limited,Tube Investments of India Limited
- **Promoter Group:** Chola Business Services Limited,Coromandel Engineering Company Limited, Murugappa Morgan Thermal Ceramics Limited,Net access India Limited, Murugappa Management services Limited, AR Lakshmi Archi Trust, M A Murugappan Holdings LLP, AMM Foundation
- **Key Managerial Personnel:**
  a. Mr. D. Arulselvan, President & Chief Financial Officer
  b. Ms. P.Sujatha, Company Secretary
  c. Mr. Ravindra Kumar Kundu, Executive Director
- **Non-Executive Directors**
  a) Mr. Ashok Kumar Barat (upto 30th October 2022)
  b) Mr. N Ramesh Rajan
  c) Mr. Rohan Verma
  d) Ms. Bhama Krishnamurthy
  e) Mr. Vellayan Subbiah
  f) Mr. M A M Arunachalam
  g) Mr. Anand Kumar
  h) Mr. Bharath Vasudevan (up to 31st March 2023)

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

- **Private companies in which a director or manager or his relative is a member or director:** Cherry Tin Online Private Limited, Zetwork Manufacturing Business Private Limited, Finance Industry Development Council
- **Firm, in which a director, manager or his relative is a partner:** Kadamane Estates Co

a) Transactions during the year

₹ in crores

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Dividend Payments (Equity Shares)		
a) Cholamandalam Financial Holdings Limited	74.58	74.58
b) Ambadi Investments Limited	6.74	6.74
c) Parry Enterprises India Limited	*	*
d) AR Lakshmi Archi Trust**	0.10	0.10
e) M A Murugappan Holdings LLP**	0.02	0.02
f) Kadamane Estates Co#	0.07	0.07
g) Promoter and Promoter Group	3.00	-
Amount received towards Reimbursement of expenses		
a) Cholamandalam Financial Holdings Limited	1.31	1.18
b) Cholamandalam Securities Limited	4.19	4.04
c) Cholamandalam Home Finance Limited	83.63	52.09
d) Cholamandalam MS General Insurance Company Limited	0.05	0.06
e) Parry Enterprises India Limited	0.01	0.01
f) Murugappa Morgan Thermal Ceramics Limited**	0.03	-
Expenses – Reimbursed		
a) Cholamandalam Home Finance Limited	1.41	1.45
b) White Data Systems India Private Limited	0.01	0.03
c) Cherry Tin Online Private Limited#	-	0.08
d) Cholamandalam Securities Limited	0.06	0.08
Services Received		
a) Cholamandalam Securities Limited	2.01	0.23
b) White Data Systems India Private Limited	0.19	0.24
c) Parry Enterprises India Limited	7.55	1.94
d) Cholamandalam MS General Insurance Company Limited	3.85	2.17
e) Cholamandalam MS Risk Services Limited	-	0.01
f) Chola Business Services Limited**	791.02	-
g) Coromandel Engineering Company Limited**	2.01	-
h) Murugappa Management services Private Limited**	1.34	-
i) Net access India Limited**	14.67	-
j) Payswiff Solutions Private limited	0.17	-
k) Paytail Commerce Private Limited	9.42	-
l) Tube Investments of India Limited**	0.18	-
Amount received towards other Reimbursements		
a) Cholamandalam Securities Limited	-	0.33
Rental Income		
a) Cholamandalam Securities Limited	0.05	0.05
b) Coromandel International Limited**	0.44	-
Rental Expense		
a) Cholamandalam Home Finance Limited	0.01	0.63

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Loans given		
a) Cholamandalam Securities Limited	176.00	65.50
b) White Data Systems India Private Limited	-	3.00
c) Payswiff Solutions Private Limited	-	3.00
d) Zetwerk Manufacturing Business Private Limited#	2.48	-
Loans recovered		
a) Cholamandalam Securities Limited	168.00	61.00
b) White Data Systems India Private Limited	3	3.40
c)) Payswiff Solutions Private Limited	-	3.00
d) Zetwerk Manufacturing Business Private Limited#	2.48	-
Interest Income Received		
a) Cholamandalam Securities Limited	1.81	0.09
b) White Data Systems India Private Limited	0.16	0.21
c) Payswiff Solutions Private Limited	-	0.01
Loans availed		
a) Cholamandalam Home Finance Limited	39.50	68.50
Loans repaid		
a) Cholamandalam Home Finance Limited	39.50	68.50
Interest Expense		
a) Cholamandalam Home Finance Limited	0.89	1.40
b) Cholamandalam MS General Insurance Company Limited	14.21	13.13
Subscriptions/Advertisement Expenses		
a) Finance Industry Development Council#	0.01	0.01
Services Rendered		
a) Chola Business Services Limited**	86.83	-
Contribution to CSR activity		
a) AMM Foundation**	15.25	-
Interest earned on Loan		
a) Murugappa Management services Private Limited**	0*	-
b) Zetwerk Manufacturing Businesses Private Limited#	0.06	-
Investment in Convertible Notes		
a) Paytail Commerce Private Limited	10.00	-
Invocation of performance security on deliquent loans		
a) Paytail Commerce Private Limited	6.12	-
Purchase of Goods		
a) Parry Agro Industries Limited	0.54	-
Rent & Maintenance		
a) EID Parry India Limited**	5.94	-
Sale of Fixed Asset		
a) Chola Business Services Limited**	1.00	-
Debenture Interest paid to promotors/Promotor group	0.32	-
Commission and Sitting fees to non-executive Directors	3.11	1.37

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

b) Balances Outstanding at the year end.

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Loans - Receivable		
a) Cholamandalam Securities Limited	12.50	4.50
b) White Data Systems India Private Limited	-	3.00
c) Medall Healthcare Private Limited#	12.95	17.32
Debt Securities – Payable		
a) Cholamandalam MS General Insurance Company Limited	(319.21)	(147.93)
b) Debentures held by promoter and promoter group	(59.16)	-
Other Receivable / (Payable)		
a) Cholamandalam Financial Holdings Limited	-	-
b) Paytail Commerce Private Limited	0.28	4.37
c) Cholamandalam Securities Limited	(0.33)	0.14
d) Cholamandalam Home Finance Limited	10.62	5.99
e) Cholamandalam MS General Insurance Company Limited	0.01	-
f) White Data Systems India Private Limited	-	(0.10)
g) Parry Enterprises India Limited	(0.26)	(0.44)
h) Cholamandalam MS Risk Services Limited	-	(0.01)
i) Coromandel International Limited**	0.02	-
j) Chola Business Services Limited**	(50.97)	-
k) Payswiff Solutions Private Limited	(0.09)	-
l) Murugappa Management services Private Limited**	(0.11)	-
m) EID Parry India Limited**	(0.77)	-
n) Net access India Limited**	(4.75)	-

c) Remuneration & other transactions with Key Managerial Personnel (KMP)

₹ in crores

Nature of Transaction	Year ended March 31, 2023	Year ended March 31, 2022
Gross Salary Including Perquisites	7.18	5.57
Other – Contribution to funds	0.82	0.84
Dividend Payments	0.11	0.08
Share based payments	4.09	2.71
Sale of Vehicle(s)	-	0.04
Sale of Asset	-	*
Dividend payments to Relatives of KMP & Directors	0.11	0.11

1. * Represents amounts less than ₹ 1 crore.

2. # Represents entities/parties included as per Companies Act , 2013

3. ** Represents entities/parties identified as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2023.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

Disclosure pursuant to Schedule V of Clause A.2 and 2A of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i) **Disclosures relating Loans and Advances /Investments**

₹ in crores

Sl	Loans and Advances in the nature of Loans	2022-2023 Outstanding at the year end	2022-2023 Maximum Amount Outstanding during year March 2023	2021-2022 Outstanding at the year end	2021-2022 Maximum Amount Outstanding during year March 2022
(A)	To Subsidiaries				
	- Cholamandalam Securities Limited	12.50	60.00	4.50	26.00
(B)	To Associates				
	- White Data Systems India Private Limited	-	3.00	3.00	3.40
	To Joint Venture				
	- Payswiff Technologies Private Limited and its subsidiaries	-	-	-	32.30
(C)	To Firms/Companies in which Directors are Interested (other than (A) and (B) above)	-	-	-	-
(D)	Investments by the loanee in the shares of parent company and subsidiary company	-	-	-	-

ii) Cholamandalam Financial Holdings Limited (CFHL), promoter-group company holds 45.41% of equity shares of the company. Disclosure relating to transactions with CFHL is given above.

Note : 38 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contested Claims not provided for:

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax and Interest on Tax issues where the Company has gone on appeal	65.26	299.77
Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	0.28	6.34
Sales Tax issues pending before Appellate Authorities in respect of which the Company is on appeal.	27.55	19.52
Decided in the Company's favour by Appellate Authorities and 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 Company is on appeal.	199.92	199.92
Disputed claims against the Company lodged by various parties under litigation (to the extent quantifiable)	133.54	144.58

i) The Company is of the opinion that for the above demands, based on the management estimate no significant liabilities are expected to arise.

ii) It is not practicable for the Company to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings.

iii) The Company 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

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Capital commitments	42.10	39.92
Disbursements – Undrawn lines	2,820.44	1,485.88

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 39 CHANGES IN PROVISIONS

₹ in crores

Particulars	As at March 31, 2022	Additional Provision	Utilisation/ Reversal	As at March 31, 2023
Provision for Contingencies and Service Tax claims	39.53	0.01	-	39.54
Provision for Undrawn commitments	1.20	11.06	(0.47)	11.79

₹ in crores

Particulars	As at March 31, 2021	Additional Provision	Utilisation/ Reversal	As at March 31, 2022
Provision for Contingencies and Service Tax claims	43.46	1.08	(5.01)	39.53
Provision for Undrawn commitments	1.04	0.16	-	1.20

Undrawn loan commitments are commitments under which the Company is required to provide a loan under pre-sanctioned terms to the customer.

The undrawn commitments provided by the Company represents limits provided for automobile dealers, bill discounting customers and partly disbursed loans for other loans. The undrawn loan commitments amount outstanding as at March 31, 2023 is ₹ 2,820.44 Crore (₹ 1,485.88 crore as at March 31, 2022).

The Company creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting period and the related expected credit loss on these commitments as at March 31, 2023 is ₹ 11.79 crore (₹ 1.20 crore as at March 31, 2022)

Note : 40 ESOP DISCLOSURE

ESOP 2007

The Board at its meeting held on June 22, 2007, approved an issue of Stock Options up to a maximum of 5% of the issued Equity Capital of the Company (before Rights Issue) aggregating to 1,904,162 Equity Shares (prior to share split) in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines.

ESOP 2016

The Board at its meeting held on October 7, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 1,56,25,510 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the board, exercisable into not more than 1,56,25,510 equity shares of face value of Rs.2/- each fully paid-up, on such terms and in such manner as the board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Company has recognised expense amounting to Rs. 30.60 crores for employees services received during the year, shown under Employee Benefit Expenses (Refer Note 28).

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

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding As at 31.03.2022	During the Year: Addition in number of options on account of share split*	During the Year: Options Granted	During the Year: Options Forfeited / Expired	During the Year: Options Exercised and allotted	Options outstanding As at 31.03.2023	Options vested but not exercised As at 31.03.2023	Options unvested As at 31.03.2023	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 Apr 2008	25 Apr 08	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011A	27 Jan 11	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011B	27 Jan 11	-	-	-	-	-	-	-	-	-	-
GT30 APR 2011	30 Apr 11	-	-	-	-	-	-	-	-	-	-
GT27 OCT 2011	27 Oct 11	-	-	-	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2022	During the Year: Addition in number of options on account of share split*	During the Year: Options Granted	During the Year: Options Forfeited / Expired	During the Year: Options Exercised and allotted	Options outstanding As at 31.03.2023	Options vested but not exercised As at 31.03.2023	Options unvested As at 31.03.2023	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 JAN2017	25-Jan-17	10,63,650	-	-	-	5,21,815	5,41,835	5,41,835	-	202.00	-
GT30 JAN2018	30-Jan-18	1,89,240	-	-	-	50,830	1,38,410	1,38,410	-	261.94	-
GT30 JAN2018A	30-Jan-18	17,470	-	-	-	4,000	13,470	13,470	-	261.94	-
GT23 APR2018	23-Apr-18	26,940	-	-	-	26,940	-	-	-	312.47	-
GT26 JUL2018	26-Jul-18	47,360	-	-	-	-	47,360	47,360	-	299.46	-
GT26 JUL2018A	26-Jul-18	90,000	-	-	-	90,000	-	-	-	299.46	-
GT30 OCT2018	30-Oct-18	2,27,300	-	-	-	55,350	1,71,950	1,71,950	-	253.70	-
GT19 MAR2019	19-Mar-19	4,34,920	-	-	40,410	1,03,910	2,90,600	2,90,600	-	278.01	-
GT05 NOV2019	05-Nov-19	1,98,300	-	-	-	20,220	1,78,080	95,400	82,680	316.00	0.60 years
GT23 JAN2020	23-Jan-20	31,800	-	-	31,800	-	-	-	-	317.50	0.82 years
GT03 JUNE2020	03-Jun-20	1,69,520	-	-	85,500	42,380	41,640	-	41,640	157.90	0.68 years
GT07 MAY2021	07-May-21	10,66,600	-	-	44,460	29,640	9,92,500	1,98,500	7,94,000	580.30	1.23 years
GT30 JULY2021	30-Jul-21	24,700	-	-	-	-	24,700	4,940	19,760	487.15	1.46 years
GT29 OCT2021	29-Oct-21	8,05,600	-	-	44,100	23,450	7,38,050	1,44,370	5,93,680	609.00	1.71 years
GT29 OCT2021A	29-Oct-21	2,520	-	-	-	-	2,520	1,260	1,260	609.00	1.71 years
GT01 FEB2022	01-Feb-22	1,26,100	-	-	-	-	1,26,100	25,220	1,00,880	629.50	1.97 years
GT05 MAY2022	05-May-22	-	-	45,200	-	-	45,200	-	45,200	712.15	1.80 years
GT29 JUL2022	29-Jul-22	-	-	56,560	-	-	56,560	-	56,560	690.10	2.03 years
GT29 JUL2022A	29-Jul-22	-	-	92,400	-	-	92,400	-	92,400	690.10	1.46 years
GT29 JUL2022B	29-Jul-22	-	-	5,340	-	-	5,340	-	5,340	690.10	0.33 years
GT24 SEP2022	24-Sep-22	-	-	24,700	-	-	24,700	-	24,700	738.50	2.19 years
GT24 SEP2022A	24-Sep-22	-	-	2,20,880	-	-	2,20,880	-	2,20,880	738.50	1.61 years
GT24 SEP2022B	24-Sep-22	-	-	8,820	1,260	-	7,560	-	7,560	738.50	0.48 years
GT01 NOV2022	01-Nov-22	-	-	45,200	-	-	45,200	-	45,200	709.35	2.29 years
GT31 JAN2023	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**		

Note: Includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2023 - 11,276 options prior to share split (March 31, 2022 - 11,276 options)

*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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 40 ESOP DISCLOSURE (Contd.)

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

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding As at 31.03.2021	During the Year 2021-22 Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2022	Options vested but not exercised As at 31.03.2022	Options unvested As at 31.03.2022	Exercise Price ₹	Weighted Average Remaining Contractual Life
Gt 25 Apr 2008	25 Apr 08	-	-	-	-	-	-	-	-	-	-
GT 27 JAN 2011A	27 Jan 11	-	-	-	-	-	-	-	-	-	-
GT 27 JAN 2011B	27 Jan 11	-	-	-	-	-	-	-	-	-	-
GT 30 APR 2011	30 Apr 11	10,240	-	-	-	10,240	-	-	-	33	-
GT 27 OCT 2011	27 Oct 11	8,580	-	-	-	8,580	-	-	-	31	-
Total		**18,820**	**-**	**-**	**-**	**18,820**	**-**	**-**	**-**		

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2021	During the Year 2021-22 Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2022	Options vested but not exercised As at 31.03.2022	Options unvested As at 31.03.2022	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 JAN2017	25-Jan-17	16,64,690	-	-	-	6,01,040	10,63,650	10,63,650	-	202.00	-
GT30 JAN2018	30-Jan-18	2,04,085	-	-	-	14,845	1,89,240	1,89,240	-	261.90	-
GT30 JAN2018A	30-Jan-18	87,300	-	-	-	69,830	17,470	17,470	-	261.90	-
GT23 APR2018	23-Apr-18	26,940	-	-	-	-	26,940	13,470	13,470	312.50	0.06 years
GT26 JUL2018	26-Jul-18	47,360	-	-	-	-	47,360	47,360	-	299.50	-
GT26 JUL2018A	26-Jul-18	93,000	-	-	-	3,000	90,000	61,200	28,800	299.50	-
GT30 OCT2018	30-Oct-18	2,97,400	-	-	-	70,100	2,27,300	1,30,580	96,720	253.70	0.58 years
GT19 MAR2019	19-Mar-19	5,71,180	-	-	-	1,36,260	4,34,920	2,86,750	1,48,170	278.00	0.97 years
GT30 JUL2019	30-Jul-19	26,772	-	-	-	26,772	-	-	-	248.20	-
GT05 NOV2019	05-Nov-19	2,50,040	-	-	-	51,740	1,98,300	32,940	1,65,360	316.00	1.10 years
GT23 JAN2020	23-Jan-20	42,400	-	-	10,600	-	31,800	-	31,800	317.50	1.32 years
GT03 JUNE2020	03-Jun-20	2,11,900	-	-	-	42,380	1,69,520	-	1,69,520	157.90	1.30 years
GT03 JUNE2020A	03-Jun-20	1,905	-	-	-	1,905	-	-	-	157.90	1.30 years
GT07 MAY2021	07-May-21	-	-	10,66,600	-	-	10,66,600	-	10,66,600	580.30	1.80 years
GT30 JULY2021	30-Jul-21	-	-	24,700	-	-	24,700	-	24,700	487.20	2.03 years
GT29 OCT2021	29-Oct-21	-	-	8,05,600	-	-	8,05,600	-	8,05,600	609.00	2.28 years
GT29 OCT2021A	29-Oct-21	-	-	2,520	-	-	2,520	-	2,520	609.00	2.28 years
GT01 FEB2022	01-Feb-22	-	-	1,26,100	-	-	1,26,100	-	1,26,100	629.50	2.54 years
Total		**35,24,972**	**-**	**20,25,520**	**10,600**	**10,17,872**	**45,22,020**	**18,42,660**	**26,79,360**		

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 40 ESOP DISCLOSURE (Contd.)

Note: Includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2022 - 11,276 options prior to share split (March 31, 2021 - 11,276 options)

*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

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2023:

ESOP 2007

	Variables						
Particulars	Date of Grant	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 (₹)
Gt 30 Jul 2007	30-Jul-07	7.10% - 7.56%	3-6 years	40.64% -43.16%	5.65%	193.40	61.42
Gt 24 Oct 2007	24-Oct-07	7.87% -7.98%	3-6 years	41.24% -43.84%	5.65%	149.90	44.25
Gt 25 Jan 2008	25-Jan-08	6.14% -7.10%	3-6 years	44.58% -47.63%	5.65%	262.20	78.15
Gt 25 Apr 2008	25-Apr-08	7.79% - 8.00%	2.5-5.5 years	45.78% - 53.39%	3.97%	191.80	76.74
Gt 30 Jul 2008	30-Jul-08	9.14% - 9.27%	2.5-5.5 years	46.52% - 53.14%	3.97%	105.00	39.22
GT24OCT2008	24-Oct-08	7.54% - 7.68%	2.5-5.5 years	48.2% - 55.48%	3.97%	37.70	14.01
GT 27 JAN 2011A	27-Jan-11	8%	4 years	59.50%	10%	187.60	94.82
GT 27 JAN 2011B	27-Jan-11	8%	3.4 years	61.63%	10%	187.60	90.62
GT 30 APR 2011	30-Apr-11	8%	4 years	59.40%	25%	162.55	73.07
GT28JUL2011	28-Jul-11	8%	4 years	58.64%	25%	175.35	79.17
GT 27 OCT 2011	27-Oct-11	8%	4 years	57.52%	25%	154.55	67.26

The shareholders of the Company, at the 34th Annual General Meeting held on July 30, 2012, authorised extension of exercise period from 3 years from the date of vesting to 6 years from the date of vesting. Accordingly, the Company has measured the fair value of the options using the Black Scholes model immediately before and after the date of modification to arrive at the incremental fair value arising due to the extension of the exercise period. The incremental fair value so calculated is recognised from the modification date over the vesting period in addition to the amount based on the grant date fair value of the stock options.

The incremental (benefit)/cost due to modification of the exercise period from 3 years to 6 years from the date of vesting for the year ended March 31, 2023 is ₹ Nil (March 31, 2022- ₹ Nil)

The fair value of the options has been calculated using the Black Scholes model on the date of modification.

The assumptions considered for the calculation of the fair value (on the date of modification) are as follows:

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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 40 ESOP DISCLOSURE (Contd.)

ESOP 2016

		Variables					
Particulars	Date of Grant	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 (₹)
GT25JAN2017	25-Jan-17	6.36% - 6.67%	3.5 -6.51 years	33.39% -34.47%	0.54%	1,010.00	401.29
GT30JAN2018	30-Jan-18	7.11%-7.45%	3.5 – 5.50 years	30.16%-31.46%	0.42%	1,309.70	496.82
GT30JAN2018A	30-Jan-18	7.11%-7.45%	3.5 – 5.50 years	30.16%-31.46%	0.42%	1,309.70	531.84
GT23APR2018	23-Apr-18	7.45%-7.81%	3.51 -6.51 years	30.33%-32.38%	0.42%	1,562.35	646.08
GT26JUL2018	26-Jul-18	7.71%-7.92%	3.51 -5.51 years	30.56%-31.83%	0.43%	1,497.30	586.32
GT30OCT2018	30-Oct-18	7.61%-7.85%	3.51 -6.51 years	32.34%-32.70%	0.51%	1,268.50	531.36
GT19MAR2019	19-Mar-19	6.91% - 7.25%	3.51 -6.51 years	32.19% -32.59%	0.47%	1,390.05	564.13
GT30JUL2019	30-Jul-19	6.15% - 6.27%	3.51 -4.51 years	32.21% -32.93%	0.52%	248.20	83.66*
GT05NOV2019	05-Nov-19	6.15% - 6.27%	3.51 -4.51 years	32.21% -32.93%	0.52%	316.00	112.09*
GT23JAN2020	23-Jan-20	6.15% - 6.27%	3.51 -4.51 years	32.21% -32.93%	0.52%	317.00	109.51*
GT03JUNE2020	03-Jun-20	5%	3.50 years	47.50%	1.33%	157.90	58.27*
GT07MAY2021	07-May-21	5.12% - 6.02%	3.5 -6.5 years	52.06% - 43.62%	0.34%	580.30	276.84
GT30JULY2021	30-Jul-21	5.25% - 6.20%	3.50 -6.51 years	52.06% - 43.65%	0.41%	487.15	232.48
GT29OCT2021	29-Oct-21	5.22% - 6.17%	3.50 -6.51 years	53.2% -43.93%	0.33%	609.00	293.95
GT01Feb2022	01-Feb-22	5.49% - 6.50%	3.50 -6.51 years	53.81% -44.42%	0.32%	629.50	309.23
GT05MAY2022	05-May-22	6.20% - 7.09%	2.5 -5.51 years	59.10% -47.09%	0.28%	712.15	336.08
GT29JUL2022	29-Jul-22	6.84% - 7.18%	3.51 -6.51 years	53.74% -45.29%	0.29%	690.10	351.99
GT29JUL2022A	29-Jul-22	6.84% - 7.1%	3.51 -5.51 years	53.74% -47.07%	0.29%	690.10	339.76
GT29JUL2022B	29-Jul-22	7%	3.51 years	53.74%	0.29%	690.10	311.94
GT24SEP2022	24-Sep-22	7.13% - 7.31%	3.51 -6.51 years	53.79% -45.27%	0.27%	738.50	379.33
GT24SEP2022A	24-Sep-22	7.13% - 7.28%	3.51 -5.51 years	53.79% -47.07%	0.27%	738.50	366.36
GT24SEP2022B	24-Sep-22	7%	3.51 years	53.79%	0.27%	738.50	336.74
GT01NOV2022	01-Nov-22	7.15% - 7.37%	3.51 -6.51 years	53.81% -45.25%	0.28%	709.35	364.52
GT31JAN2023	31-Jan-23	7.15% - 7.30%	3.51 -6.51 years	53.58% -45.23%	0.28%	710.75	364.41

* Fair value option of equity shares issued under this grant is post share split with a face value of ₹ 2/- each

Note : 41 SHARING OF COSTS

The Company shares certain costs / service charges with other companies. These costs have been allocated between the Companies on a basis mutually agreed between them, which has been relied upon by the Auditors.

Note : 42.1 CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business, meeting the capital adequacy requirements of Reserve Bank of India (RBI), maintain strong credit rating and healthy capital ratios in order to support business and maximise shareholder value. The adequacy of the Company's capital is monitored by the Board using, among other measures, the regulations issued by RBI.

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.

The Company has complied in full with the capital requirements prescribed by RBI over the reported period. The Capital adequacy ratio as of March 31, 2023 is 17.13% (March 31, 2022- 19.62%) as against the regulatory requirement of 15%.

Note : 42.2 FINANCIAL RISK MANAGEMENT

The key financial risks faced by the company are credit and market risks comprising liquidity risk, interest rate risk and foreign currency risks.

Note : 42.2.1 CREDIT RISK

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2.1.1 ASSESSMENT METHODOLOGY

The company 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 company 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 company's lending is covered by adequate collaterals from the borrowers. The company has a robust online application underwriting model to assess the credit worthiness of the borrower for underwriting decisions for its vehicle finance, Loan Against Property and home loan business. The company also has a well- developed model for the vehicle finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

42.2.1.2 RISK MANAGEMENT AND PORTFOLIO REVIEW

The company 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.

42.2.1.3 ECL METHODOLOGY

The Company 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.

42.2.1.4 ASSUMPTIONS AND ESTIMATION TECHNIQUES

The Company 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:

42.2.1.4(a) 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.

42.2.1.4(b) 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.

42.2.1.4(c) 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.

42.2.1.5 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 Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These 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 Company 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 Company 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%

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 42 CAPITAL MANAGEMENT (Contd.)

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, where historical information is not available, the company follows simplified matrix approach for determining impairment allowance based on industry practise. These loans constitute around 10% of the total loan book.

Loan Movement across stages during the year is given in a note 9.1

Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Company 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 Company follows 'simplified approach' for recognition of impairment loss allowance on other financial assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case-by-case approach, taking into consideration different recovery scenarios.

42.2.1.6 Incorporation of forward looking statements in ECL model

The Company 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 Company'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.

Annual data from 2010 to 2026 (including forecasts for 5 years) were obtained from World Economic Outlook, October 2021 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 company 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.

42.2.1.7 Macro economic variables

Segment	Macro-Economic Variables correlated for each segment	
Heavy Commercial Vehicle	Gross national savings	Volume of imports of goods and services
Light Commercial Vehicle	Gross national savings	Volume of imports of goods and services
Car & MUV	Gross domestic product, current prices USD	General government total expenditure
Mini Light Commercial Vehicle	Gross national savings	Volume of imports of goods and services
Used Vehicles	Gross domestic product per capita,current prices USD	Inflation, end of period consumer prices
Shubh	Gross national savings	Volume of imports of goods and services
Tractor	Gross national savings	Volume of exports of goods and services
Construction Equipment	Gross domestic product per capita,current prices USD	Volume of imports of goods and services
Loan Against Property	General government total expenditure	Gross domestic product per capita,current prices USD
Home Loan	Gross domestic product, current prices USD	General government total expenditure

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 42 CAPITAL MANAGEMENT (Contd.)

Since the company has used Gross Domestic Product (GDP) as a predominant macro economic variable the sensitivity around the same is given below:

₹ in crores

Year ended	Increase/ (Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31,2023	Decrease by 5%	(33.30)
March 31,2023	Increase by 5%	33.54

42.2.1.8 Concentration of credit risk and Collateral and Credit Enhancements

42.2.1.8(a) 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 Company 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 63% of the loan book of the Company as of March 31, 2023 (69% as of March 31, 2022). Hypothecation endorsement is made in favour of the Company 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 8% 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 Company as of March 31, 2023 (22% as of March 31, 2022). Portfolio is concentrated in North 30% with small presence in East 5%. South has 40% and West contributes 25% of the overall exposure of the company.

The Concentration of risk is managed by Company for each product by its region and its sub-segments. Company did not overly depend on few regions or sub-segments as of March 31, 2023.

42.2.1.8(b) Collateral and Credit enhancements

Although collateral can be an important mitigation of credit risk, it is the Company'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 Company obtains first and exclusive charge on all collateral that it obtains for the loans given. Vehicle Finance and Loan Against Property loans are secured by collateral at the time of origination. In case of Vehicle loans, Company values the vehicle either through proforma invoice (for new vehicles) or using registered valuer for used vehicles. In case of Loan against Property, the value of the property at the time of origination will be arrived by obtaining two valuation reports from Company's empanelled valuers.

Hypothecation endorsement is obtained in favour of the Company 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 Company 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 Company for loan against securities. 93% of the Company's term loan are secured by way of tangible Collateral.

In respect of some unsecured lending, the company 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, 2023

₹ in crores

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)	1,425.94

Fair value of collateral held against credit impaired assets - March 31, 2022

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
3,305.32	2,330.24	2,409.87	238.23	(1,673.02)	1,266.50

Note: Column (b), (c), (d) of the above table, represents fair value of collateral

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 42 CAPITAL MANAGEMENT (Contd.)

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 are valued based on book debts at cost or securities at market value

42.2.2 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. The company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The company 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 company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee. In addition, the company has put in an Asset Liability Management (ALM) support group which meets frequently to review the liquidity position of the company.

42.2.2.1 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. 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 Company 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 Company 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 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 -47.

42.2.2.2 Interest Rate Risk

The Company 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 company 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 company can benefit from rising interest rates while a negative gap indicates that the company can benefit from declining interest rates. Based on market conditions, the company enters into interest rate swap to mitigate interest rate risk.

₹ in crores

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31,2023	Increase by 100 bps	(96.50)
March 31,2023	Decrease by 100 bps	96.50

₹ in crores

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31,2022	Increase by 100 bps	(143.40)
March 31,2022	Decrease by 100 bps	143.40

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2.2.3 Foreign Currency Risk

Foreign currency risk for the Company arise majorly on account of foreign currency borrowings. The Company 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 Company negotiates the terms of those derivatives to match with the terms of the hedge exposure.

The Company 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.

42.2.2.4- Hedging Policy

The Company'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.

42.2.2.4(a) Disclosure of Effects of Hedge Accounting

As at March 31, 2023

Foreign Exchange Risk	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crores)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in lakhs)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crores)	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

	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

As at March 31, 2022

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				
Cross Currency Interest rate swap	6	-	108.09	-	June 27, 2022 to June 20, 2028	90.89	164.19	Borrowings
Interest rate Swaps	-	2	-	2.82	October 23, 2022 to March 20, 2024	(2.82)	-	Borrowings
Forward contracts	1	3	78.44	166.74	June 27, 2022 to June 20, 2028	10.45	14.53	Borrowings

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 42 CAPITAL MANAGEMENT (Contd.)

As at March 31, 2021

	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	161.97	-	-	NA

Note : 43 EVENTS AFTER REPORTING DATE

On April 25, 2023, the company made a public issue of secured, rated, listed redeemable non-convertible debentures of the face value of ₹ 1,000 each ("NCDs") with a base Issue size of ₹ 500 crores with an option to retain any oversubscription up to ₹ 500 crores, aggregating up to ₹ 1,000 crores within the shelf limit of ₹ 5,000 crore ("Tranche I Issue").

There have been no other events after the reporting date apart from above that require disclosure in the financial statements

Note : 44

44.1 - Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company 's financial instruments that are not carried at fair value in the balance sheet. This table does not include the fair values of non–financial assets and non–financial liabilities.

₹ in crores

	March 31, 2023		March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	910.29	910.29	2,657.88	2,657.88
Bank balances Other than Cash and Cash Equivalents	2,051.13	2,051.13	1,562.20	1,562.20
Receivables				
i) Trade Receivables	77.18	77.18	32.47	32.47
ii) Other Receivables	113.88	113.88	95.54	95.54
Loans	1,04,748.32	1,04,908.01	74,149.21	75,169.03
Investments in Government Securities	1,541.34	1,396.97	1,543.48	1,426.65
Investment in Treasury Bill	1,536.27	1,532.99	-	-
Investment in Convertible notes	10.92	10.92	-	-
Other Financial Assets	273.77	273.77	320.88	320.88
Total Financial Assets	**1,11,263.10**	**1,11,275.14**	**80,361.66**	**81,264.65**
Financial Liabilities				
Payables				
i) Trade Payables - Due to MSME	3.40	3.40	3.06	3.06
ii) Trade Payables - Other than MSME	119.93	119.93	79.84	79.84
iii) Other Payables	1,064.69	1,064.69	719.90	719.90
Debt Securities	19,682.41	19,740.72	13,321.10	13,325.60
Borrowings(Other than Debt Securities)	73,186.19	73,532.82	52,004.52	52,484.54
Subordinated Liabilities	4,487.46	4,504.43	3,847.88	3,868.58
Other Financial Liabilities	354.11	354.11	333.43	333.43
Total Financial Liabilities	**98,898.19**	**99,320.10**	**70,309.73**	**70,814.95**

The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.

Note : 44.2 Fair value hierarchy

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) 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.

ii) The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 44.2 Fair value hierarchy (Contd.)

iii) Derivatives are fair valued using observable inputs / rates.

iv) The fair value of investment in Government securities are derived from rate equal to the rate near to the reporting date of the comparable product.

The following table provides the fair value measurement hierarchy of the Company's financial assets and financial liabilities

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2023 — ₹ in crores

		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				
FVOCI Equity Instruments	-	-	-	-
Derivative financial instruments	272.86	-	272.86	-
Assets for which fair values are disclosed				
Loans	1,04,748.32	-	-	1,04,908.01
Investments in Government securities	1,541.34	1,396.97	-	-
Investment in Treasury Bill	1,536.27	1,532.99	-	-
Investment in Convertible notes*	10.92	-	-	10.92

There have been no transfers between different levels during the period.

* Fair value of investment in convertible note is calculated based on valuation given by external independent valuer.

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2023 — ₹ in crores

		Fair value measurement using		
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	134.27	-	134.27	-
Liabilities for which fair values are disclosed				
Debt Securities	19,682.41	-	19,740.72	-
Borrowings(Other than Debt Securities)	73,186.19	-	73,532.82	-
Subordinated Liabilities	4,487.46	-	4,504.43	-

There have been no transfers between the level 1 and level 2 during the period.

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2022 — ₹ in crores

		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				
FVOCI Equity Instruments	-	-	-	-
Derivative financial instruments	186.53	-	186.53	-
Assets for which fair values are disclosed				
Loans	74,149.21	-	-	75,169.03
Invesrment in Government securities	1,543.48	1,426.65	-	-

There have been no transfers between different levels during the period.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 44.2 - Fair value hierarchy (Contd.)

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2022

		Fair value measurement using		
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	169.56	-	169.56	-
Liabilities for which fair values are disclosed				
Debt Securities	13,321.10	-	13,325.60	-
Borrowings (Other than Debt Securities)	52,004.52	-	52,484.54	-
Subordinated Liabilities	3,847.88	-	3,868.58	-

There have been no transfers between different levels during the period.

44.3 Summary of Financial assets and liabilities which are recognised at amortised cost

₹ in crores

Particulars	March 31, 2023	March 31, 2022
Financial Assets		
Cash and Cash Equivalents	910.29	2,657.88
Bank balances other than Cash and Cash Equivalents	2,051.13	1,562.20
Loans	1,04,748.32	74,149.21
Other Financial Assets	273.77	320.88
Investments in Government Securities	1,541.34	1,543.48
Investment in Treasury Bill	1,536.27	-
Financial Liabilities		
Debt Securities	19,682.41	13,321.10
Borrowings (Other than Debt Securities)	73,186.19	52,004.52
Subordinated Liabilities	4,487.46	3,847.88
Other Financial liabilities	354.11	333.43

44.4 Refer Note 13 for sensitivity analysis for investment property, whose fair value is disclosed under the level 3 category.

44.5 Investment in convertible note was made during the year. The sensitivity of the instrument is not material to the financial position of the company.

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.

₹ in crores

	Amount	Maturity Within 12 months	After 12 months
As on March 31, 2023			
Financial Assets			
Cash and Cash Equivalents	910.29	910.29	-
Bank balances Other than Cash and Cash Equivalents	2,051.13	1,134.75	916.38
Derivative financial instruments	272.86	13.73	259.13
Receivables			-
i) Trade Receivables	77.18	77.18	-
ii) Other Receivables	113.88	113.88	-
Loans	1,04,748.32	27,849.72	76,898.60
Investments	3,620.02	1,545.33	2,074.69
Other Financial Assets	273.77	57.72	216.05
Total Financial Assets	**1,12,067.45**	**31,702.60**	**80,364.85**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 45 MATURITY ANALYSIS (Contd.)

₹ in crores

	Amount	Maturity Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	267.06	-	267.06
Deferred tax assets (Net)	608.50	-	608.50
Investment Property	0.13	-	0.13
Property, Plant and Equipment	372.17	-	372.17
Capital Work in Progress	35.74	-	35.74
Intangible assets under development	24.60	-	24.60
Other Intangible assets	26.43	-	26.43
Other Non-Financial Assets	105.43	12.00	93.43
Total Non- Financial Assets	**1,440.06**	**12.00**	**1,428.06**
Asset classified as held for sale - Investment	**8.00**	**-**	**8.00**
Financial Liabilities			
Derivative financial instruments	134.27	17.62	116.65
Payables			
i) Trade Payables - Due to MSME	3.40	3.40	-
ii) Trade Payables - Other than MSME	119.93	119.93	-
iii) Other Payables	1,064.69	1,064.69	-
Debt Securities	19,682.41	8,451.02	11,231.39
Borrowings(Other than Debt Securities)	73,186.19	25,128.94	48,057.25
Subordinated Liabilities	4,487.46	693.77	3,793.69
Other Financial Liabilities	354.11	210.31	143.80
Total Financial Liabilities	**99,032.46**	**35,689.68**	**63,342.78**
Non-Financial Liabilities			
Current tax liabilities	-	-	-
Provisions	140.88	21.03	119.85
Other Non-Financial Liabilities	46.12	38.66	7.46
Total Non-Financial Liabilities	**187.00**	**59.69**	**127.31**

₹ in crores

	Amount	Maturity Within 12 months	After 12 months
As on March 31, 2022			
Financial Assets			
Cash and Cash Equivalents	2,657.88	2,657.88	-
Bank balances Other than Cash and Cash Equivalents	1,562.20	1,404.78	157.42
Derivative financial instruments	186.53	75.54	110.99
Receivables			-
i) Trade Receivables	32.47	32.47	-
ii) Other Receivables	95.54	95.54	-
Loans	74,149.21	21,127.58	53,021.63
Investments	2,076.16	9.09	2,067.07
Other Financial Assets	320.88	75.57	245.31
Total Financial Assets	**81,080.87**	**25,478.45**	**55,602.42**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 45 MATURITY ANALYSIS (Contd.)

₹ in crores

	Amount	Maturity Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	250.71	-	250.71
Deferred tax assets (Net)	671.43	-	671.43
Investment Property	0.13	-	0.13
Property, Plant and Equipment	239.89	-	239.89
Capital Work in Progress	23.03	-	23.03
Intangible assets under development	13.95	-	13.95
Intangible assets	14.55	-	14.55
Other Non-Financial Assets	68.79	9.93	58.86
Total Non- Financial Assets	**1,282.48**	**9.93**	**1,272.55**
Financial Liabilities			
Derivative financial instruments	169.56	21.65	147.91
Payables			
i) Trade Payables - Due to MSME	3.06	3.06	-
ii) Trade Payables - Other than MSME	79.84	79.84	
iii) Other Payables	719.90	719.90	-
Debt Securities	13,321.10	5,981.92	7,339.18
Borrowings(Other than Debt Securities)	52,004.52	18,516.20	33,488.32
Subordinated Liabilities	3,847.88	506.04	3,341.84
Other Financial Liabilities	333.43	207.74	125.69
Total Financial Liabilities	**70,479.29**	**26,036.35**	**44,442.94**
Non-Financial Liabilities			
Current tax liabilities	-	-	-
Provisions	118.27	-	118.27
Other Non-Financial Liabilities	58.11	45.63	12.48
Total Non-Financial Liabilities	**176.38**	**45.63**	**130.75**

Note : 46 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ in crores

Particulars	April 01, 2022	Cash flows	Exchange Difference	Others	March 31, 2023
Debt Securities	13,321.10	6,065.37	-	295.94	19,682.41
Borrowings other than debt securities	52,004.52	20,940.74	(81.23)	322.16	73,186.19
Subordinated liabilities	3,847.88	642.00	-	(2.42)	4,487.46
Total	69,173.50	27,648.11	(81.23)	615.68	97,356.06

₹ in crores

Particulars	April 01, 2021	Cash flows	Exchange Difference	Others	March 31, 2022
Debt Securities	12,357.67	1,067.14	-	(103.71)	13,321.10
Borrowings other than debt securities	47,182.26	4,606.63	(118.88)	334.51	52,004.52
Subordinated liabilities	4,190.06	(327.70)	-	(14.48)	3,847.88
Total	63,729.99	5,346.07	(118.88)	216.32	69,173.50

(i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of processing fees etc

(ii) Liabilities represents of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 47 ANALYSIS OF FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

As at March 31, 2023 ₹ in crores

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 and small enterprises	3.40							**3.40**
ii) Total outstanding dues of creditors other than micro and small enterprises	119.93	-	-	-	-	-	-	**119.93**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises								**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	1,064.69	-	-	-	-	-	-	**1,064.69**
Debt Securities	698.83	2,582.24	3,909.11	2,305.45	10,795.73	2,062.44	-	**22,353.80**
Borrowings (Other than Debt Securities)	3,823.85	4,790.80	8,681.40	12,577.35	40,659.09	12,613.03	518.87	**83,664.39**
Subordinated Liabilities	5.40	83.46	157.27	924.69	997.14	1,818.53	18,549.02	**22,535.51**
Other Financial Liabilities	163.52	11.97	17.90	33.89	86.71	28.18	29.47	**371.64**
Total Undiscounted financial liabilities	**5,879.62**	**7,472.27**	**12,769.92**	**15,850.96**	**52,587.57**	**16,577.48**	**19,109.81**	**1,30,247.63**

As at March 31, 2022 ₹ in crores

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	-	4.81	5.93	10.93	55.41	58.62	33.86	**169.56**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	3.06							**3.06**
ii) Total outstanding dues of creditors other than micro and small enterprises	79.84	-	-	-	-	-	-	**79.84**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises								**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	719.90	-	-	-	-	-	-	**719.90**
Debt Securities	833.27	1,356.20	1,485.33	2,744.80	6,851.41	1,188.28	-	**14,459.29**
Borrowings (Other than Debt Securities)	1,628.33	4,286.48	6,073.71	8,856.78	26,256.80	9,793.35	704.01	**57,599.46**
Subordinated Liabilities	2.74	67.88	240.79	446.04	1,375.11	675.62	14,370.12	**17,178.30**
Other Financial Liabilities	228.34	9.54	12.56	22.94	62.12	14.56	-	**350.06**
Total Undiscounted financial liabilities	**3,495.48**	**5,724.91**	**7,818.32**	**12,081.49**	**34,600.85**	**11,730.43**	**15,107.99**	**90,559.47**

Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES

The Company has taken office premises on lease for its operations.

The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company 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 Company also has certain leases of machinery with lease terms of 12 months or less. The Company 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:

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)

OTHER DISCLOSURES

(i) Movement in the carrying value of the Right to Use Asset

₹ in crores

Particulars - Buildings	As on March 31, 2023	As on March 31, 2022
Opening Balance	99.34	76.10
Depreciation charge for the Period	(55.41)	(44.26)
Additions during the Period	105.82	70.41
Adjustment/Deletion	(2.56)	(2.91)
Closing Balance	**147.19**	**99.34**

(ii) Classification of current and non current liabilities of the lease liabilities

₹ in crores

Particulars	As on March 31, 2023	As on March 31, 2022
Current liabilities	52.77	46.90
Non Current Liabilities	114.12	63.08
Total Lease liabilities	**166.89**	**109.98**

(iii) Movement in the carrying value of the Lease Liability

₹ in crores

Particulars	As on March 31, 2023	As on March 31, 2022
Opening Balance	109.98	89.05
Interest Expense	12.40	8.70
Lease Payments [Total Cash Outflow]	(58.65)	(54.11)
Short term rent concession	-	(1.12)
Additions during the year	105.82	70.41
Adjustment/Deletion	(2.66)	(2.95)
Closing Balance	**166.89**	**109.98**

(iv) Contractual Maturities of Lease liability outstanding

₹ in crores

Particulars	As on March 31, 2023	As on March 31, 2022
Less than one year	69.75	49.93
One to five Years	114.69	76.68
More than Five years	-	-
Total	**184.44**	**126.61**

(v) The following are the amount recognised in the Profit or Loss statement

₹ in crores

Particulars	For the year ended As on March 31, 2023	As on March 31, 2022
Depreciation expense of right-of-use assets	55.41	44.26
Interest expense on lease liabilities	12.40	8.70
Expense relating to short-term leases (included in other expenses)	2.60	1.12
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	**70.41**	**54.08**

Lease expenses relating to short term leases aggregated to ₹ 2.60 crores (₹1.12 crores - March 31, 2022) during the year ended March 31, 2023. Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8% to 12%.

The Company 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 Company has several lease contracts that includes extension and termination contracts. These options are negotiated by the Management to provide flexibility in managing the leased-asset portfolio and align with Company's business needs. Management exercises significant judgement in determining whether these extension and termination are reasonably certain to be exercised.

The company has not defaulted in its lease obligations

RBI Disclosures

The regulatory disclosures provided in these financial statements are in accordance with the requirements of the RBI's Directions, 2021 dated September 24, 2021 (wherever applicable).

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

49. DISCLOSURES TO BE MADE IN NOTES TO ACCOUNTS BY ORIGINATORS

₹ in crores

Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1.	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	32	27
2.	Total amount of securitised assets as per books of the SPEs	10,711.01	3,672.47
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	564.29	320.96
	• Others (Second loss)	412.87	17.11
	• Others (PTC Investment)	745.54	241.69
4.	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5.	Sale consideration received for the securitised assets	16,493.22	8,661.23
	Gain/loss on sale on account of securitisation	Nil	Nil
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Nil	Nil
	First Loss Credit Facility – Bank Fixed Deposit	564.29	320.96
	Second Loss Credit Facility – Bank Fixed Deposit	412.87	17.11
	Second Loss Credit Facility – Bank Guarantee provided by external party	335.52	410.58
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	First Loss Credit Facility – Bank Fixed Deposit		
	(a) Amount paid (utilised)	38.17 (6.77%)	65.23 (20.31%)
	(b) Repayment received (replenishment)	38.17 (6.77%)	65.07 (20.26%)
	(c) Outstanding amount	0 (0.00%)	0.17 (0.05%)
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Vehicle loans - 1.52% Loan against Property - 0.5%	Vehicle loans - 1.44% Loan against Property - 0.63%
9.	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		
	Vehicle Loans		
	No. of Additional / Top up loan	8,014	4,468
	Amount of Loan	182.68	88.24
	Loan Against Property		
	No. of Additional / Top up loan	754	1054
	Amount of Loan	177.65	275.18

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

49. DISCLOSURES TO BE MADE IN NOTES TO ACCOUNTS BY ORIGINATORS (Contd.)

₹ in crores

Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
10.	Investor complaints		
	(a) Directly/Indirectly received and;	Nil	Nil
	(b) Complaints outstanding	Nil	Nil

Details of Stressed loans transferred during the year pursuant to Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021

₹ in crores

Particulars	To ARCs	To permitted	To other transferees
No of accounts	156	NIL	NIL
Aggregate principal outstanding of loans transferred (Rs in Cr)	14.21	NIL	NIL
Weighted average residual tenor of the loans transferred (in months)	179 Months	NIL	NIL
Net book value of loans transferred (at the time of transfer) (Rs in Cr)	13.76	NIL	NIL
Aggregate consideration (Rs in Cr)	5.62	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years (Rs in Lakhs)	NIL	NIL	NIL

Previous year - Nil

Note : 50 A - ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III

Part 1 - Ageing Analysis

A. Trade Payables ageing schedule as on March 31, 2023

₹ in crores

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) MSME	3.40				3.40
(ii) Others	111.15	4.01	4.77		119.93
(iii) Disputed dues – MSME					-
(iv) Disputed dues - Others					-
Total	**114.55**	**4.01**	**4.77**		**123.33**

B. Trade Payables ageing schedule as on March 31, 2022

₹ in crores

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) MSME	3.06				3.06
(ii) Others	79.64	0.20			79.84
(iii) Disputed dues – MSME					-
(iv) Disputed dues - Others					-
Total	**82.70**	**0.20**	**-**		**82.90**

C. Trade Receivables ageing schedule as on March 31, 2023

₹ in crores

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	63.97	7.28	5.93			77.18
(ii) Undisputed Trade Receivables –which have significant increasein credit risk	-	-	-	-	-	-
(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	**63.97**	**7.28**	**5.93**	**-**	**-**	**77.18**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 50 A - ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III (Contd.)

D. Trade Receivables ageing schedule for the year ended March 31, 2022

₹ in crores

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	31.94	0.53	-	-	-	32.47
(ii) Undisputed Trade Receivables -which have significant increasein credit risk	-	-	-	-	-	-
(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	**31.94**	**0.53**	**-**	**-**	**-**	**32.47**

E. Capital work in progress aging schedule for the year ended March 31, 2023

₹ in crores

Capital -work -in progress	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	12.71	23.03	-	-	35.74
Projects Temporarily Suspended	-	-	-	-	-

E. Capital work in progress aging schedule for the year ended March 31, 2022

₹ in crores

Capital -work -in progress	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	23.03	-	-	-	23.03
Projects Temporarily Suspended	-	-	-	-	-

Project will be completed in September 2023.

F. Intangible assets under development aging schedule for the year ended March 31, 2023

₹ in crores

Intangible assets under development	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	13.32	8.09	3.19		24.60
Projects Temporarily Suspended	-	-	-	-	-

G. Intangible assets under development aging schedule for the year ended March 31, 2022

₹ in crores

Intangible assets under development	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	9.80	2.84	0.85	0.46	13.95
Projects Temporarily Suspended	-	-	-	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 50 -B DISCLOSURE PURSUANT TO MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 (AS UPDATED FROM TIME TO TIME)

₹ in crores

Sl. No.	Particulars	Amount Outstanding As at March 31, 2023	Amount Overdue As at March 31, 2023
	Liabilities:		
(1)	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**		
(a)	Debentures		
	- Secured	15,340.63	-
	- Unsecured (other than falling within the meaning of public deposits)	2,984.50	-
	- Perpetual Debt Instrument	1,527.96	-
(b)	Deferred Credits	-	-
(c)	Term Loans	70,580.53	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Paper	4,316.78	-
	Other Loans (Represents Working Capital Demand Loans and Cash Credit from Banks along with Interest Accrued but Not Due on above)	2,605.66	-

₹ in crores

Sl. No.	Particulars	Amount Outstanding As at March 31, 2022	Amount Overdue As at March 31, 2022
	Liabilities:		
(1)	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**		
(a)	Debentures		
	- Secured	10,529.95	-
	- Unsecured (other than falling within the meaning of public deposits)	2,543.89	-
	- Perpetual Debt Instrument	1,328.99	-
(b)	Deferred Credits	-	-
(c)	Term Loans	50,849.78	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Paper	2,766.15	-
	Other Loans (Represents Working Capital Demand Loans & Cash Credit from Banks along with Interest Accrued but Not Due on above)	1,154.74	-
(2)	**Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below]: (including interest accrued)**		
(a)	Secured	31,571.10	21,048.25
(b)	Unsecured	7,176.57	1,320.05
(3)	**Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities**		
(i)	Lease Assets including Lease Rentals Accrued and Due:	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
(iii)	Other Loans counting towards AFC Activities		
	(a) Loans where assets have been repossessed(Net)	-	-
	(b) Loans other than (a) above	66,000.65	51,780.92

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 50 -B DISCLOSURE PURSUANT TO MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 (AS UPDATED FROM TIME TO TIME) (Contd.)

₹ in crores

Sl. No.	Particulars	Amount Outstanding As at March 31, 2023	Amount Outstanding As at March 31, 2022
(4)	**Break-up of Investments (net of provision for diminution in value):**		
	Current Investments:		
I	**Quoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities (Net of amortisation)	-	-
(v)	Others	-	-
II	**Unquoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
	Long-term Investments:		
I	**Quoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Investment in Government securities	1,541.34	1,543.48
(v)	Investment in Treasury Bill	1536.27	-
(vi)	Others	-	-
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity (Net of Provision for Diminution in Value of Investment)	539.49	532.68
	(b) Preference		-
(ii)	Debentures and Bonds		-
(iii)	Units of Mutual Funds		-
(iv)	Investment in Government securities	-	-
(v)	Investment Treasury Bill	-	-
(vi)	Investment in convertible note	10.92	-
(vii)	Others		
	- Investment in Pass Through Certificates		-
	- Investment property	0.13	0.13

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 50 -B DISCLOSURE PURSUANT TO MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 (AS UPDATED FROM TIME TO TIME) (Contd.)

₹ in crores

Category	Amount (Net of provision for Non-performing assets)		
	Secured	Unsecured	Total
(5) Borrower Group-wise Classification of Assets Financed as in (2) and (3) above			
As at March 31, 2023			
1. Related Parties *			
(a) Subsidiaries	-	12.50	12.50
(b) Companies in the same Group	-	-	-
(c) Other Related Parties	-	-	-
2. Other than Related Parties	97,571.75	7,164.07	1,04,735.82
Total	**97,571.75**	**7,176.57**	**1,04,748.32**
As at March 31, 2022			
1. Related Parties *			
(a) Subsidiaries	-	4.50	4.50
(b) Companies in the same Group	-	3.00	3.00
(c) Other Related Parties	-	-	-
2. Other than Related Parties	72,829.17	1,312.55	74,141.72
Total	**72,829.17**	**1,320.05**	**74,149.22**

* Related Parties are as identified in Note 37 above.

(6) Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted) :

₹ in crores

Category	Market value / Break - up Value or Fair Value or Net Asset Value	Book Value (Net of Provisioning)
As at March 31, 2023		
1. Related Parties *		
(a) Subsidiaries	64.90	64.90
(b) Joint Ventures	456.82	456.82
(c) Companies in the Same Group	-	-
(d) Other Related Parties	28.69	28.69
2. Other than Related Parties	2929.96	3,077.61
Total	**3,480.37**	**3,628.02**
As at March 31, 2022		
1. Related Parties *		
(a) Subsidiaries	64.90	64.90
(b) Joint Ventures	450.01	450.01
(c) Companies in the Same Group	-	-
(d) Other Related Parties	17.75	17.75
2. Other than Related Parties	1,426.65	1,543.50
Total	**1,959.33**	**2,076.16**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 50 -B DISCLOSURE PURSUANT TO MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 (AS UPDATED FROM TIME TO TIME) (Contd.)

₹ in crores

(7) Other Information	Amount Outstanding as at March 31, 2023	March 31, 2022
(i) Gross Non-Performing Assets		
a) With Related Parties *	-	-
b) With Others	4,952.93	5,212.03
(ii) Net Non-Performing Assets		
a) With Related Parties *	-	-
b) With Others	3,280.55	3,629.79
(iii) Assets Acquired in Satisfaction of Debt		
a) With Related Parties *	-	-
b) With Others	-	-

* Related Parties are as identified in Note 37 above.

** Amount with respect to T bill and G-Sec have been stated MTM value as at March 31,2023.

Note : 51. A. DISCLOSURE PURSUANT TO MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 (AS UPDATED FROM TIME TO TIME)

i. Capital Adequacy Ratio

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Tier I Capital	14,337.71	11,798.65
Tier II Capital	2,281.16	2,236.80
Total Capital	**16,618.87**	**14,035.45**
Total Risk Weighted Assets	96,992.70	71,536.63
Capital Ratios		
Tier I Capital as a Percentage of Total Risk Weighted Assets (%)	14.78%	16.49%
Tier II Capital as a Percentage of Total Risk Weighted Assets (%)	2.35%	3.13%
Total (%)	**17.13%**	**19.62%**
Amount of Subordinated Debt raised as Tier – II capital during the year	**490.00**	**350.00**
Amount raised by issue of Perpetual Debt instruments during the year	**530.00**	**195.00**

ii. Investments

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
(1) **Value of Investments**		
(i) Gross Value of Investments		
(a) In India	3,629.31	2,077.45
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	(1.29)	(1.29)
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	3,628.02	2,076.16
(b) Outside India.	-	-
(2) Movement of provisions held towards depreciation on investments.		
(i) Opening balance	1.29	1.29
(ii) Add: Provisions made during the year	-	-
(iii) Less: Reversal of provision during the year	-	-
(iv) Closing balance	1.29	1.29

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 51. A. DISCLOSURE PURSUANT TO MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 (AS UPDATED FROM TIME TO TIME)

iii. Asset Liability Management

Maturity pattern of certain items of assets and liabilities

As at March 31, 2023

₹ in crores

Particulars	1-7 days	8-14 days	15-30 days	1 to 2 months	2 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
Liabilities											
Borrowing from Banks	2,055.73	35.52	1,296.83	1,553.51	2,391.88	7,248.50	10,500.04	35,665.58	11,749.52	429.14	**72,926.25**
Market Borrowings	0.45	96.12	1,906.13	3,622.72	24.93	1,247.70	2,246.75	9,535.81	2,747.97	2,741.29	**24,169.87**
Total	**2,056.18**	**131.64**	**3,202.96**	**5,176.23**	**2,416.81**	**8,496.20**	**12,746.79**	**45,201.39**	**14,497.49**	**3,170.43**	**97,096.12**
Assets											
Advances (Net of Provision for Non Performing Assets)	898.76	390.44	1,482.93	2,650.49	2,289.18	7,745.98	12,391.95	36,387.00	16,742.41	23,769.18	**1,04,748.32**
Investment (Net of Provision for Diminution in Value of Investments)	-	-	-	-	5.96	100.76	1,438.61	-	-	2,074.69	**3,620.02**
Total	**898.76**	**390.44**	**1,482.93**	**2,650.49**	**2,295.14**	**7,846.74**	**13,830.56**	**36,387.00**	**16,742.41**	**25,843.87**	**1,08,368.34**

As at March 31, 2022

₹ in crores

Particulars	1-7 days	8-14 days	15-30 days	1 to 2 months	2 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
Liabilities											
Borrowing from Banks	1,031.89	62.99	345.00	875.86	2,918.93	5,405.55	7,752.46	23,693.75	9,159.37	580.01	**51,825.81**
Market Borrowings	0.19	12.54	819.61	59.67	1,226.84	1,615.39	2,753.74	6,887.44	1,138.27	2,655.30	**17,168.99**
Total	**1,032.08**	**75.53**	**1,164.61**	**935.53**	**4,145.77**	**7,020.94**	**10,506.20**	**30,581.19**	**10,297.64**	**3,235.31**	**68,994.80**
Assets											
Advances (Net of Provision for Non Performing Assets)	478.41	223.99	1,069.22	1,744.98	1,592.01	6,276.24	9,742.74	26,980.05	12,213.09	13,828.48	**74,149.21**
Investment (Net of Provision for Diminution in Value of Investments)					6.00	3.10				2,067.06	**2,076.16**
Total	**478.41**	**223.99**	**1,069.22**	**1,744.98**	**1,598.01**	**6,279.34**	**9,742.74**	**26,980.05**	**12,213.09**	**15,895.54**	**76,225.37**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 51. A. DISCLOSURE PURSUANT TO MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 (AS UPDATED FROM TIME TO TIME) (Contd.)

iv. Exposure to the Real Estate Sector, both Direct and Indirect

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
(a) **Direct Exposure** (Net of Advances from Customers)		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:		
- individual housing loans upto ₹ 15 lakhs	6,245.02	5,068.60
- individual housing loans more than ₹ 15 lakhs	23,993.61	13,745.27
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retails space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc.).		
- Fund Based	1,787.38	2,707.88
- Non Fund based		
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
(b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).		
Total Exposure	**32,026.01**	**21,521.75**

Note: The above summary is prepared based on the information available with the Company.

v. Exposure to the Capital Market

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
(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;	-	-
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	197.95	70.98
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds /convertible debentures / units of equity oriented mutual funds' does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stock brokers and market makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares/bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows/issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Pending Disbursements	90.07	11.51
Total Exposure	**288.02**	**82.49**

vi. Other Regulator Registration

S. No.	Regulator	Registration no.
1	Ministry of Company Affairs	CIN: L65993TN1978PLC007576

vii. Penalties levied by the above Regulators - Nil

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 51. A. DISCLOSURE PURSUANT TO MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 (AS UPDATED FROM TIME TO TIME) (Contd.)

viii. Ratings assigned by Credit Rating Agencies

Particulars	As at March 31, 2023	As at March 31, 2022
Commercial paper & Non- convertible Debentures – Short Term	ICRA A1+,CRISIL A1+	ICRA A1+,CRISIL A1+
Working Capital Demand Loans	ICRA A1+	ICRA A1+
Cash Credit	ICRA AA+	ICRA AA+
Bank Term Loans	ICRA AA+	ICRA AA+
Non-Convertible Debentures – Long term	ICRA AA+, IND AA+, CARE AA+	ICRA AA+, IND AA+
Subordinated Debt	ICRA AA+, CARE AA+, IND AA+	ICRA AA+, CARE AA+, CRISIL AA+, IND AA+
Perpetual Debt	ICRA AA, CARE AA, IND AA	ICRA AA, CARE AA, IND AA

ix. Concentration of Advances

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Total Advances to twenty largest borrowers	474.41	358.83
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.44%	0.47%

x. Concentration of Exposures

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to twenty largest borrowers/customers	563.57	359.06
Percentage of Exposures to twenty largest borrowers /Customers to Total Exposure of the NBFC on borrowers/customers.	0.51%	0.46%

xi. Concentration of NPAs

₹ in crores

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to top four NPA accounts	47.76	33.51

xii. Sector-wise NPAs : Refer Note 57 (3)

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 51. A. DISCLOSURE PURSUANT TO MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 (AS UPDATED FROM TIME TO TIME) (Contd.)

xiii. Movement of NPAs

₹ in crores

	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	Net NPAs to Net Advances(%)	3.11%	4.85%
(ii)	Movement of Gross NPA		
	(a) Opening balance	5,212.03	2,705.01
	(b) Additions during the year	3,110.67	4,335.75
	(c) Reductions during the year	3,369.77	1,828.73
	(d) Closing balance	4,952.93	5,212.03
(iii)	Movement of Net NPA		
	(a) Opening balance	3,629.79	1,507.52
	(b) Additions during the year	2,217.95	3,335.82
	(c) Reductions during the year	2,567.19	1,213.55
	(d) Closing balance	3,280.55	3,629.79
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	1,582.24	1,197.49
	(b) Provisions made during the year	892.72	999.94
	(c) Write-off / write-back of excess provisions	802.58	615.19
	(d) Closing balance	1,672.38	1,582.24

xiv. Disclosure on Restructured Accounts

₹ in crores

Type of Restructuring	Asset classification details	Standard Advances	Sub-standard Advances	Doubtful Advances	Loss Advances
Restructured loans as on April 1, 2022	Number of borrowers	38,912	13,388	19	-
	Amount Outstanding	2,843.43	982.24	2.40	-
	Provision thereon	292.30	237.27	1.14	-
Fresh Restructured during the year (based on asset classification at the time of restructuring)	Number of borrowers	15	4	-	-
	Amount Outstanding	3.00	20.21	-	-
	Provision thereon	0.31	5.25	-	-
Upgradations to restructured category during the year	Number of borrowers	2,897	1	-	-
	Amount Outstanding	96.87	0.10	-	-
	Provision thereon	8.67	0.04	-	-
Restructured loans ceases to attract higher provision or additional risk weight at the end of year*	Number of borrowers	13,617	-	-	-
	Amount Outstanding	619.23	-	-	-
	Provision thereon	63.93	-	-	-
Downgrade of restructured accounts during the year	Number of borrowers	-	6,115	6,184	8
	Amount Outstanding	-	475.14	398.89	2.03
	Provision thereon	-	96.21	127.29	2.04
Write-off of restructured accounts during the year	Number of borrowers	2,592	3,759	6	-
	Amount Outstanding	186.75	300.01	1.17	-
	Provision thereon	19.64	88.03	0.60	-
Restructured loans as on March 31, 2023	Number of borrowers	14,113	6,455	6,186	7
	Amount Outstanding	1,221.02	547.23	399.03	1.80
	Provision thereon	110.06	113.55	127.41	1.80

*Pursuant to RBI Notification DOR.No.BP.BC/3/21.04.048/2020-21

Note: Includes accounts restructured under Covid resolution framework 1.0 and 2.0

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 51. A. DISCLOSURE PURSUANT TO MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 (AS UPDATED FROM TIME TO TIME) (Contd.)

xv. Customer Complaints

No. of Complaints

	Particulars	March 31, 2023	March 31, 2022
	Complaints received by the NBFC from its customers		
1.	Number of complaints pending at beginning of the year	-	-
2.	Number of complaints received during the year	747	812
3.	Number of complaints disposed during the year	747	812
3.1	Of which, number of complaints rejected by the NBFC	309	-
4.	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5.*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	436	498
5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	436	498
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	4	5
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
		March 31, 2023			
Levy of Foreclosure charges		134	24.07%	-	-
Staff Interaction related/Collection Related		124	16.98%	-	-
Repossession of collateral & Sale Related		95	5.56%	-	-
Closure & NOC related		70	59.09%	-	-
Moratorium related		34	-26.09%	-	-
Others		290	-30.62%	-	-
Total		**747**		**-**	**-**
		March 31, 2022			
Foreclosure Related		108	-5.00%	-	-
Staff Interaction related/Collection Related		106	-13.00%	-	-
Repossession of collateral & Sale Related		90	-3.00%	-	-
Restructuring related		79	132.00%	-	-
Moratorium related		46	-69.00%	-	-
Others		383	-42.00%	-	-
Total		**812**		**-**	**-**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 52 DISCLOSURE OF FRAUDS REPORTED DURING THE YEAR ENDED MARCH 31, 2021 VIDE DNBS. PD. CC NO. 256/ 03.10.042/ 2011-12 DATED MARCH 02, 2012

There were 70 cases (March 31, 2022 - 107 cases) of frauds amounting to ₹ 5.71 crores (March 31, 2022 - ₹7.80 crores) reported during the year. The Company has recovered an amount of ₹ 0.43 crores (March 31, 2022 - ₹ 1.12 crores). The un-recovered amounts are either pending settlement with the insurance companies or have been fully provided/ written off.

Note : 53. DISCLOSURE OF COMPARISON OF PROVISION AS PER IRAC NORMS AND ECL PURSUANT TO RBI CIRCULAR, VIDE DNBS.PD.CC. NO.109/22.10.106/2019-20 DATED MARCH 13, 2020 FOR THE YEAR ENDED MARCH 31, 2023

₹ in crores

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind As [2]	Loss allowance (provision) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	99,640.78	431.30	99,209.48	339.77	91.53
Substandard	Stage 1	238.68	11.72	226.96	21.85	(10.13)
Doubtful - upto 1 year	Stage 1	32.61	1.65	30.96	6.33	(4.68)
1 - 3 years	Stage 1	0.49	0.01	0.48	0.12	(0.11)
Standard	Stage 2	2,483.55	225.26	2,258.29	106.33	118.93
Substandard	Stage 2	1,152.03	136.76	1,015.27	106.61	30.15
Doubtful - upto 1 year	Stage 2	305.23	40.01	265.22	58.79	(18.78)
1 - 3 years	Stage 2	2.27	0.21	2.06	0.66	(0.45)
Non Performing Assets (NPA)						
Substandard	Stage 3	1,247.77	403.70	844.07	123.50	280.20
Doubtful - upto 1 year	Stage 3	999.13	420.86	578.27	182.31	238.55
1 - 3 years	Stage 3	752.97	464.48	288.49	189.31	275.17
More than 3 years	Stage 3	205.72	178.83	26.89	66.77	112.06
Loss	Stage 3	16.01	14.13	1.88	12.72	1.41
Subtotal for NPA		**3,221.60**	**1,482.00**	**1,739.60**	**574.61**	**907.39**
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	2,820.44	11.79	2,808.65	-	11.79
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**2,820.44**	**11.79**	**2,808.65**	**-**	**11.79**
Total	Stage 1	1,02,733.00	456.47	1,02,276.53	368.07	88.40
	Stage 2	3,943.08	402.24	3,540.84	272.39	129.85
	Stage 3	3,221.60	1,482.00	1,739.60	574.61	907.39
	Total	**1,09,897.68**	**2,340.71**	**1,07,556.97**	**1215.07**	**1,125.64**

1) As required by the RBI Notification dated March 13, 2020, the Company has complied with the requirements of Ind AS and the Guidelines and Policies approved by the Board in recognition of impairment of financial instruments. The overall impairment provision made under Ind AS is higher than the prudential floor (including the provision requirement specified in the notification referred to in Note 9) prescribed by RBI
2) Gross carrying amount as per Ind AS represents gross exposures inclusive of securitisation balances transferred by the Company but will not qualify for de-recognition and interest income on Stage III assets which will not form part of Provisions required as per IRACP norms

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 54. DISCLOSURE ON MORATORIUM – COVID 19 REGULATORY PACKAGE – ASSET CLASSIFICATION AND PROVISIONING FOR THE YEAR ENDED MARCH 31, 2022 IN PURSUANT TO THE NOTIFICATION VIDE: DOR.NO.BP.BC.63/21.04.048/2019-20 DATED APRIL 17, 2020.

₹ in crores

Particulars	March 31, 2023	March 31, 2022
Amount in SMA/overdue categories as of February 29, 2020	Nil	Nil
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 (as of February 29, 2020)	Nil	Nil
Respective amount where asset classification benefits is extended (net of accounts which have moved out of SMA/overdue category during the moratorium period)*	Nil	Nil
Provisions made during the period (As per para 4, Applicable to NBFC's covered under Ind AS)**	Nil	Nil
Provisions adjusted against slippages in terms of paragraph 6 of the circular	Nil	Nil
Residual provision	Nil	Nil

*There are nil accounts where asset classification benefit has been extended as on March 31, 2021. Post the moratorium period, the movement of aging has been at actuals.

Note : 55. DISCLOSURES PURSUANT TO RBI NOTIFICATION - RBL/2020-21116 DOR No.BP.13C/3121 .C4,048/2020-21 DATED 6 AUGUST 2020 AND NOTIFICATION RBI/2021-2022/31 DATED MAY 5,2021

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at March 31, 2022 (A)	Of (A) aggregate debt that slipped during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at March 31, 2023
Personal Loans	282.24	29.82	0.72	14.72	236.98
Corporate persons #					
Of which MSME					
Others*	1667.36	218.39	8.50	264.52	1,175.96
Total	**1,949.60**	**248.21**	**9.22**	**279.24**	**1,412.94**

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

* Others consists of Vehicle finance and loan against property.

56.1 Liquidity Risk

Public disclosure on liquidity risk -March 31, 2023

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	No. of Significant Counterparties	Amount (₹ In crores)	% of Total Deposits	% of Total Liabilities
1	14	63,824.74	NA	64.33%

(ii) Top 20 large deposits (amount in ₹ Crore and % of total deposits)

Not Applicable

(iii) Top 10 borrowings (amount in ₹ Crore and % of total borrowings)

Amount (₹ In crore)	% of Total Borrowings
23,611.26	24.46%

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 56.1 LIQUIDITY RISK (Contd.)

(iv) Funding concentration based on significant instrument / product

Sr. No.	Name of the instrument / product	Amount (₹ In crore)	%of Total Liabilities
1	Rupee Term Loans	59,422.90	59.89%
2	NCDs (including PDI & Sub Debt)	18,742.70	18.89%
3	CPs	4,350.00	4.38%
4	ECB Loans	2,805.30	2.83%
5	Securitisation	9,965.47	10.04%
6	FCNR (B) Loans	828.89	0.84%
7	Rupee Denominated Bonds	400.00	0.40%
	TOTAL	**96,515.26**	**97.27%**

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets :

Commercial Papers as a % of total public funds	4.51%
Commercial Papers as a % of total liabilities	4.38%
Commercial Papers as a % of total assets	3.83%

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets – **Not Applicable.** Non-convertible debentures of original maturity of less than one year have not been issued

(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	1.53%
Other Short-term liabilities as a % of total liabilities	1.49%
Other Short-term liabilities as a % of total assets	1.30%

(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. 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 Company 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 Company 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 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.

Notes:

1) A "Significant Counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of NBFC-NDSI's total liabilities.
2) A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's total liabilities.
3) Total Borrowing has been computed as Gross Total Debt basis extant regulatory ALM guidelines.
4) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.
5) Commercial Paper for stock ratio is the Gross outstanding (i.e.Maturity amount).
6) Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial Paper less Non-convertible debentures (Original maturity of less than one year), basis extant regulatory ALM guidelines.
7) Public Funds = Total Borrowings as computed above.

Refer Note No 47 for the summary of maturity profile of undiscounted cash flows of the Company's financial assets and financial liabilities as at reporting period.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

Note : 56.2 LIQUIDITY COVERAGE RATIO

The Liquidity Coverage Ratio (LCR) is a key compliance requirement for a resilient and stable financial sector. Its objective is the promotion of short-term resilience of the liquidity risk profile of financial institutions by ensuring that it has sufficient High Quality Liquid Assets (HQLA) to survive a significant stress scenario lasting for one month. The Liquidity Coverage Ratio is expected to improve the financial sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy.

Liquidity Management of the company is supervised by the Asset Liability Committee. The management is of the view that the company has in place robust processes to monitor and manage liquidity risks and sufficient liquidity cover to meet its likely future short-term requirements.

The company has a diversified mix of borrowings with respect to the source, type of instrument, tenor and nature of security. The Asset Liability Committee constantly reviews and monitors the funding mix and ensures the optimum mix of funds based on the cash flow requirements, market conditions and keeping the interest rate view in consideration. Additionally, the Company 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 Asset Liability Committee provides strategic direction and guidance on liquidity risk management. A sub-committee of the Asset Liability Committee, comprising members from the 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 Asset Liability Management perspective. This sets the boundaries for daily cash flow management.

In line with RBI regulations, the cash outflows and inflows have been stressed by 115% and 75% of their respective original values for computing LCR. The key drivers on the inflow side are the expected collections from the performing assets of the company and on the outflow side the scheduled maturities. The High Quality Liquid Assets are entirely held in Government Securities which are classified as Level 1 assets with no haircut.

₹ in crores

Particulars	Q1 FY23-Avg	Q2 FY23-Avg	Q3 FY23-Avg	Q4 FY23-Avg
High Quality Liquid Assets	1,568.74	1,770.26	2,995.69	2,929.96
Cash Outflows:				
Deposits			-	-
Un-Secured wholesale funding	1,063.12	1,134.13	1,055.94	2,411.81
Secured wholesale funding	1620.56	1,366.17	2,280.56	2,480.51
Additional Requirements, of which			-	-
(i) Outflows related to derivatives exposures and other collateral requirements.	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and Liquidity facilities	-	-	-	-
Other Contractual funding obligations	2,434.63	2,749.19	2,987.17	3,180.99
Other Contingent funding obligations	173.76	183.78	177.66	172.00
Total Cash Outflows	**5292.07**	**5,433.27**	**6,501.32**	**8,245.31**
Cash Inflows				
Secured Lending	-	-	-	-
Inflows from fully performing exposures	2,790.38	2,737.60	3,053.64	3,389.57
Other cash inflows	2,262.42	2,644.92	2,271.45	2,529.60
Total Cash Inflows	**5052.80**	**5,382.52**	**5,325.09**	**5,919.17**
TOTAL HIGH QUALITY LIQUID ASSETS	1,568.74	1,770.26	2,995.69	2,929.96
TOTAL NET CASH FLOWS	1,323.02	1,358.32	1,625.33	2,326.14
LIQUIDITY COVERAGE RATIO (%)	**118.57%**	**130.33%**	**184.31%**	**125.96%**

The LCR has been consistently maintained above 100% throughout the year which is well over the regulatory threshold of 70%. The company has internal risk thresholds for LCR approved by the Risk Managing Committee which is higher than the regulatory requirement. The High Quality Liquid Assets (HQLA) as on March 31,2023 is held in the form of Government Securities to meet the LCR requirements

The company has maintained LCR well above the regulatory threshold of 70% throughout the financial year. All foreign currency borrowings are fully hedged at the time of drawl of each loan. Hence there is no risk to the company on account of derivatives or collateral calls thereof or mismatch in currency.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

NOTE-57 DISCLOSURES IN FINANCIAL STATEMENTS- NOTES TO ACCOUNTS OF NBFCS PURSUANT TO CIRCULAR DOR.ACC.REC. NO.20/21.04.018/2022-23 DATED 19.04.2022

A) Exposure

1) Exposure to real estate sector

₹ in crores

Category	As at March 31, 2023	As at March 31, 2022
i) Direct exposure		
a) Residential Mortgages –		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	30,238.63	18,813.87
b) Commercial Real Estate –		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	1,787.38	2,707.88
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –		
i. Residential		
ii. Commercial Real Estate		
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.		
Total Exposure to Real Estate Sector	**32,026.01**	**21,521.75**

2) Exposure to capital market

₹ in crores

Category	As at March 31, 2023	As at March 31, 2022
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	-	-
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	197.95	70.98
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii) Bridge loans to companies against expected equity flows / issues	-	-
viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix) Financing to stockbrokers for margin trading	12.50	4.50
x) All exposures to Alternative Investment Funds:	-	-
(i) Category I		
(ii) Category II		
(iii) Category III		
Pending Disbursements (Undrawn commitments)	90.07	11.51
Total exposure to capital market	**300.52**	**86.99**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

NOTE-57 DISCLOSURES IN FINANCIAL STATEMENTS- NOTES TO ACCOUNTS OF NBFCS PURSUANT TO CIRCULAR DOR.ACC.REC. NO.20/21.04.018/2022-23 DATED 19.04.2022 (Contd.)

3 Sectoral exposure ₹ in crores

Sectors	As on March 31, 2023			As on March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
Domestic Operations						
I. Gross Advances (II + III)	1,07,077.24	4,952.93	4.63%	76,477.89	5,212.03	6.82%
II. Food Credit	0.00	0.00		0.00	0.00	
III. Non-Food Credit (1 to 5)	1,07,077.24	4,952.93	4.63%	76,477.89	5,212.03	6.82%
1. Agriculture and Allied Activities	9,961.26	591.83	5.94%	9,149.25	546.10	5.97%
2. Industry (2.1 to 2.4)	44,287.45	2,158.53	4.87%	28,862.77	2,536.36	8.79%
2.1 Micro and Small	30,394.16	1,137.50	3.74%	13,993.79	1,236.17	8.83%
2.2 Medium	109.93	0.00	0.00%	0.17	0.00	0.00%
2.3 Large	0.00	0.00	0.00%	0.00	0.00	0.00%
2.4 Others	13,783.36	1,021.03	7.41%	14,868.81	1,300.19	8.74%
3. Services (3.1 to 3.10 equals 3.a to 3.d)	29,907.10	1,678.32	5.61%	24,322.21	1,696.28	6.97%
3.1 Transport Operators	18,951.54	1,385.84	7.31%	19,585.23	1,498.53	7.65%
3.2 Computer Software	104.28	0.00	0.00	1.36	0.00	0.00
3.3 Tourism, Hotel and Restaurants	9.86	0.00	0.00	3.83	0.00	0.00
3.4 Shipping	0.13	0.00	0.00	0.13	0.00	0.00
3.5 Professional Services	0.00	0.00	0.00	0.00	0.00	0.00
3.6 Trade	5,338.04	60.23	1.13%	851.33	23.94	2.81%
3.6.1 Wholesale Trade (other than Food Procurement)	0.00	0.00	0.00	0.00	0.00	0.00
3.6.2 Retail Trade	5,338.04	60.23	1.13%	851.33	23.94	2.81%
3.7 Commercial Real Estate	2,247.48	153.76	6.84%	1,917.27	109.58	5.72%
3.8 NBFCs	413.31	0.00	0.00	143.11	0.00	0.00
3.9 Aviation	0.00	0.00	0.00	0.00	0.00	0.00
3.10 Other Services	2,842.46	78.49	2.76%	1,819.95	64.23	3.53%
Total 3.a to 3.d	**29,907.10**	**1,678.32**	**5.61%**	**24,322.21**	**1,696.28**	**6.97%**
3.a Micro and Small	125.02	7.92	6.33%	163.37	3.17	1.94%
3.b Medium	5.18	0.01	0.19%	5.06	0.01	0.20%
3.c Large	0.00	0.00	0.00	0.00	0.00	0.00
3.d Others	29,776.90	1,670.39	5.61%	24,153.78	1,693.10	7.01%
4. Retail Loans (4.1 to 4.10)	22,921.43	524.25	2.29%	14,143.66	433.29	3.06%
4.1 Housing Loans (incl. priority sector Housing)	7,306.17	202.24	2.77%	4,826.46	219.68	4.55%
4.2 Consumer Durables	0.00	0.00	0.00	0.00	0.00	0.00
4.3 Credit Card Receivables	0.00	0.00	0.00	0.00	0.00	0.00
4.4 Vehicle/Auto Loans	13,811.26	294.26	2.13%	9,024.16	207.84	2.30%
4.5 Education Loans	0.00	0.00	0.00	0.00	0.00	0.00
4.6 Advances against Fixed Deposits (incl. FCNR(B), etc.)	0.00	0.00	0.00	0.00	0.00	0.00

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

NOTE-57 DISCLOSURES IN FINANCIAL STATEMENTS- NOTES TO ACCOUNTS OF NBFCS PURSUANT TO CIRCULAR DOR.ACC.REC. NO.20/21.04.018/2022-23 DATED 19.04.2022 (Contd.)

3) Sectoral exposure **₹ in crores**

Sectors	As on March 31, 2023			As on March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
4.7 Advances to Individuals against Shares, Bonds	199.32	0.00	0.00	70.98	0.00	0.00
4.8 Advances to Individuals against Gold	0.00	0.00	0.00	0.00	0.00	0.00
4.9 Micro finance loan/SHG Loan	0.00	0.00	0.00	0.00	0.00	0.00
4.10 Other Retail loans	1,604.68	27.75	1.73%	222.06	5.77	2.60%
5. Other Non-food Credit	0.00	0.00	0.00	0.00	0.00	0.00

4) Intra-group exposures

Particulars	March 31, 2023	March 31, 2022
Total amount of intra-group exposures (₹ in Cr.)	662.44	630.00
Total amount of top 20 intra-group exposures	662.44	630.00
Percentage of intra-group exposures to total exposure of the NBFC on borrowers / customers (Gross loans and gross undrawn commitment)	0.60%	0.81%

Exposure shall include gross loans, gross undrawn commitments and investment in equity and other instrument.

5. Unhedged foreign currency exposure **- Nil**

6. Breach of covenant of loan availed or debt securities issued **- Nil**

7. Divergence in Asset Classification and Provisioning **- NIL**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

B. Related party Disclosure

₹ in crores

Related Party	Parent		Subsidiaries		Associates /Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Particulars	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**
Borrowings	-	-											-	-
-Availed	-	-	39.50	68.50	-	-	-	-	-	-	-	-	39.50	68.50
-Repaid	-	-	39.50	68.50	-	-	-	-	-	-	-	-	39.50	68.50
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placements of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances(Loans)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-Given	-	-	176.00	65.50	-	6.00	-	-	-	-	2.48	-	178.48	71.50
-Recovered	-	-	168.00	61.00	3.00	6.40	-	-	-	-	2.48	-	173.48	67.40
Investments made during the year	-	-	-	-	10.00	-	-	-	-	-	-	-	10.00	-
Sale of Fixed assets or other assets	-	-	-	-	-	-	-	0.04	-	-	1.00	-	1.00	0.04
Interest Paid-Expense	-	-	0.89	1.40	-	-	-	-	-	-	14.21	13.13	15.10	14.53
Interest received-Income	-	-	1.81	0.09	0.16	0.22	-	-	-	-	0.06	-	2.03	0.31
Amount received towards Reimbursement of expenses	1.31	1.18	87.82	56.13	-	-	-	-	-	-	0.09	0.07	89.22	57.38
Dividend Payments	74.58	74.58	-	-	-	-	0.11	0.08	0.11	0.11	9.93	6.93	84.73	81.70
Services Received	-	-	2.01	0.23	9.78	0.24	-	-	-	-	820.62	4.12	832.41	4.59
Services Rendered	-	-	-	-	-	-	-	-	-	-	86.83	-	86.83	-
Others														
-Expense	-	-	1.48	2.16	0.01	0.03	12.09	9.12	-	-	25.17	1.46	38.75	12.77
-Income	-	-	0.05	0.38	6.12	-	-	-	-	-	0.44	-	6.61	0.38

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2023

B. Related party Disclosure

₹ in crores

Related Party	Parent		Subsidiaries		Associates /Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Particulars	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**
Borrowings														
- Amount outstanding as at year-end	-	-	-	-	-	-	-	-	-	-	378.37	147.93	378.37	147.93
- Maximum amount outstanding during the year	-	-	39.50	68.50	-	-	-	-	-	-	378.37	147.93	417.87	216.43
Advances (Loans)														
- Amount outstanding as at year-end	-	-	12.50	4.50	-	3.00	-	-	-	-	-	-	12.50	7.50
- Maximum amount outstanding during the year	-	-	60.00	26.00	3.00	6.40	-	-	-	-	-	-	63.00	32.40
Investments														
- Amount outstanding as at year-end	-	-	64.90	64.90	466.57#	467.76	-	-	-	-	-	-	531.47	532.66
- Maximum amount outstanding during the year	-	-	64.90	64.90	474.57#	467.76	-	-	-	-	-	-	539.47	532.66

Net of fair value gain of ₹. 0.92 crores for the year ended March 31, 2023

For **Price Waterhouse LLP**
Chartered Accountants
ICAI Firm Regn No. **301112E/ E300264**

A.J. Shaikh
Partner
Membership No. : 203637

For **Sundaram and Srinivasan**
Chartered Accountants
ICAI Firm Regn No. : **004207S**

S. Usha
Partner
Membership No. : 211785

Date : May 3, 2023
Place : Chennai

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Independent Auditor's Report

To the Members of Cholamandalam Investment and Finance Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Cholamandalam Investment and Finance Company Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint venture (refer Note 3A to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, 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").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint venture as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (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 Consolidated Financial Statements" section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key Audit 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.

Key audit matters	How our audit addressed the key audit matter
Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 11 of the consolidated financial statements) The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to INR 76,47,339 lakhs and the associated impairment allowances aggregating to INR 2,32,868 lakhs 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.	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 our 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.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
Given the inherent judgmental nature and the complexity of model involved, we determined this to be a key audit matter.	• 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 disclosure in relation to impairment loss allowance in the consolidated financial statements.
Assessment of Direct tax and Indirect tax litigations and related disclosure of contingent liabilities (Refer to Note 40 of the consolidated Financial statements) As at March 31, 2022, the Company has exposure towards litigations relating to various tax matters as set out in the aforesaid Notes. Significant management judgement is required to assess matters relating to direct tax and indirect tax litigations, to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a Key Audit Matter.	Our audit procedures included the following: • We understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to direct and indirect tax laws and regulations ; • We inquired with management the recent developments and the status of the material litigations which were reviewed and noted by the Audit Committee; • We performed our assessment on a test check basis on the underlying calculations supporting the contingent liabilities related to litigations disclosed in the Consolidated Financial Statements; • We used auditor's expert to gain an understanding and to evaluate the disputed tax matters; • We considered external legal opinions, where relevant, obtained by management and examined by the auditor's expert; • We obtained the listings from the management and got it reconfirmed from management's consultants; • We evaluated the adequacy of presentation and disclosures in relation to litigations in the Consolidated Financial Statements.
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. 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; and the complexity of the IT architecture; and its impact on the financial records and 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 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. 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 IT control environment included backup management, business continuity and disaster recovery, incident management, batch processing and monitoring.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
	We have also evaluated the design and tested the operating effectiveness of key IT application controls within key business process, 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 compensating controls or performed alternative audit procedures, where necessary.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (Financial Highlights, Board's report, Management Discussion and Analysis and Report on Corporate Governance), but does not include the Consolidated financial statements and our auditor's 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and jointly controlled entities/ 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.

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

Independent Auditor's Report (Contd.)

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

9. 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.

10. 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 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 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 Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities/ 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 and its associates and jointly controlled entities/ 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 and its associates and jointly controlled entities/ 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 such entities 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 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.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report (Contd.)

12. 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.

13. 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

14. The consolidated financial statements of the Company for the year ended March 31, 2021, were audited by another firm of chartered accountants under the Act who, vide their report dated May 7 2021, expressed an unmodified opinion on those consolidated financial statements.

15. We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of Rs 18,074.01 Lakhs as at March 31 2022, total revenue of ₹ 9,638.53 lakhs, profit after tax of ₹ 1,228.05 lakhs total comprehensive income (comprising of profit and other comprehensive income) of Rs 2,732 lakhs and net cash inflows amounting to Rs 838.54 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar 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 insofar as it relates to these subsidiaries, is based solely on the reports of the other auditors.

16. The consolidated financial statements also include the Group's share of loss of ₹ 538 lakhs and total comprehensive income of ₹ (538) lakhs for the year ended March 31 2022 as considered in the consolidated financial statements, in respect of 3 associates and 1 joint venture respectively, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these joint venture and associates 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 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, these financial statements are not material to the Group.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

17. 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.

18. As required by Section 143(3) of the Act, 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.

Independent Auditor's Report (Contd.)

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

g) The managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act. (Section 197(16) is only with respect to remuneration paid to directors to its directors, not for the group as a whole)

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 the consolidated financial position of the Group, its associates and joint venture– Refer Note 40 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 long-term contracts including derivative contracts as at March 31 2022– Refer Note 9 and 11 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint venture

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Group, associates and joint venture incorporated in India during the year.

iv. (a) The respective Managements of the Company and its subsidiaries 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 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 Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 51 (Part II) to consolidated Financial statements)

(b) The respective Managements of the Company and its subsidiaries 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 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 Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend

Independent Auditor's Report (Contd.)

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. (Refer Note 51 (Part II) to consolidated Financial statements)

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company, is in compliance with Section 123 of the Act.

19. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Sundaram and Srinivasan
Chartered Accountants
Firm Registration No. : 004207S

S. Usha
Partner
Membership No. : 211785
UDIN : 22211785AILFWS3979

Place : Chennai
Date : May 5, 2022

For Price Waterhouse LLP
Chartered Accountants
Firm Registration No. : 301112E /E300264

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 22203637AIKXXN7433

Place : Chennai
Date : May 5, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 18f of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the consolidated financial statements as at year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Cholamandalam Investment and Finance Company Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, as of that date. 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 not applicable to 3 associates and joint venture incorporated in India namely Paytail commerce Private limited,Vishvakarma Payments Private Limited and White Data System India Private Limited (Associates) and Payswiff Technologies Private Limited (Joint venture) pursuant to MCA notification GSR 583(E) dated 13 June 2017

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, 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 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 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
5. 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 with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject

Annexure A to Independent Auditor's Report (Contd.)

Referred to in paragraph 18f of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the consolidated financial statements as at year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to Consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. 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 financial statements insofar as it relates to two subsidiary companies, 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 Sundaram and Srinivasan
Chartered Accountants
Firm Registration No. : 004207S

S. Usha
Partner
Membership No. : 211785
UDIN : 22211785AILFWS3979

Place : Chennai
Date : May 5, 2022

For Price Waterhouse LLP
Chartered Accountants
Firm Registration No. : 301112E /E300264

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 22203637AIKXXN7433

Place : Chennai
Date : May 5, 2022

Consolidated Balance Sheet

As at March 31, 2022

₹ in lakhs

	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial Assets			
Cash and cash equivalents	7	2,69,884	1,48,036
Bank balances other than cash and cash equivalents	8	1,60,300	3,79,941
Derivative financial instruments	9	18,653	4,587
Receivables	10		
i) Trade receivables		7,131	5,660
ii) Other receivables		8,964	4,211
Loans	11	74,14,471	65,83,934
Investments	12		
i) Associate		3,303	2,424
ii) Others		1,57,643	1,55,925
iii) Joint Venture	46	44,559	-
Other financial assets	13	33,522	56,804
		81,18,430	**73,41,522**
Non- Financial Assets			
Current tax assets		25,200	14,767
Deferred tax assets (Net)	14	67,491	76,897
Investment property	15	13	13
Property, plant and equipment	16	24,215	20,826
Capital Work in Progress		2,303	-
Intangible assets under development		1,432	991
Other intangible assets	17	1,632	1,920
Other non-financial assets	18	7,152	7,480
		1,29,438	**1,22,894**
TOTAL ASSETS		**82,47,868**	**74,64,416**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	9	16,956	12,742
Payables			
(I) Trade payables			
i) Total outstanding dues of micro and small enterprises	36 & 51	306	-
ii) Total outstanding dues of creditors other than micro and small enterprises		12,453	9,859
(II) Other payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		72,000	54,278
Debt securities	19	13,32,110	12,35,767
Borrowings(Other than Debt securities)	20	52,00,452	47,18,226
Subordinated liabilities	21	3,84,788	4,19,006
Other financial liabilities	22	33,952	34,592
		70,53,017	**64,84,470**
Non-Financial Liabilities			
Current tax Liabilities		-	4,225
Deferred tax Liabilities (Net)		65	-
Provisions	23	11,968	11,045
Other non-financial liabilities	24	5,918	4,696
		17,951	**19,966**
Equity			
Equity share capital	25	16,428	16,407
Other equity	26	11,60,472	9,43,573
Total Equity		**11,76,900**	**9,59,980**
TOTAL LIABILITIES AND EQUITY		**82,47,868**	**74,64,416**

The accompanying notes are integral part of the Consolidated financial statements

This is the Consolidated Balance Sheet referred to in our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

Date : May 5, 2022
Place : Chennai

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

₹ in lakhs

	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations			
- Interest income	27A	9,56,735	9,22,477
- Fee & commission income	27B	47,254	26,939
- Net gain on fair value change on financial Instrument	27C	1,611	487
- Sale of services	27D	8,475	8,037
Total Revenue from operations (I)		**10,14,075**	**9,57,940**
Other income (II)	28	9,106	6,032
Total Income (III) = (I) + (II)		**10,23,181**	**9,63,972**
Expenses			
- Finance costs	29	4,29,766	4,57,554
- Impairment of financial instruments	30	88,034	1,37,805
- Employee benefits expense	31	95,720	79,101
- Depreciation and amortisation expense	15, 16 & 17	10,063	10,230
- Other expenses	32	1,08,838	74,492
Total Expenses (IV)		**7,32,421**	**7,59,182**
Profit before tax (V) = (III) - (IV)		**2,90,760**	**2,04,790**
Tax expense/(benefit)			
- Current tax			
- Pertaining to profit for the current period		69,452	75,320
- Adjustment of tax relating to earlier periods		68	392
- Deferred tax	14	5,351	(23,061)
Net tax expense (VI)		74,871	52,651
Profit for the period - A = (V) - (VI)		**2,15,889**	**1,52,139**
Share of loss from Associates (net of tax)		(96)	(53)
Share of loss from Joint Venture (net of tax)		(442)	-
Profit for the period		**2,15,351**	**1,52,086**
Other Comprehensive income:			
i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit obligations (net)		3	(133)
Income tax impact		(1)	33
Net (Loss) / gain on equity instruments designated at FVOCI for the year		1,647	558
Income tax impact		(141)	-
ii) Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Cashflow Hedge Reserve		16,196	(4,521)
Income tax impact		(4,077)	1,138
Other comprehensive income/(loss) net of tax for the period (B)		**13,627**	**(2,925)**
Total Comprehensive Income net of tax (A) + (B)		**2,28,978**	**1,49,161**
Profit for the period attributable to :			
Equity holders of the Parent Company		2,15,351	1,52,086
Non-Controlling Interest		-	-
Other Comprehensive Income (net of tax) for the period attributable to :			
Equity holders of the Parent Company		13,627	(2,925)
Non-Controlling Interest		-	
Total Comprehensive Income for the period attributable to :			
Equity holders of the Parent Company		2,28,978	1,49,161
Non-Controlling Interest		-	
Earnings per equity share of ₹ 2 each	33		
Basic (₹)		26.24	18.55
Diluted (₹)		26.19	18.52

The accompanying notes are integral part of the Consolidated financial statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

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For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Date : May 5, 2022
Place : Chennai

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

₹ in lakhs

A) Equity Share Capital

Balance as on March 31, 2021	Changes in Equity Share capital due to prior period errors	Restated Balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance as on March 31, 2022
16,407	-	16,407	21	16,428

B) Other Equity

₹ in lakhs

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserve and Surplus														Total
			Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share Based Payments reserve	Debt instruments through Other Comprehensive Income	Equity instruments through other comprehensive income	Effective portion of cashflow hedge	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Money received against share warrants	
Balance as on March 31, 2021	**-**	**-**	**4**	**2,86,605**	**3,300**	**3,76,103**	**1,25,138**	**1,59,046**	**3,444**	**-**	**495**	**(10,562)**	**-**	**-**	**-**	**-**	**9,43,573**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	-	-	4	2,86,605	3,300	3,76,103	1,25,138	1,59,046	3,444	-	495	(10,562)	-	-	-	-	9,43,573
Remeasurement of defined benefit plans	-	-	-	-	-	-	2		-		-	-	-	-	-	-	2
Total comprehensive income for the period, net of income tax	-		-	-	-	-			-		1,506	12,119	-	-	-	-	13,625
Dividend including tax	-		-	-	-	-	(16,414)		-		-	-	-	-	-	-	(16,414)
Transfer to retained earnings							2,15,351						-	-	-	-	2,15,351
Changes during the period	-		-	2,287	-	-	-		2,048		-	-	-	-	-	-	4,335
Trasfer to Reserves from retained earnings during the period	-	-	-	-	-	1,00,000	(1,43,000)	43,000	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2022	**-**	**-**	**4**	**2,88,892**	**3,300**	**4,76,103**	**1,81,077**	**2,02,046**	**5,492**	**-**	**2,001**	**1,557**	**-**	**-**	**-**	**-**	**11,60,472**

Consolidated Statement of Changes in Equity for the year ended March 31, 2022 (Contd.)

Previous reporting period

A) Equity Share Capital

₹ in lakhs

Balance as on March 31, 2020	Changes in Equity Share capital due to prior period errors	Restated Balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance as on March 31, 2021
16,398	0	16,398	9	16,407

B) Other Equity

₹ in lakhs

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserve and Surplus							Debt instruments through Other Comprehensive Income	Equity instruments through other comprehensive income	Effective portion of cashflow hedge	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share Based Payments reserve								
Balance as on March 31, 2020	**10**	**-**	**4**	**2,85,678**	**3,300**	**3,00,967**	**89,808**	**1,28,046**	**3,017**	**-**	**(63)**	**(7,179)**	**-**	**-**	**-**	**-**	**8,03,588**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	10	-	4	2,85,678	3,300	3,00,967	89,808	1,28,046	3,017	-	(63)	(7,179)	-	-	-	-	8,03,588
Remeasurement of defined benefit plans	-	-	-	-	-	-	(100)		-		-	-	-	-	-	-	(100)
Total comprehensive income for the period, net of income tax	-		-	-	-	-	-		-		558	(3,383)	-	-	-	-	(2,825)
Dividend including tax	-		-	-	-	-	(10,656)		-		-	-	-	-	-	-	(10,656)
Transfer to retained earnings							1,52,086						-	-	-	-	1,52,086
Changes during the period	(10)		-	927	-	136	-		427		-	-	-	-	-	-	1,480
Transfer to Reserves from retained earnings during the period						75,000	(1,06,000)	31,000									
Balance as on March 31, 2021	**-**	**-**	**4**	**2,86,605**	**3,300**	**3,76,103**	**1,25,138**	**1,59,046**	**3,444**	**-**	**495**	**(10,562)**	**-**	**-**	**-**	**-**	**9,43,573**

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

Date : May 5, 2022
Place : Chennai

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended March 31, 2022

₹ in lakhs

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
Cash Flow from Operating Activities				
Profit Before Tax		**2,90,760**		**2,04,790**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	10,063		10,230	
Impairment of financial instruments	87,994		1,32,211	
Finance Costs	4,29,766		4,57,554	
Loss on Sale of Property plant and equipment (Net)	7		54	
Net gain on fair value change in financial instruments	(1,611)		(487)	
Interest Income on bank deposits and other investments	(24,232)		(34,756)	
Dividend on Investments	(17)		(13)	
Income tax refund	(663)		(378)	
Short Term Rent Concessions	(112)		(630)	
Share based payment expense	2,048		564	
		5,03,243		5,64,349
Operating Profit Before Working Capital Changes		**7,94,003**		**7,69,139**
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(9,18,531)		(11,76,572)	
Trade Receivables	(6,224)		(3,316)	
Other Financial Assets	23,282		(15,532)	
Other Non Financial Assets	328	(9,01,145)	(1,877)	(11,97,297)
Increase/(Decrease) in operating liabilities & Provisions				
Payables	20,625		16,332	
Other Financial liabilities	(2,424)		13,954	
Provisions	923		1,894	
Other NonFinancial liabilities	1,242	20,366	19	32,199
Cash Flow used in Operations		**(86,776)**		**(3,95,959)**
Finance Costs paid	(4,11,750)		(4,54,493)	
Dividend received	17		13	
Interest Received on Bank Deposits and Other Investments	26,085		35,543	
		(3,85,648)		(4,18,937)
		(4,72,424)		(8,14,896)
Income tax paid (Net of refunds)		(84,709)		(69,929)
Net Cash Used in Operating Activities (A)		**(5,57,133)**		**(8,84,825)**

Consolidated Cash Flow Statement (Contd.)

for the year ended March 31, 2022

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Intangible Assets	(7,288)	(3,289)
Capital Work in Progress	(2,303)	-
Proceeds from Sale of Property, Plant and Equipment	192	150
Investment in Bank Fixed Deposits (Net of withdrawals)	2,17,788	(17,388)
Purchase of Mutual Funds Units	(42,11,289)	(17,68,421)
Redemption of Mutual Funds Units	42,12,589	17,68,884
Investment in Joint Venture and Associate	(45,976)	-
Increase in investments (net)	241	(1,54,552)
Net Cash Used in Investing Activities (B)	**1,63,954**	**(1,74,616)**
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital (Including Securities Premium)	2,308	936
Payment of Lease liabilities	(5,470)	(5,026)
Proceeds from issue of debt securities	9,50,140	18,76,079
Redemption of Debt securities	(8,43,426)	(13,75,181)
Borrowing - Other than debt securities	25,20,631	48,33,850
Repayment of borrowing - Other than debt securities	(20,59,969)	(44,29,191)
Proceeds from issue of subordinated liabilities	54,500	14,500
Repayment of subordinated liabilities	(87,270)	(34,650)
	5,34,606	8,85,407
Dividends Paid	(16,417)	(10,655)
Net Cash Flow From Financing Activities (C)	**5,15,027**	**8,70,662**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**1,21,848**	**(1,88,779)**
Cash and Cash Equivalents at the Beginning of the Year (Refer Note below)	1,48,036	3,36,815
Cash and Cash Equivalents at the End of the period (Refer Note Below)	2,69,884	1,48,036
Components of Cash and Cash Equivalents:		
Cash on hand	1,603	3,180
Balances with banks		
- In Current Accounts	11,700	1,38,985
- In Deposit Accounts - Original maturity 3 months or less	2,53,936	2,901
Cheques, drafts on hand	2,645	2,970
Total	**2,69,884**	**1,48,036**

This is the consolidated cash flow statement referred to in our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

Date : May 5, 2022
Place : Chennai

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

1. Corporate Information

Cholamandalam Investment and Finance Company Limited ("the Company") (CIN L65993TN1978PLC007576) is a public limited Company domiciled in India and the equity shares of the Company is listed on Bombay Stock Exchange and National Stock Exchange. The Company and its subsidiaries viz. Cholamandalam Securities Limited and Cholamandalam Home Finance Limited (together hereinafter referred to as "Group"). The Group is one of the premier diversified financial services companies in India, engaged in providing vehicle finance, home loans and Loan against property, business of broking and distribution of financial products.

The Consolidated financial statements are presented in INR which is also functional currency of the Group.

2.1 Basis of Consolidation

The Consolidated 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 financial statements have been prepared in accordance with Ind AS. The Consolidated financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) 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).

The Consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

The Consolidated financial statements comprise the financial statements of the Company, its subsidiaries (being the entity that it controls) and its Associates and Joint Venture as at March 31, 2022. 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:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- 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 of during the period are included in the Consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated 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 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 financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Consolidation procedure:

(a) 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 financial statements at the acquisition date.

(b) 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.

(c) 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 inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the Consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Profit or loss and each component of 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.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of 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.

3A Particulars of consolidation

The financial statements of the following subsidiaries/ associates/joint venture (all incorporated in India) have been considered for consolidation:

Name of the Company	Percentage of Voting Power as on March 31, 2022	March 31, 2021
Cholamandalam Securities Limited (CSEC)	100.00%	100.00%
Cholamandalam Home Finance Limited (CHFL)	100.00%	100.00%
White Data Systems India Private Limited	30.87%	30.87%
Vishvakarma Payments Private Limited	21.00%	21.00%
Paytail Commerce Private Limited	16.29%	-
Payswiff Technologies Private Limited*	73.82%	-

* Even though, the Group holds 73.82% 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 shareholder agreement 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

3B 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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

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 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.

4. Presentation of financial statements

The Group 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 notes 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 of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

5. Significant accounting policies

5.1 Financial instruments – initial recognition

5.1.1 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 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.

5.1.2 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.

5.1.3 Measurement categories of financial assets and liabilities

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

- Amortised cost
- FVTPL
- FVOCI

5.1.4 Financial assets and liabilities

5.1.4.1 Bank balances, Loans, Trade receivables and financial investments at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- 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.

5.1.4.1.1 Business model assessment

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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

The Group'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:

- 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
- 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
- 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)
- The expected frequency, value and timing of sales are also important aspects of the Group'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 Group's original expectations, the Group 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.

5.1.4.1.2 The SPPI test

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

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

5.1.5 Investment in Mutual funds

The Company recognises the investment on trade date and is classified and measured, at fair value through profit or loss. Any gain/losses on disposal or subsequent re-measurement is recognised in the statement of Profit and Loss.

5.1.6 Equity instruments

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

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are 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.

5.1.7 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 into account any discount or premium on issue funds, and costs that are an integral part of the Effective Interest rate (EIR).

5.1.8 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. Undrawn loan commitments are in the scope of the ECL requirements.

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 together with the corresponding ECLs are disclosed in notes.

5.1.9 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never

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reclassified. The Group did not reclassify any of its financial assets or liabilities during the reporting period.

5.2 Derecognition of financial assets and liabilities

5.2.1 Derecognition of financial asset

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI.

When assessing whether or not to derecognise a loan to a customer, amongst others, the Group considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty

If the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

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 Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- The Group has transferred its contractual rights to receive cash flows from the financial asset

  Or

- It retains 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.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Group has transferred substantially all the risks and rewards of the asset

  Or

- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset 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 asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset 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.

In case where transfer of a part of financial assets qualifies for de-recognition, 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 financial asset previously carried under amortisation cost category. The resulting interest only strip initially is recognised at FVTPL.

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5.2.2 Financial liabilities

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

5.3 Impairment of financial assets

5.3.1 Overview of the ECL principles

The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

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) as outlined in these notes.

The 12mECL is 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.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instrument.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument'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.

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 that has been credit-impaired are based on the following, for which it records an allowance for the LTECLs.

a) Contractual payments of either principal or interest are past due for more than 90 days;

b) The loan is considered to be in default by the management.

The calculation of ECLs

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.

The key elements of the ECL are summarised below:

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.

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

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL 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 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date.

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These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

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: 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%.

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 provision.

5.3.2 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.

5.4 Collateral repossessed

In connection with recovery of outstanding dues from borrowers, the Group from time to time and in the normal course of business, resorts to regular repossession of collateral provided against vehicle loans and in certain cases, also exercises its right over property through legal procedures which include seizure of property (wherever applicable). Such assets repossessed are not used for the internal operations. As per the Group's accounting policy, repossessed assets are not recorded in the balance sheet, and instead their estimated realisable value is considered in determining the ECL allowance for the related Stage 3 financial assets.

5.5 Write-offs

Financial assets 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 recorded as an expense in the period of write off. Any subsequent recoveries are credited to impairment on financial instrument in the Consolidated statement of profit and loss.

5.6 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 - 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.

5.7 Derivative and Hedge accounting

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL.

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 profit or 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.

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The Group makes use of derivative instruments 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.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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 OCI within equity (cash flow hedge reserve).

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

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.

5.8 Recognition of interest income

5.8.1 The effective interest rate method

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 discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Interest Income

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account the fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the life of the loan. For credit-impaired financial assets interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

5.9 Taxes

5.9.1 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 in the countries where the Group operates and generates taxable income.

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.

5.9.2 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.

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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:

- 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

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

5.9.3 Minimum Alternative Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

5.10 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.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

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5.11 Property, plant and equipment

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

Depreciation is calculated using the straight–line method to write down the cost of property and equipment to their residual values over their estimated useful lives which is similar to those provided under Schedule II. Land is not depreciated.

Useful life of assets which is same as those prescribed as per Schedule II of the Companies Act, 2013:

Asset Description	Estimated Useful Life
Buildings	60 years
Computer Equipment	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
Membership card of stock exchanges	10 years

*The Group, based on technical assessment made by technical expert and management estimate, depreciates Furniture & Fixtures and vehicles 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 in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

5.12 Intangible assets

The Group's other intangible assets mainly include the value of computer software. 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.

5.13 Impairment of non–financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared

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separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised 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 recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

5.14 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 obligation.

The company operates the following post-employment schemes:

(a) defined contribution plans such as provident fund

(b) defined benefit plans such as gratuity, pension, post-employment medical plans

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. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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.

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

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

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

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring cost

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 Consolidated statement of profit and loss:

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

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.

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.

5.16 Provisions

Provisions are recognised 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.

5.16.1 Provision for Claw Back of Commission Income

The estimated liability for claw back of commission income is recorded in the period in which the underlying revenue is recognised. These estimates are established using historical information on the nature, frequency and expected average cost of claw back and management estimates regarding possible future incidence. The estimates used for accounting of claw back claims are reviewed periodically and revisions are made as required.

5.17 Dividends on ordinary shares

The Group recognises a liability to make cash distributions to equity holders of the parent 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 recognised directly in equity.

5.18 Determination of Fair value

The Group measures financial instruments, such as, derivatives 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:

- In the principal market for the asset or liability, or
- 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 Group.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

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 Group 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 hierarchy of valuation techniques, as summarised below:

- **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 Group has access to at the measurement date. The Group 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.
- **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 Group will classify the instruments as Level 3.
- **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 Group 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 Group 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.

5.19 Recognition of Income

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

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

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

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

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

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

5.19.1 Interest on overdue balances and Other Charges

Overdue interest in respect of loans is recognised upon realisation.

5.19.2 Fee Income & Sale of Services

a) Fee income from loans are recognised upon satisfaction of following:

   i) Completion of service

   ii) and realisation of the fee income.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

b) Servicing and collections fees on assignment are recognised upon completion of service.

c) Advertising income is recognised over the contract period as and when related services are rendered.

d) 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.

5.19.3 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.

5.20 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 approve the dividend.

5.21 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.

5.22 Foreign Currency transaction

The Group's financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency.

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities 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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

5.23 Earnings Per Share

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

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

5.24 Segment Information

The accounting policies adopted for Segment reporting are in line with the accounting policies of the Group with the following additional policies:

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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Un-allocable".

5.25 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.

5.26 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.

5.27 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. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") 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.

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-of-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. Lease liabilities are remeasured with a corresponding adjustment to the related right to use asset if the Group changes its assessment if the whether it will exercise an extension or a termination option.

ROU asset has been presented under Property, plant and equipment while lease liability is presented under Other Financial Liabilities in the Balance Sheet. Lease payments made by the Group are classified as financing cash flows.

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

5.28 Trade receivable

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

6A. 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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

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.

i) De-recognition of Financial instruments

The Group enters into securitisation transactions where financial assets are transferred to a structured entity for a consideration. The financial assets transferred qualify for derecognition only when substantial risk and rewards are transferred.

This assessment includes judgements reflecting all relevant evidence including the past performance of the assets transferred and credit risk that the Group has been exposed to. Based on this assessment, the Group believes that the credit enhancement provided pursuant to the transfer of financial assets under securitisation are higher than the loss incurred on the similar portfolios of the Group hence it has been concluded that securitisation transactions entered by the Group does not qualify de-recognition since substantial risk and rewards of the ownership has not been transferred. The transactions are treated as financing arrangements and the sale consideration received is treated as borrowings.

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 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:

- 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
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs

The Group 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. Also refer note 2.3.

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 – Group 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

b. Estimating the incremental borrowing rate

The Group 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 Group 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 remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the 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) 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 business model for managing its financial assets its financial assets becomes a critical judgement.

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.

Refer Note 5.1.4.1.1 for related details.

6B. Amendments to Ind AS 116: COVID-19-Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no significant impact on the Consolidated financial statements of the Group.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 7 CASH AND CASH EQUIVALENTS		
Cash on hand	1,603	3,180
Balances with banks		
- In Current Accounts	11,700	1,38,985
- In Deposit Accounts - Original maturity 3 months or less	2,53,936	2,901
Cheques, drafts on hand	2,645	2,970
Total	**2,69,884**	**1,48,036**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 8 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
- In Deposit Accounts - Original maturity more than 3 months	1,08,302	2,78,758
- Non current bank balances	4,080	1,538
- In earmarked accounts		
- Margin account for borrowings	13,913	10,585
- In Unpaid Dividend Accounts	71	74
- Deposits with Banks as collateral towards securitisation loan	33,907	31,978
- Deposits with Banks as collateral towards Overdraft facility (Refer Note 20)	-	57,000
- Escrow account on unclaimed debentures	19	-
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	8	8
Total	**1,60,300**	**3,79,941**

₹ in lakhs

Particulars	As at 31st March 2022			As at 31st March 2021		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilites	Notional amounts	Fair Value -Assets	Fair Value -Liabilites
Note : 9 DERIVATIVE FINANCIAL INSTRUMENTS						
Part I						
(i) Other derivatives - Cross Currency Interest Rate Swap	1,89,723	10,809	-	2,34,373	2,634	914
(ii) Overnight Index Swaps	-	-	282	-	-	-
(iii) Forward Contracts	1,94,890	7,844	16,674	1,40,286	1,953	11,828
Total Derivative financial Instruments	**3,84,613**	**18,653**	**16,956**	**3,74,659**	**4,587**	**12,742**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cash flow hedging:						
Others - Cross currency interest rate swap	1,89,723	10,809	-	2,34,373	2,634	914
(ii) Overnight Index Swaps	-	-	282	-	-	-
(iii) Forward Contracts	1,94,890	7,844	16,674	1,40,286	1,953	11,828
Total Derivative financial Instruments	**3,84,613**	**18,653**	**16,956**	**3,74,659**	**4,587**	**12,742**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 9 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

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 periodically monitors and reviews the risks involved.

The notional amount for interest rate swap represents the foreign currency borrowing on which Company has entered to hedge the variable interest rate.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 10 RECEIVABLES		
(i) Trade Receivables		
Secured - Considered good*	3,189	3,033
Unsecured - Considered good	3,944	2,628
	7,133	5,661
Provision for Impairment on receivables	(2)	(1)
	7,131	**5,660**
Trade Receivables credit impaired	48	44
Provision for Impairment on receivables	(48)	(44)
Total Trade receivables		
Considered good	7,133	5,661
Trade Receivables credit impaired	48	44
Total	**7,181**	**5,705**
Provision for Impairment on receivables	(50)	(45)
Subtotal (i)	**7,131**	**5,660**
(ii) Other Receivables		
Considered Good*	8,964	4,211
Subtotal (ii)	**8,964**	**4,211**
Total (i)+(ii)	**16,095**	**9,871**

*Includes dues from related parties (Refer Note 39) and Refer Note 51 – Part 1 for ageing

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 11 LOANS (At amortised cost)		
(A)		
(i) Bills Discounted	37,099	13,417
(ii) Term loans	76,10,240	68,14,958
Total (A) - Gross	**76,47,339**	**68,28,375**
Less: Impairment Allowance for (i) & (ii)	(2,32,868)	(2,44,441)
Total (A) - Net	**74,14,471**	**65,83,934**
(B)		
(i) Secured	75,08,101	67,85,357
(ii) Unsecured	1,39,238	43,018
Total (B) - Gross	**76,47,339**	**68,28,375**
Less: Impairment Allowance	(2,32,868)	(2,44,441)
Total (B) - Net	**74,14,471**	**65,83,934**

All loans are in India and have been granted to individuals or entities other than public sector.

The Company has not granted loans and advances in the nature of loans to Promoters, Directors , Key Managerial Personnel or related parties u/s2 (76) either repayable on demand or without specifying terms/period. Refer related party disclosure (Note 39)

Secured indicates loans secured, wholly or partly, by way of hypothecation of automobile assets and / or pledge of securities and / or equitable mortgage of property and / or advances generated out of loans and / or equipments and including undertaking to create a security.

Term loans includes unsecured short term loan to an associate. The loans have been classified under Stage 1 Category at the various reporting periods and related impairment provision as per the Group's accounting policy has been created. The details of the same are disclosed below:

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 11 LOANS (At amortised cost) (Contd.)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loan - Oustanding Value		
White Data System India Private Limited - Associate	300	340
Impairment Provision		
White Data System India Private Limited - Associate*	0	0

* Represents amount less than ₹ 50,000

Note : 11.1 LOANS

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

₹ in lakhs

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Bills discounted								
Opening as on April 1, 2021	9,678	-	3,739	13,417	57	-	3,434	3,491
New assets originated	33,290	39	-	33,329	270	4	-	274
Exposure de-recognised /Matured/Repaid	(9,332)	-	(315)	(9,647)	(75)	-	(221)	(296)
Transfer to Stage 1	71	-	(71)	-	21	-	(21)	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(416)	-	416	-	(2)	-	2	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	118	118
Impact of changes on items within the same stage	-	-	-	-	-	-	166	166
Closing as on March 31, 2022	**33,291**	**39**	**3,769**	**37,099**	**271**	**4**	**3,478**	**3,753**
Term loans								
Opening as on April 1, 2021	61,25,086	4,23,110	2,66,762	68,14,958	53,673	70,963	1,16,315	2,40,951
New assets originated	32,21,107	13,708	8,464	32,43,729	16,917	1,359	1,182	19,458
Exposure de-recognised / matured / repaid	(20,99,167)	(2,16,387)	(78,580)	(23,94,134)	(36,643)	(26,255)	(15,211)	(78,109)
Transfer to Stage 1	50,781	(39,278)	(11,503)	-	10,106	(6,801)	(3,305)	-
Transfer to Stage 2	(4,77,609)	4,83,290	(5,681)	-	(7,437)	9,024	(1,587)	-
Transfer to Stage 3	(1,11,057)	(70,302)	1,81,359	-	(2,181)	(12,310)	14,491	-
Impact on account of exposures transferred during the period between stages	117	4,888	7,706	12,711	-	38,427	44,058	82,485
Impact of changes on items within the same stage	19,839	3,205	9,930	32,974	1,311	218	11,617	13,146
Write off*	(31,077)	(20,526)	(47,945)	(99,548)	(1,726)	(8,667)	(38,423)	(48,816)
Closing as on March 31, 2022	**66,98,020**	**5,81,708**	**3,30,512**	**76,10,240**	**34,020**	**65,958**	**1,29,137**	**2,29,115**
Bills Discounted								
Opening as on April 1, 2020	5,142	42	3,414	8,598	31	4	3,173	3,208
New assets originated	9,678	-	430	10,108	57	-	125	182
Exposure de-recongnised / Recovery from Active Loans	(5,142)	-	(147)	(5,289)	(31)	-	(103)	(134)
Recovery from Matured Loans		-		-		-		-
Transfer to Stage 3	-	(42)	42	-	-	(4)	4	-
Impact on account of exposures transferred during the year between stages (net)	-	-	-	-	-	-	38	38
Impact of changes on items within the same stage (net)	-	-	-	-	-	-	197	197
Closing as on March 31, 2021	**9,678**	**-**	**3,739**	**13,417**	**57**	**-**	**3,434**	**3,491**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 11.1 LOANS (Contd.)

₹ in lakhs

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Term loans								
Opening as on April 1, 2020	52,69,032	2,02,024	2,12,916	56,83,972	39,091	23,342	86,656	1,49,089
New assets originated	24,24,901	15,298	7,604	24,47,803	37,558	6,175	2,704	46,437
Exposure de-recongnised / Recovery from Active Loans	(11,85,960)	(58,822)	(47,464)	(12,92,246)	(20,161)	(4,487)	(8,028)	(32,676)
Recovery from Matured Loans				-				-
Transfer to Stage 1	65,509	(56,814)	(8,695)	-	8,889	(6,055)	(2,834)	-
Transfer to Stage 2	(3,52,885)	3,59,980	(7,095)	-	(8,308)	10,745	(2,437)	-
Transfer to Stage 3	(81,332)	(43,717)	1,25,049	-	(2,120)	(5,357)	7,477	-
Impact on account of exposures transferred during the year between stages	139	10,451	7,862	18,452	112	48,112	34,511	82,735
Impact of changes on items within the same stage	-	-	8,382	8,382	-	-	19,077	19,077
Write off	(14,318)	(5,290)	(31,797)	(51,405)	(1,388)	(1,512)	(20,811)	(23,711)
Closing as on March 31, 2021	**61,25,086**	**4,23,110**	**2,66,762**	**68,14,958**	**53,673**	**70,963**	**1,16,315**	**2,40,951**

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
*Total write off includes Loss on disposal of repossessed vehicles - ₹ 60,124 Lakhs for the year ended March 31, 2022 (₹ 27,211 lakhs - March 31, 2021)

Note : 11.2 Overdue greater than 90 days as on March 31, 2022

No. of cases	Principal outstanding as at March 31, 2022	Overdue Instalments*
87,914	2,03,229	1,44,889

*Overdue instalments includes principal amount overdue and interest overdue

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 12 INVESTMENTS		
Investment in Equity Instruments*		
a) Unquoted - FVOCI **		
Amaravathi Sri Venkatesa Paper Mills Limited 2,93,272 Equity shares of ₹ 10 each fully paid up#	-	-
Saraswat Co-operative Bank Limited 1,000 Equity shares of ₹ 10 each fully paid up#	-	-
The Shamrao Vithal Co-operative Bank Limited 1,000 Equity shares of ₹ 25 each fully paid up#	-	-
Chennai Willingdon Corporate Foundation 5 shares of ₹ 10 each: cost ₹ 50 only#	-	-
Chola Insurance Services Private Ltd. 19,133 Equity shares of ₹10 each fully paid up	2	2
Madras Enterprises Private Limited 30,286 equity shares of ₹10 each fully paid up March 31, 2021 - Nil Shares	5	-
MSE Financial Ltd 4,10,400 Equity shares of ₹ 1 each fully paid up March 31, 2021 - 2,85,000 Equity Shares#	4	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 12 INVESTMENTS (Contd.)

Particulars	As at March 31, 2022	As at March 31, 2021
b) Quoted - FVOCI		
Bombay Stock Exchange Limited		
1,95,000 Equity shares of ₹ 2 each fully paid up		
March31, 2021- 65000 Equity Shares	1,841	371
Coromandel Engineering Co. Ltd		
25,00,100 Equity shares of ₹ 10 each fully paid up	843	675
c) Unquoted - FVTPL		
Faering Capital India Evolving Fund		
21,662 units of ₹10 each fully paid up	600	288
d) Investment in Government Securities - amortised cost	1,54,348	1,54,589
(Issued by Government of India)		
Total	**1,57,643**	**1,55,925**

*Investments are made in India

** The Group has designated certain unquoted investments as FVOCI on the basis that these are not held for trading.

represents amount less than ₹ 1 lakh.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 13 OTHER FINANCIAL ASSET		
At amortised cost		
Unsecured - considered good (unless otherwise stated)		
Security deposits	3,864	5,397
Interest only strip receivable	28,937	41,406
COVID Ex-gratia Claim Receivable	-	9,647
Other advances	721	354
Total	**33,522**	**56,804**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 14 DEFERRED TAX		
Deferred Tax Assets		
Impairment allowance for financial instruments	57,501	61,471
Provision for Contingencies and undrawn commitments	1,025	1,132
Provision for Compensated Absences and Gratuity	2,144	1,812
Impact of Effective interest rate adjustment on Financial Assets	4,583	6,281
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	1,626	1,604
Carry forward of tax losses	65	-
MAT credit entitlement	310	26
Items recognised in OCI		3,933
Others	706	899
(A)	**67,960**	**77,158**
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	163	261
Fair Valuation of Investment	224	-
Items recognised in OCI	147	-
(B)	**534**	**261**
Net Deferred Tax Assets (A) - (B)	**67,426**	**76,897**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 14 DEFERRED TAX (Contd.)

₹ in lakhs

Particulars	Year ended March 31, 2022 Income Statement	Year ended March 31, 2022 OCI	Year ended March 31, 2021 Income Statement	Year ended March 31, 2021 OCI
Deferred Tax Assets				
Impairment allowance for financial instruments	3,970	-	(23,730)	-
Provision for Contingencies and undrawn commitments	107	-	(128)	-
Provision for Claw back	-	-	1	-
Provision for Compensated Absences and Gratuity	(332)	-	(499)	-
Impact of Effective interest rate adjustment on Financial Assets	1,698	-	1,534	-
Contract liability as per IND AS 115	-	-	-	-
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	(22)	-	(636)	-
Carry forward of tax losses and MAT entitlement credit	(389)	-	439	-
Others	193	-	121	-
(A)	**5,225**	**-**	**(22,898)**	**-**
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	98	-	163	-
Fair Valuation of Investment	(224)	-	-	-
Re-measurement gains / (losses) on defined benefit plans (Net)	-	(1)	-	33
Cashflow Hedge Reserve	-	(4,077)	-	1,138
(B)	**(126)**	**(4,219)**	**163**	**1,171**
Net deferred tax charge / (reversal) (A) - (B)	**5,351**	**4,219**	**(23,061)**	**(1,171)**

₹ in lakhs

Particulars	Total
Note : 15 INVESTMENT PROPERTIES	
Gross carrying amount as at April 1, 2020	**14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2021	**14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2022	**14**
Accumulated depreciation and impairment	
Balance as at April 1, 2021	**-**
Depreciation for the year	1
Depreciation on disposals	
Balance as at March 31, 2021**	**1**
Depreciation for the period	-
Depreciation on disposals	-
Balance as at March 31, 2022**	**1**
Net Carrying amount	
As at March 31, 2021	**13**
As at March 31, 2022	**13**
Useful Life of the asset (In Years)	**60**
Method of depreciation	Straight line method

The Group's investment property consists of 4 properties and has let out one property as at March 31, 2022

** represents amount less than ₹ 1,00,000

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 15 INVESTMENT PROPERTIES (Contd.)

i) Income earned and expense incurred in connection with Investment Property

₹ in lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Rental Income	5	4
Direct Operating expense from property that generated rental income	1	1
Direct Operating expense from property that did not generated 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.

iv) Fair Value

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Investment Property	309	304

v) Sensitivity analysis

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair value (₹ in lakhs)	Sensitivity (₹ in lakhs)
Investment property As at March 31 2022	Professional valuer	Price per Sq. feet	₹7,000 - ₹13,000 per Sq. feet	5%	309	15
Investment property As at March 31 2021	Professional valuer	Price per Sq. feet	₹7,000 - ₹13,000 per Sq. feet	5%	304	15

vi) The Title Deeds of the Immovable Properties mentioned above are in the name of the company

₹ in lakhs

Particulars	Freehold Land	Computer Equipment	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicles	Buildings (Refer Note below)		Total
							Own Assets	Right of Use Asset	
Note : 16 PROPERTY, PLANT AND EQUIPMENT									
Gross carrying amount as at April 1, 2020	**3,956**	**8,391**	**2,848**	**2,463**	**5,041**	**1,986**	**2,305**	**15,289**	**42,279**
Additions	-	1,447	169	81	142	218	-	1,563	3,620
Disposals	-	25	24	6	14	408	-	37	514
Gross carrying amount as at March 31, 2021	**3,956**	**9,813**	**2,993**	**2,538**	**5,169**	**1,796**	**2,305**	**16,815**	**45,385**
Additions	-	3,846	264	208	348	1,017	-	7,041	12,724
Disposals	-	552	39	10	16	560	-	693	1,870
Gross carrying amount as at March 31, 2022	**3,956**	**13,107**	**3,218**	**2,736**	**5,501**	**2,253**	**2,305**	**23,163**	**56,239**
Accumulated depreciation / amortisation and impairment									
Balance as at April 1, 2020	**-**	**5,330**	**1,456**	**1,724**	**2,479**	**672**	**123**	**4,259**	**16,043**
Depreciation for the year	-	1,975	539	296	911	390	43	4,645	8,799
Depreciation on disposals	-	17	13	6	12	224	-	11	283
Balance as at March 31, 2021	**-**	**7,288**	**1,982**	**2,014**	**3,378**	**838**	**166**	**8,893**	**24,559**
Depreciation for the year	-	2,027	487	338	851	395	41	4,470	8,609
Depreciation on disposals	-	535	25	10	14	394	-	166	1,144
Balance as at March 31, 2022	**-**	**8,780**	**2,444**	**2,342**	**4,215**	**839**	**207**	**13,197**	**32,024**
Net Carrying amount									
As at March 31, 2021	**3,956**	**2,525**	**1,011**	**524**	**1,791**	**958**	**2,139**	**7,922**	**20,826**
As at March 31, 2022	**3,956**	**4,327**	**774**	**394**	**1,286**	**1,414**	**2,098**	**9,966**	**24,215**
Useful Life of the asset (In Years)		3	5	5	5	5	60	upto 5	
Method of depreciation				Straight-line method					

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 16 PROPERTY, PLANT AND EQUIPMEN (Contd.)

Note

1. Details of Immovable properties of land and buildings, whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security, has been explained in Note 19.1
2. 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.
3. The Title Deeds of the Immovable Properties mentioned above are in the name of the Group
4. Company has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2022

₹ in lakhs

Particulars	
Note : 17 INTANGIBLE ASSETS	
Gross carrying amount as at March 31, 2020	**6,760**
Additions	1,284
Disposals	-
Gross carrying amount as at March 31, 2021	**8,044**
Additions	1,164
Disposals	-
Gross carrying amount as at March 31, 2022	**9,208**
Accumulated Amortization and impairment	
Balance as at April 1, 2020	**4,693**
Amortization for the year	1,431
Amortization on disposals	-
Balance as at March 31, 2021	**6,124**
Amortization for the period	1,452
Amortization on disposals	-
Balance as at March 31, 2022	**7,576**
Net Carrying amount	
As at March 31, 2021	**1,920**
As at March 31, 2022	**1,632**
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 18 OTHER NON FINANCIAL ASSETS		
Unsecured - considered good		
Prepaid expenses	2,495	1,563
Capital advances	144	1,012
Other assets	3,327	2,722
GST Input Credit	1,186	2,183
Total	**7,152**	**7,480**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 19 DEBT SECURITIES (at amortised cost)		
Redeemable Non-Convertible Debentures		
Medium - Term - Secured	10,52,995	9,34,263
Medium - Term - Unsecured	2,500	-
Commercial Papers - Unsecured	2,76,615	3,01,504
Total	**13,32,110**	**12,35,767**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 19 DEBT SECURITIES (at amortised cost) (Contd.)

All debt securities have been contracted in India

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) The Group has not defaulted in the repayment of dues to its lenders.

19.2 Details of Debentures - Contractual principal repayment value

(i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2022 ₹ in lakhs	March 31, 2021 ₹ in lakhs		
2,700	10,00,000	27,000		Mar-27	7.30
250	10,00,000	2,500	2,500	Nov-26	8.55
5,000	10,00,000	50,000	50,000	Jul-25	7.92
4,974	10,00,000	49,740		Mar-25	7.08
2,000	10,00,000	20,000		Feb-25	5.85
8,600	10,00,000	86,000		Dec-24	5.57 to 6.30
1,500	10,00,000	15,000	15,000	Oct-24	6.80
4,000	10,00,000	40,000		Aug-24	5.53 to 5.58
6,000	10,00,000	60,000	30,000	Jul-24	5.46 to 7.38
1,500	10,00,000	15,000	15,000	Apr-24	8.6179
6,850	10,00,000	68,500	58,500	Feb-24	6.25 to 6.45
5,500	10,00,000	55,000	55,000	Dec-23	6.10
6,023	10,00,000	60,230	35,230	Sep-23	5.58 to 8.80
1,990	10,00,000	19,900		Aug-23	9.06
9,000	10,00,000	90,000	15,000	May-23	5.70 to 7.50
3,250	10,00,000	32,500	32,500	Apr-23	6.26
8,000	10,00,000	80,000	80,000	Mar-23	5.85 to 5.68
3,350	10,00,000	33,500	33,500	Feb-23	5.70 to 7.41
5,900	10,00,000	59,000	59,000	Dec-22	5.48 to 7.98
6,150	10,00,000	61,500	61,500	Nov-22	5.45 to 8.00
3,523	10,00,000	35,230	35,230	Sep-22	8.70
2,000	10,00,000	20,000	20,000	Jun-22	7.20
1,050	10,00,000		10,500	Mar-22	8.35 to 9.06
2,000	10,00,000		20,000	Dec-21	6.93
3,523	10,00,000		35,230	Sep-21	8.45
3,250	10,00,000		32,500	Aug-21	6.74 to 8
2,550	10,00,000		25,500	Jul-21	8.9765
4,010	10,00,000		40,100	Jun-21	8.49 to 8.52
4,100	10,00,000		41,000	May-21	6.90
4,770	1,000,000		47,700	Apr-21	8.0874
		9,80,600	**8,50,490**		

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 19 DEBT SECURITIES (at amortised cost) (Contd.)

(ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put call option

₹ in lakhs

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Due date of redemption	Redemption price ₹	Premium ₹
1000	10,00,000	10,000	-	Mar-27	14,22,599	4,22,599
1250	10,00,000	12,500	12,500	Jul-25	14,61,481	4,61,481
850	10,00,000	8,500	8,500	Jul-25	13,53,045	3,53,045
500	10,00,000	5,000	5,000	Jan-23	12,54,470	2,54,470
250	10,00,000	2,500	2,500	Dec-24	12,93,960	2,93,960
350	10,00,000	3,500	3,500	Oct-24	13,01,025	3,01,025
1100	10,00,000	-	11,000	May-21	12,94,211	2,94,211
		42,000	**43,000**			

(iii) Secured Redeemable Non-Convertible Debentures - Redeemable at par - with Put option

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Due date of redemption	Put option date	Rate of interest %
10	10,00,000	100	100	Aug-23	Jul-21	9.06
		100	**100**			

(iv) UnSecured Redeemable Non-Convertible Debentures - Redeemable at par - No Put Call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Due date of redemption	Put option date	Rate of interest %
10	10,00,000	2500	-	Jul-23		9.06
		2500	**-**			

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 20 BORROWINGS (Other than Debt Securities) at amortised cost		
A) Term Loans		
(i) (a) From Banks - Secured		
- Rupee Loans	41,87,373	35,68,218
- Foreign currency Loans	61,577	-
- External Commercial Borrowings	1,94,543	2,39,869
(b) From Banks - Unsecured		
- Short term loans	-	20,000
ii) From Other Parties - Secured		
(a) Financial Institutions - Rupee Loans	1,53,894	1,72,786
(b) External Commercial Borrowings	1,44,285	1,37,230
(c) Securitisation - Rupee Loans	3,43,306	4,34,452
B) Loan repayable on demand - Secured from Banks - Rupee Loans (Refer Note 8 and 20.1(vi))	1,15,474	1,45,671
Total	**52,00,452**	**47,18,226**
Borrowings within India	48,61,624	43,41,127
Borrowings Outside India	3,38,828	3,77,099

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 20 BORROWINGS (Contd.)

20.1 Security

(i) Secured term loans from banks and financial institution are secured by way of specific /pari passu charge on assets under hypothecation relating to automobile financing and loans against immovable property.

(ii) Loan repayable on demand is in the nature of Cash Credit 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.

(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 trust by way of cash collateral and Bank guarantee and also refer note 8

(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 company with banks are in agreement with books of accounts

20.2 Details of term loans - Contractual principal repayment value

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2022	Amount outstanding March 31, 2021
Base Rate / MCLR	< 1year	1	1,40,000	86,250
		2	1,98,750	1,25,016
		3	-	30,000
		4	87,756	1,78,750
		8	50,000	60,395
		12	-	20,000
	1 - 2 years	1	60,000	1,40,000
		2	1,10,000	1,92,917
		3	-	-
		4	81,506	1,92,949
		8	50,000	60,395
		12	-	20,000
	2 - 3 years	1	5,000	33,333
		2	80,000	1,22,500
		3	7,796	-
		4	51,111	1,61,699
		8	-	60,395
		12	-	20,000
	3 - 4 years	1	5,000	10,000
		2	-	80,000
		3	4,500	-
		4	25,111	1,41,699
		6	-	7,796
		12	-	20,000
	4 - 5 years	1	-	5,000
		2	-	-
		3	-	57,441
		4	-	25,111
		7	-	-
		9	-	15,000
Base Rate/ MCLR + spread (0.10)	< 1year	1	60,000	3,85,000
		2	25,000	-
		3	-	50,000
		4	-	-
	1 - 2 years	1	60,000	35,000
		2	25,000	30,000

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

20.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2022	Amount outstanding March 31, 2021
		3	-	50,000
		4	-	-
		5	-	-
		6	-	-
	2 - 3 years	1	-	70,000
		2	-	30,000
		3	-	50,000
Rate based on T Bill + Spread	< 1 year	1	1,71,550	48,200
		2	22,500	15,000
		3	6,000	-
		4	1,41,352	41,667
		12	20,000	-
	1 - 2 years	1	1,46,000	41,050
		2	-	12,500
		3	12,500	-
		4	2,13,726	66,667
		12	20,000	-
	2 - 3 years	1	1,08,000	25,000
		3	43,500	12,500
		4	1,05,726	50,000
		12	20,000	-
	3 - 4 years	1	88,000	-
		2	28,571	-
		4	28,583	-
		9	15,000	-
	4 - 5 years	1	92,375	-
		4	11,083	-
Fixed Rate	< 1year	1	20,000	51,000
		2	10,000	16,000
		4	53,040	40,400
	1 - 2 years	1	33,300	20,000
		2	10,000	10,000
		4	38,040	39,400
	2 - 3 years	1	1,51,633	-
		2	22,100	43,300
		3	10,220	-
		4	-	24,400
	3 - 4 years	1	1,51,733	-
		2	10,000	55,400
	4 - 5 years	1	1,18,333	-
	2	-		43,400
Repo	< 1year	1	23,333	42,500
		2	82,940	15,000
		3	24,333	3,333
		4	1,13,286	82,976
		8	36,000	36,000
		12	83,333	83,333

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

20.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding* March 31, 2022	March 31, 2021
	1 - 2 years	1	23,333	8,333
		2	30,000	15,000
		3	3,333	3,333
		4	2,51,666	49,643
		6	41,667	-
		8	-	36,000
		12	-	83,333
	2 - 3 years	1	60,119	8,333
		2	15,000	15,000
		3	25,179	3,334
		4	2,12,451	49,643
		6	-	41,667
	3 - 4 years	1	-	10,119
		2	15,000	-
		3	1,875	3,750
		4	1,43,880	37,500
	4 - 5 years	1	3,500	-
		2	1,000	-
		3	79,420	-
		4	22,000	-
	> 5 Years	1	5,000	
Total			**43,47,043**	**38,50,660**
3M MIBOR + Spread	< 1year	1	7,500	-
	1-2 years	1	-	7,500
USD 3M LIBOR + Spread	< 1year	4	21,570	5,202
	1-2 years	4	21,570	20,807
	2-3 years	4	21,570	20,807
	3-4 years	4	21,570	20,807
	4 - 5 years	4	21,570	20,807
	>5 Years	5	26,963	46,815
USD 6M LIBOR + Spread	< 1year	1	1,36,418	36,553
	1-2 years	1	-	1,31,589
	2-3 years	1	69,725	-
	3-4 years	1	-	67,257
USD 12M LIBOR + Spread	< 1year	1	61,528	-
Total			**4,09,984**	**3,78,144**

The Group has raised funds in the form of Foreign Currency Loans/ External Commercial Borrowings whose interest payments are benchmarked to LIBOR rates.

The maturity of some of those contracts are beyond June 2023 (IBOR Transition date). Based on the assessment performed by the Group, no significant impact is assessed on those contracts upon this transition

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

20.2 Details of term loans - Contractual principal repayment value (Contd.)

Details of Securitised loan

₹ in lakhs

Rate of Interest	Maturity	Amount outstanding* March 31, 2022	March 31, 2021
	Less than 1 year	1,42,619	1,75,343
Fixed	1-2 year	83,830	1,09,355
(4.9% to 8%)	2-3 year	38,337	45,570
	3-4 year	13,014	12,428
	4-5 year	3,094	4,451
	more than 5 years	8,055	12,990
Total		**2,88,949**	**3,60,137**
	Less than 1 year	6,779	6,501
Floating	1-2 year	5,804	6,925
Base Rate/ MCLR - spread	2-3 year	6,095	7,459
(0.75% to 2.65%)	3-4 year	6,088	7,866
	4-5 year	5,630	7,832
	more than 5 years	23,734	37,198
Total		**54,130**	**73,781**

* 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.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 21 SUBORDINATED LIABILITIES (at amortised cost)		
Perpetual Debt - Unsecured	1,32,899	1,48,920
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	40,736	40,684
b) Other Subordinated Debts	2,11,153	2,29,402
Total	**3,84,788**	**4,19,006**

(i) All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.

(ii) The Group has not defaulted in the repayment of dues to its lenders.

21.1 Details of Subordinated Liabilities - Contractual principal repayment value

(i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	March 31, 2021 ₹ in lakhs	Due date of redemption	Rate of interest %
150	1,00,00,000	15,000		Feb-32	8.10
200	1,00,00,000	20,000		Oct-31	7.90
400	1,00,00,000	40,000	40,000	Jan-30	9.25
3000	10,00,000	30,000	30,000	Aug-28	9.75
5300	10,00,000	53,000	53,000	Mar-28	9.05
1500	10,00,000	15,000	15,000	Aug-27	8.53
2500	10,00,000	25,000	25,000	Jun-27	8.78 to 8.80
100	10,00,000	1,000	1,000	Nov-26	9.20
150	10,00,000	1,500	1,500	Jun-24	11.00
50	10,00,000	500	500	May-24	11.00
250	10,00,000	2,500	2,500	Apr-24	11.00
250	10,00,000	2,500	2,500	Mar-24	11.00
200	10,00,000	2,000	2,000	Feb-24	11.00
250	10,00,000	2,500	2,500	Jan-24	11.00
2000	10,00,000	20,000	20,000	Nov-23	9.08 to 9.20
500	10,00,000	5,000	5,000	Oct-23	9.08
150	10,00,000	1,500	1,500	Sep-23	11.00
600	10,00,000	6,000	6,000	Dec-22	11.05 to 11.25
3,150	10,00,000	-	31,500	Nov-21	10.02
1000	10,00,000	-	10,000	Jun-21	11.30
1000	10,00,000	-	10,000	May-21	11.30
		2,43,000	**2,59,500**		

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

21.1 Details of Subordinated Liabilities - Contractual principal repayment value (Contd.)

(ii) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt -Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Due date of redemption	Redemption price ₹	Premium ₹
150	10,00,000	1,500	1,500	Nov-23	17,57,947	7,57,947
		1,500	**1,500**			

(iii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Maturity Date - Perpetual #	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
25	1,00,00,000	2,500		Mar-32	9.10
30	1,00,00,000	3,000		Sep-31	8.98
40	1,00,00,000	4,000		Jul-31	9.05
100	1,00,00,000	10,000		May-31	9.2
2000	5,00,000	10,000	10,000	Mar-31	9.25
900	5,00,000	4,500	4,500	Nov-30	9.30
1000	5,00,000	5,000	5,000	Dec-29	10.75
1120	5,00,000	5,600	5,600	Mar-29	10.83
5000	5,00,000	25,000	25,000	Feb-29	10.88
500	5,00,000	2,500	2,500	Aug-24	12.80
174	10,00,000	1,740	1,740	Jul-24	12.90
500	5,00,000	2,500	2,500	Jun-24	12.90
500	5,00,000	2,500	2,500	Feb-24	12.90
50	10,00,000	500	500	Jan-24	12.60
1,031	10,00,000	10,310	10,310	Dec-23	12.50 to 12.60
245	10,00,000	2,450	2,450	Oct-23	12.60
1,000	5,00,000	5,000	5,000	Oct-23	12.90
300	10,00,000	3,000	3,000	Feb-23	12.80
1450	10,00,000	14,500	14,500	Dec-22	12.70 to 12.80
860	5,00,000	4,300	4,300	Sep-22	12.75
2000	5,00,000	10,000	10,000	Aug-22	12.90
200	5,00,000		1,000	Mar-22	12.50
700	5,00,000		3,500	Jan-22	12.50
3,500	5,00,000		17,500	Dec-21	12.50 to 12.95
320	5,00,000		1,600	Aug-21	12.50
413	5,00,000		2,065	Jul-21	12.50
2,021	5,00,000		10,105	Jun-21	12.50
		1,28,900	**1,45,170**		

Group can redeem using Call option on the maturity date with prior approval of RBI.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 22 OTHER FINANCIAL LIABILITIES		
Unpaid dividend	71	74
Advance from customers	3,323	5,529
Security deposits received	343	80
Collections towards derecognised assets pending remittance	17,837	18,928
Lease liability (Refer Note 49)	11,036	9,253
Other liabilities	1,342	728
Total	**33,952**	**34,592**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 23 PROVISIONS		
Provision for Employee Benefits		
Compensated absences (Refer Note 37)	7,895	6,594
	7,895	**6,594**
Other Provisions		
Provision for contingencies and service tax claims (Refer Note 41)	3,953	4,347
Provision for expected credit loss towards undrawn commitments (Refer note 41)	120	104
	4,073	**4,451**
Total	**11,968**	**11,045**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 24 OTHER NON FINANCIAL LIABILITIES		
Income received in advance	607	1,150
Statutory liabilities	4,670	2,687
Others	641	859
Total	**5,918**	**4,696**

₹ in lakhs

Particulars	As at March 31, 2022 Nos.	As at March 31, 2022 Amount	As at March 31, 2021 Nos.	As at March 31, 2021 Amount
Note : 25 EQUITY SHARE CAPITAL				
AUTHORISED				
Equity Shares of ₹ 2 each with voting rights	1,20,00,00,000	24,000	1,20,00,00,000	24,000
Preference Shares of ₹ 100 each	5,00,00,000	50,000	5,00,00,000	50,000
		74,000		**74,000**
ISSUED				
Equity Shares of ₹ 2 each with voting rights	82,17,55,591	16,435	82,02,61,529	16,405
		16,435		**16,405**
SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹ 2 each with voting rights	82,10,71,821	16,421	82,00,35,129	16,400
Add : Forfeited Shares	6,54,500	7	6,54,500	7
		16,428		**16,407**

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year/period: ₹ in lakhs

Particulars	As at March 31, 2022 Nos.	As at March 31, 2022 Amount	As at March 31, 2021 Nos.	As at March 31, 2021 Amount
Equity Shares				
At the beginning of the year	82,00,35,129	16,400	81,95,77,759	16,391
Additional shares pursuant to share split during the period				-
Issued during the year				
a) Employees Stock Option (ESOP) Scheme	10,36,692	21	4,57,370	9
Outstanding at the end of the period/ year	**82,10,71,821**	**16,421**	**82,00,35,129**	**16,400**
Forfeited shares				
Equity Shares - Amount originally paid up	**6,54,500**	**7**	**6,54,500**	**7**

Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹2 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 25 EQUITY SHARE CAPITAL (Contd.)

b) Equity Shares held by Holding Company

Particulars	As at March 31, 2022	As at March 31, 2021
Cholamandalam Financial Holdings Limited	37,28,85,889	37,28,85,889

c) Details of shareholding more than 5% shares in the Company

₹ in lakhs

Particulars	As at March 31, 2022 Nos.	% holding in the class	As at March 31, 2021 Nos.	% holding in the class
Equity Shares				
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	45.41	37,28,85,889	45.47

As per records of the Company, 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.

d) Shares held by Promoters as on March 31,2022 - Please refer Annexure A

As per records of the Company, 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.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 26 OTHER EQUITY		
Statutory Reserve (Refer Note a)		
Balance at the beginning of the year	1,59,046	1,28,046
Add: Amount transferred from retained earnings	43,000	31,000
Closing balance at the end of the year	**2,02,046**	**1,59,046**
Capital Reserve (Refer Note b)		
Balance at the beginning of the year	4	4
Add: Changes during the year	-	-
Closing balance at the end of the year	**4**	**4**
Capital Redemption Reserve (Refer Note c)		
Balance at the beginning of the year	3,300	3,300
Add: Changes during the year	-	-
Closing balance at the end of the year	**3,300**	**3,300**
Securities Premium Account (Refer Note d)		
Balance at the beginning of the year	2,86,605	2,85,678
Add: Premium on ESOPs exercised	2,287	927
Closing balance at the end of the year	**2,88,892**	**2,86,605**
General Reserve (Refer Note e)		
Balance at the beginning of the year	3,76,103	3,00,967
Add: Amount transferred from retained earnings	1,00,000	75,000
Add: Amount transferred from Share Based Payment Reserve	-	136
Closing balance at the end of the year	**4,76,103**	**3,76,103**
Share Based Payments Reserve (Refer Note f)		
Balance at the beginning of the year	3,444	3,017
Addition during the year	2,048	563
Transfer to General reserve	-	(136)
Closing balance at the end of the year	**5,492**	**3,444**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 26 OTHER EQUITY (Contd.)

Particulars	As at March 31,2022	As at March 31,2021
Retained Earnings (Refer Note g)		
Balance at the beginning of the year	1,25,138	89,808
Profit for the year	2,15,351	1,52,086
Less:		
Dividend		
Equity	(16,414)	(10,656)
Transfer to Statutory Reserve	(43,000)	(31,000)
Transfer to General Reserve	(1,00,000)	(75,000)
Re-measurement Gain / (Loss) on Defined Benefit Obligation (Not) transferred to Retained Earnings	2	(100)
Closing balance at the end of the year	**1,81,077**	**1,25,138**
Cashflow hedge reserve (Refer Note h)		
Balance at the beginning of the year	(10,562)	(7,179)
Addition	12,119	(3,383)
Closing balance at the end of the year	**1,557**	**(10,562)**
FVOCI Reserve (Refer Note i)		
Balance at the beginning of the year	495	(63)
Addition	1,506	558
Closing balance at the end of the year	**2,001**	**495**
Total Other Equity	**11,60,472**	**9,43,573**

a) Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss account, before any dividend is declared.

b) Capital reserve represents the reserve created on account of amalgamation of Chola Factoring Limited in the year 2013-14.

c) 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 limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

d) Securities premium reserve is used to record the premium on issue of shares. The premium received during the period represents the premium received towards allotment of equity shares issued under ESOP scheme. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the Section 52 of the Companies Act, 2013

e) The general reserve is a free reserve, retained from Group's profits and can be utilized upon fulfilling certain conditions in accordance with specific requirement of Companies Act, 2013.

f) Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting year as employee compensation costs, reflecting the year of receipt of service.

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

h) 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.

i) FVOCI Reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income.

Proposed Dividend

The Board of Directors of the Company have recommended a final dividend of 35% being ₹ 0.70 per share on the equity shares of the Company, for the year ended March 31, 2022 (₹0.70 per share - March 31, 2021) which is subject to approval of shareholders. Consequently the proposed dividend has not been recorded in the books in accordance with IND AS 10.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Annexure A

Details of Shareholding of promoters and promoter Group as on March 31,2022

Promoters Name	No. of shares as on March 31, 2021	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
Valli Annamalai	12,500	-	12,500	-	-
M Vellachi	1,94,660	0.02	11,60,427	0.14	0.12
M A M Arunachalam	65,000	0.01	65,000	0.01	-
Arun Alagappan	9,50,000	0.12	9,50,000	0.12	-
M.A.Alagappan	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	6,685	-	6,685	-	-
A Vellayan	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	50,255	0.01	50,255	0.01	-
M V Valli Murugappan	21,56,350	0.26	-	-	(0.26)
M M Murugappan	21,035	-	21,035	-	-
A M Meyyammai	2,51,880	0.03	2,51,880	0.03	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	10,000	-	10,000	-	-
Meenakshi Murugappan	245	-	245	-	-
Valli Alagappan	5,000	-	5,000	-	-
A Venkatachalam	2,09,605	0.03	2,09,605	0.03	-
V Narayanan	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	15,960	-	15,960	-	-
M V AR Meenakshi	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	2,47,440	0.03	2,27,440	0.03	-
Sigapi Arunachalam	74,255	0.01	74,255	0.01	-
Uma Ramanathan	23,500	-	23,500	-	-
V Vasantha	1,250	-	1,250	-	-
Dhruv M Arunachalam	50,000	0.01	50,000	0.01	-
Kanika Subbiah	67,000	0.01	67,000	0.01	-
Pranav Alagappan	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	-	-	11,90,583	0.15	0.15
A Venkatachalam HUF (A Venkatachalam hols shares in the capacity of Karta)	7,000	-	7,000	-	-
A A Alagammai	2,894	-	2,894	-	-
Umayal R	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	2,91,380	0.04	2,91,380	0.04	-
A M M Vellayan Sons P Ltd	26,575	-	26,575	-	-
Carborundum Universal Limited	500	-	500	-	-
E.I.D. Parry (India) Ltd.	1,965	-	1,965	-	-
M.M.Muthiah Research Foundation	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	3,37,21,870	4.11	3,37,21,870	4.11	-
Parry Enterprises India Ltd	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	37,28,85,889	45.47	37,28,85,889	45.41	(0.06)

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Annexure A

Details of Shareholding of promoters and promoter Group as on March 31,2022

Promoters Name	No. of shares as on March 31, 2021	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
AR Lakshmi Achi Trust	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	1,70,700	0.02	1,70,700	0.02	-
Murugappa Educational and Medical Foundation	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,85,630	0.07	5,85,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,33,375	0.03	1,93,375	0.02	(0.01)
V S Bhairavi Trust (M V Subbiah & Kanika Subbiah, Trustees holds shares for Trust)	1,88,875	0.02	1,88,875	0.02	-
Arun Murugappan Children Trust (MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	1,41,160	0.02	1,41,160	0.02	-
MA.Alagappan Grand Children Trust (Arun Alagappan and AA Alagammai, Trustees holds shares for Trust)	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,55,955	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,64,000	0.03	2,64,000	0.03	-
Kadamane Estates - Firm- M.A.Alagappan holds shares in the capacity of Partner	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees holds shares for Trust)	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares forTrust)	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	-	25,000	-	-
M M Venkatachalam Family Trust (M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	7,79,785	0.10	7,79,785	0.09	-
Shambho Trust (M V Subbiah,S Vellayan, Trustees holds shares for Trust)	16,01,300	0.20	16,01,300	0.20	-
	42,32,97,948	**51.62**	**42,32,37,948**	**51.55**	

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	Period ended March 31, 2022	Period ended March 31, 2021
REVENUE FROM OPERATIONS		
Note : 27A - Interest income		
(i) Interest - on financial assets measured at amortised cost		
(a) Loans		
- Bills Discounting	1,751	766
- Term Loans	9,30,752	8,86,955
(b) Bank Deposits		
- under lien	1,544	2,147
- free of lien	11,817	27,009
(c) Other Deposits		
- Deposits with Financial Institutions	1,359	2,299
- Investment in Government Securities	9,512	3,301
Total (A)	**9,56,735**	**9,22,477**
Note: 27B-Fee & Commission income		
(i) Fee & Commission income *		
- Term loans	38,374	20,685
- Others	8,880	6,254
Total (B)	**47,254**	**26,939**
*Services are transferred at a point in time		
Note: 27C-Net gain on fair value change on financial instrument		
Net gain on fair value changes on assets measured at FVTPL		
- Income from mutual funds	1,611	487
Total (C)	**1,611**	**487**
Note: 27D-Sale of Services		
(i) Sale of Services (Refer note below)		
(a) Servicing and Collection fee on Assignment	504	691
(b) Other Service Income	7,971	7,346
Total (D)	**8,475**	**8,037**
Note: Timing of revenue recognition		
Services transferred at a point in time	7,875	7,437
Services transferred over a time	600	600
Total	**8,475**	**8,037**

₹ in lakhs

Particulars	Period ended March 31, 2022	Period ended March 31, 2021
Note : 28 OTHER INCOME		
Recovery of Bad debts	8,335	5,594
Interest income on Income tax refund	663	378
Dividend Income	17	13
Rent	51	25
Profit on sale of Property, Plant & Equipment (Net)	-	2
Miscellaneous Income	40	20
Total	**9,106**	**6,032**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	Period ended March 31, 2022	Period ended March 31, 2021
Note : 29 FINANCE COSTS		
Interest on financial liabilities measured at amortised cost		
- Debt Securities	78,886	74,325
- Borrowings Other than Debt securities	3,07,243	3,37,890
- Subordinated Liabilities	39,662	42,835
Others		
- Bank charges	1,902	1,546
- Interest on lease liability	883	958
- Interest on income tax	1,190	-
Total	**4,29,766**	**4,57,554**

₹ in lakhs

Particulars	Period ended March 31, 2022	Period ended March 31, 2021
Note : 30 IMPAIRMENT ON FINANCIAL INSTRUMENTS		
Impairment provision		
- Loans - measured at amortised cost	87,994	1,37,805
Loss on sale of Investment	40	-
Total	**88,034**	**1,37,805**

₹ in lakhs

Particulars	Period ended March 31, 2022	Period ended March 31, 2021
Note : 31 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Commission	87,184	73,399
Contribution to Provident and Other Funds		
-Employees' Provident Fund	3,546	3,006
-Superannuation Fund	412	344
Share based employee payments	2,048	564
Gratuity Expense (Refer note 37)	1,297	1,136
Staff Welfare Expenses	1,233	652
Total	**95,720**	**79,101**

₹ in lakhs

Particulars	Period ended March 31, 2022	Period ended March 31, 2021
Note : 32 OTHER EXPENSES		
Rent and facility charges	1,142	625
Rates and Taxes	5,229	2,098
Energy cost	1,107	1,011
Repairs and Maintenance	553	360
Communication Costs	3,172	2,814
Business development expense	4	34
Brokerage	524	290
Printing and Stationery	1,817	1,233
Advertisement and publicity Expenses	1,298	1,267
Directors Fees, allowances and expenses	149	110
Auditors' Remuneration	114	99
Legal and Professional Charges	12,024	4,277
Insurance	2,854	1,647
Travelling and Conveyance	4,858	2,677

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 32 OTHER EXPENSES (Contd.)

₹ in lakhs

Particulars	Period ended March 31, 2022	Period ended March 31, 2021
Information Technology Expenses	4,993	3,309
Loss on Sale of Property, Plant and Equipment (Net)	7	54
Recovery Charges	42,425	26,657
Corporate Social Responsibility Expenditure	3,654	3,207
Outsource cost	22,651	22,469
Miscellaneous Expenses	343	293
	1,08,918	74,531
Less : Expenses Recovered	(80)	(39)
Total	**1,08,838**	**74,492**

Note : 33 EARNINGS PER SHARE

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit After Tax Attributable to Equity Shareholders (₹ in lakhs)	**2,15,351**	**1,52,086**
Weighted Average Number of Equity Shares (Basic)	82,05,81,106	81,96,69,366
Add: Dilutive effect relating to ESOP/CCPS	15,91,805	14,30,020
Weighted Average Number of Equity Shares (Diluted)	82,21,72,911	82,10,99,386
Earnings per Share - Basic (₹)	**26.24**	**18.55**
Earnings per Share - Diluted (₹)	**26.19**	**18.52**
Face Value Per Share (₹)	2.00	2.00

Note: Earnings per Share calculations are done in accordance with Ind AS 33 "Earnings per Share".

Note : 34 INCOME TAX RECONCILIATION

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2022 and March 31, 2021, is as follows:

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax from continuing operations	2,90,760	2,04,790
Income tax rate of 25.17% (March 31, 2021: 25.17%)	73,178	51,546
Effects of:		
Impact of difference in tax base for Donations & CSR expense	918	813
Share based payment expense – No deduction claimed under tax	508	141
Impact of Deduction u/s 80JJA	(28)	(28)
Other adjustments	295	179
Income tax expense reported in Consolidated statement of Profit and Loss	74,871	52,651

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 35 TRANSFER OF FINANCIAL ASSETS

35.1 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.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Securitisations		
Carrying amount of transferred assets measured at amortised cost	3,75,013	4,75,242
Carrying amount of associated liabilities (Borrowings other than Debt securities - measured at amortised cost)	3,67,247	4,63,916
Fair value of assets	3,80,513	4,76,131
Fair value of associated liabilities	3,42,767	4,37,374
Net position at Fair Value	37,746	38,757

B) Direct bilateral assignment

The Group has 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.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Assignment		
Carrying amount of de-recognised financial asset	2,76,499	4,16,042
Carrying amount of Retained Assets at amortised cost	31,734	47,502

₹ in lakhs

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Assignment		
Gain on sale of the de-recognised financial asset	-	-

35.2 The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

Note : 36 MICRO, SMALL & MEDIUM 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) are furnished below:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers under MSMED Act, as at the year end	306	-
Interest accrued and due to suppliers under MSMED Act, 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 under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 37 RETIREMENT BENEFIT

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the period, the Group recognised ₹ 3,546 lakhs (Previous year - ₹ 3,006 lakhs) to Provident Fund under Defined Contribution Plan, ₹ 412 lakhs (Previous year - ₹ 344 lakhs) for Contributions to Superannuation Fund and ₹ 33 lakhs (Previous year - ₹ 50 lakhs) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

B) Gratuity

The Group's defined benefit gratuity plan 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 Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Change in Defined Benefit Obligation and Fair Value of Plan assets:

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Defined Benefit Obligation at the beginning of the year	**7,451**	**6,118**
Current Service Cost	1,169	1,042
Interest Cost	465	395
Remeasurement Losses/(Gains)		
a. Effect of changes in financial assumptions	(238)	89
b. Effect of experience adjustments	230	37
Benefits Paid	(444)	(230)
Defined Benefit Obligation at the end of the year	**8,633**	**7,451**
Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Year	5,422	4,679
Expected Returns on Plan Assets	338	301
Employer's Contribution	2,098	677
Benefits Paid	(444)	(230)
Return on plan assets (excluding interest income)	(5)	(5)
Fair Value of Plan Assets at the end of the year	**7,409**	**5,422**
Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the End of the Year	7,409	5,422
Defined benefit obligation at the End of the Year	(8,633)	(7,451)
Amount Recognised in the Balance Sheet under Other Payables	**(1,224)**	**(2,029)**
Cost of the Defined Benefit Plan for the Year		
Current Service Cost	1,169	1,042
Net interest Expense	465	395
Expected Return on Plan Assets	(338)	(301)
Net Cost recognized in the statement of Profit and Loss*	**1,296**	**1,136**
Remeasurement Losses/(Gains)		
a) Effect of changes in financial assumptions	(237)	89
b) Effect of experience adjustments	229	37
c) Changes in demographic assumptions		-
d) Return on plan assets (excluding interest income)	5	7
Net cost recognized in Other Comprehensive Income	**(3)**	**133**
Assumptions		
Discount Rate	6.70% p.a	6.25% p.a.
Future salary increase	7.50% p.a	7.50% p.a.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 37 RETIREMENT BENEFIT (Contd.)

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Attrition Rate		
- Senior management	13% p.a.	13% p.a.
- Middle management	13% p.a.	13% p.a.
- Others	13% p.a.	13% p.a.
Expected rate of return on Plan Assets	6.70% -7.50%p.a	6.25% -7.10%p.a
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
Maturity profile of Defined Benefit Obligations		
Weighted average duration (Based on discounted cash flows)	6 Years	6 Years
Expected Cash flows over the next (valued on undiscounted basis)		
Within the next 12 months (next annual reporting period)	1,239	664
Between 2 and 5 years	4,274	3,008
Between 5 and 10 years	3,939	2,874
Beyond 10 Years	4,351	3,363
Total Expected Cash flows	**13,803**	**9,909**

*Recognised under Employee Benefit Expenses

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Sensitivity Analysis:				
Discount Rate (+/- 1%)	8,143	9,178	6,831	7,946
Salary Growth Rate (+/- 1%)	9,103	8,192	7,884	7,049
Attrition Rate (+/- 50% of attrition rates)	8,508	8,797	7,262	7,731
Mortality Rate (+/- 10% of mortality rates)	8,634	8,634	7,303	7,303

Notes:

1. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
2. The Group's best estimate of contribution during the next year is ₹ 2,460 lakhs
3. 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.
4. The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).
5. 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.
6. The method and type of assumptions used in preparing the sensitivity analysis does not change compared to the prior period

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 37 RETIREMENT BENEFIT (Contd.)

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 Company 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.

(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	March 31, 2022	March 31, 2021
Discount Rate	6.70% p.a.	6.25% p.a.
Future salary increase	7.50% p.a.	7.50% p.a.
Attrition Rate		
- Senior management	13% p.a.	13% p.a.
- Middle management	13% p.a.	13% p.a.
- Others	13% p.a.	13% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

1. The Group has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2022.
2. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
3. 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 : 38 SEGMENT INFORMATION

The Group is primarily engaged in the business of financing. All the activities of the Group revolve around the main business. Further, the Group does not have any separate geographic segments other than India

During year ended March 31, 2022, for management purposes, the Group has been organised into the following operating segments based on products and services, as follows

- Vehicle Finance Loans - Loans to customers against purchase of new/used vehicles, tractors, construction equipments and loan to automobile dealers.
- Loan against property - Loans to customer against immovable property
- Home Loans - loans given for acquisition of residential property
- Others -Loan against shares, and other unsecured loans & security broking and insurance agency business.

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for 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 an entity as whole basis and are not allocated to operating segments.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 38 SEGMENT REPORTING (Contd.)

₹ in lakhs

Particulars	Year ended March 31, 2022					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
Interest Income	7,08,861	1,55,970	59,453	8,250	24,201	**9,56,735**
Net gain on derecognition of financial instruments under amortised cost category						
Fee Income	32,994	4,706	464	9,070	20	**47,254**
Net gain on Fair value change on financial instrument				312	1,299	**1,611**
Sale of Services	7,961	389	125	-	-	**8,475**
Segment revenue from Operations (I)						
Other income (II)	8,021	284	1	86	714	**9,106**
Total Segment Income - (I) + (II)	**7,57,837**	**1,61,349**	**60,043**	**17,718**	**26,234**	**10,23,181**
Expenses						
Finance costs	3,20,214	90,709	26,237	3,820	(11,214)	4,29,766
Impairment of Financial Instruments	72,262	10,625	4,381	724	42	88,034
Employee benefits expense	68,601	11,180	5,899	9,759	281	95,720
Depreciation and amortisation expense	8,097	982	536	448	-	10,063
Other expenses	88,735	6,988	4,045	5,382	3,688	1,08,838
Segment Expenses	**5,57,909**	**1,20,484**	**41,098**	**20,133**	**(7,203)**	**7,32,421**
Segment Profit before taxation	**1,99,928**	**40,865**	**18,945**	**(2,415)**	**33,437**	**2,90,760**
Tax expense						**74,871**
Share of loss from associate and Joint Venture				(538)		**(538)**
Profit for the year						**2,15,351**

₹ in lakhs

Particulars	Year ended March 31, 2021					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
Interest Income	6,93,467	1,44,319	46,679	3,290	34,722	9,22,477
Net gain on derecognition of financial instruments under amortised cost category	-	-	-	-	-	-
Fee Income	18,224	2,180	181	6,342	12	26,939
Net gain on Fair value change on financial instrument	-	-		-	487	487
Sale of Services	7,096	540	401	-	-	8,037
Segment revenue from Operations (I)				-		
Other income (II)	5,244	287	-	140	361	6,032
Total Segment Income (I) + (II)	**7,24,031**	**1,47,326**	**47,261**	**9,772**	**35,582**	**9,63,972**
Expenses						
Finance costs	3,50,978	84,871	20,670	2,456	(1,421)	4,57,554
Impairment of Financial Instruments	1,18,036	14,847	5,479	(554)	(3)	1,37,805
Employee benefits expense	61,327	7,692	4,971	4,943	168	79,101
Depreciation and amortisation expense	8,388	1,039	371	432	-	10,230
Other expenses	61,102	4,939	3,591	995	3,865	74,492
Segment Expenses	**5,99,831**	**1,13,388**	**35,082**	**8,272**	**2,609**	**7,59,182**
Segment Profit before taxation	**1,24,200**	**33,938**	**12,179**	**1,500**	**32,973**	**2,04,790**
Tax expense						**52,651**
Share of loss from associate				(53)		**(53)**
Profit for the year						**1,52,086**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 38 SEGMENT REPORTING (Contd.)

₹ in lakhs

Particulars	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
As on March 31, 2022						
Segment Assets	52,18,720	15,57,057	4,74,236	1,75,693		74,25,706
Unallocable Assets					8,22,162	8,22,162
Total Assets						**82,47,868**
Segment Liabilities	44,76,896	13,35,726	4,06,825	1,46,226		63,65,673
Unallocable Liabilities					7,05,295	7,05,295
Total Liabilities						**70,70,968**
As on March 31, 2021						
Segment Assets	48,93,657	12,71,552	3,72,558	55,402		65,93,169
Unallocable Assets					8,71,247	8,71,247
Total Assets						**74,64,416**
Segment Liabilities	42,66,080	11,08,484	3,24,780	45,576		57,44,920
Unallocable Liabilities					7,59,516	7,59,516
Total Liabilities						**65,04,436**

In computing the segment information, certain estimates and assumptions have been made by the management, which have not been relied upon.

As the asset are allocated to segment based on certain assumptions, hence additions to the Property, plant and equipment have not disclosed separately for each specific segment.

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 : 39 RELATED PARTY DISCLOSURES

List of Related Parties

- **Holding Company:** Cholamandalam Financial holdings limited (formerly known as TI Financial Holdings Limited)
- **Entity having significant influence over holding Company:** Ambadi Investments Limited
- **Subsidiaries of the entity which has significant influence over holding Company:** Parry Enterprises India Limited and Parry Agro Limited.
- **Fellow Subsidiaries:** Cholamandalam MS General Insurance Company Limited
- **Joint Venture of Holding Company:** Cholamandalam MS Risk services Limited
- **Associates :** White Data Systems India Private Limited, Vishvakarma Payments Private Limited (from 30 March, 2021), Paytail Commerce Private Limited (from 15 September, 2021)
- **Joint Venture:** Payswiff Technologies Private Limited and its subsidiaries (from 8 February, 2022)
- **Key Managerial Personnel:**
  c. Mr. Arun Alagappan, Managing Director (upto February 14, 2021)
  d. Mr. D. Arulselvan, Chief Financial Officer
  e. Ms. P.Sujatha, Company Secretary
  f. Mr. Ravindra Kumar Kundu, Executive Director
- **Non-Executive Directors**
  a) Mr. Ashok Kumar Barat
  b) Mr. M M Murugappan (upto November 11, 2020)
  c) Mr. N Ramesh Rajan
  d) Mr. Rohan Verma
  e) Ms. Bhama Krishnamurthy
  f) Mr. Vellayan Subbiah (From November 11, 2020)
  g) Mr. M A M Arunachalam (From January 29, 2021)
  h) Mr. Anand Kumar (From March16, 2021)
  i) Mr. Bharath Vasudevan (From March16, 2021)

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Note : 39 a) TRANSACTIONS DURING THE YEAR		
Dividend Payments (Equity Shares)		
a) Cholamandalam Financial Holdings Limited	7,458	4,848
b) Ambadi Investments Limited	674	438
c) Parry Enterprises India Limited	*	*
d) AR Lakshmi Archi Trust #	10	-
e) M A Murugappan Holdings LLP#	2	1
f) Kadamane Estates Co #	7	5
Amount received towards reimbursement of expenses		
a) Cholamandalam Financial Holdings Limited	118	104
b) Cholamandalam MS General Insurance Company Limited	6	5
c) Parry Enterprises India Limited	1	1
d) Cholamandalam MS Risk Services Limited	-	*
Services Received		
a) Cholamandalam MS General Insurance Company Limited	217	201
b) Parry Enterprises India Limited	194	74
c) White Data Systems India Private Limited	24	29
d) Cholamandalam MS Risk Services Limited	1	-
Expenses – Reimburse		
a) White Data Systems India Private Limited	3	-
b) Cherry Tin Online Private Limited#	8	-
c) Parry Enterprises India Limited	7	-
Services rendered		
a) Cholamandalam MS General Insurance Company Limited	5,891	4,008
b) Cholamandalam Financial Holdings Limited	*	*
c) Ambadi Investments Limited	-	*
d) Key Managerial Personnel	*	*
e) Parry Enterprises India Limited	*	-
Loans given		
a) White Data Systems India Private Limited	300	340
b) Payswiff Solutions Private Limited	300	-
Loans recovered		
a) White Data Systems India Private Limited	340	340
b) Payswiff Solutions Private Limited	300	-
Interest Expense		
a) Cholamandalam MS General Insurance Company Limited	1,313	1,603
Interest Income		
a) White Data Systems India Private Limited	21	26
b) Payswiff Solutions Private Limited	1	-
Subscriptions/Advertisement Expenses		
a) Finance Industry Development Council#	1	-
Commission and Sitting fees to non-executive Directors	137	102

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 39 b) BALANCES OUTSTANDING AT THE YEAR END		
Loans - Receivable		
a) White Data Systems India Private Limited	300	340
b) Medall Healthcare Private Limited#	1,732	-
Debt Securities - Payable		
a) Cholamandalam MS General Insurance Company Limited	(14,793)	(18,527)

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 39 b) BALANCES OUTSTANDING AT THE YEAR END (Contd.)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Other Receivable / (Payable)		
a) Cholamandalam Financial Holdings Limited	*	2
b) Paytail Commerce Private Limited	437	-
c) Cholamandalam MS General Insurance Company Limited	661	340
d) White Data Systems India Private Limited	(10)	(6)
e) Parry Enterprises India Limited	(45)	1
f) Cholamandalam MS Risk Services Limited	(1)	-
g) Ambadi Investments Limited	*	-

Represents entities included as per Companies Act

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Note : 39 c) REMUNERATION TO KEY MANAGERIAL PERSONNEL		
Short- term employee benefits	557	794
Post- employment pension (defined Contribution)	84	92
Dividend Payments	8	17
Share based payments	271	27
Sale of Vehicle(s)	4	21
Sale of Asset	*	-
Relatives of KMP and Directors	11	7

* Represents amounts less than ₹ 1 lakh

Note : 40 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contested Claims not provided for:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax and Interest on Tax issues where the Group has gone on appeal	29,977	22,465
Decided in the Group's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	634	21,898
Sales Tax issues pending before Appellate Authorities in respect of which the Group is on appeal.	1,952	2,573
Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Sales Tax	102	-
Service Tax & GST issues pending before Appellate Authorities in respect of which the Group is on appeal.	19,992	19,992
Disputed claims against the Group lodged by various parties under litigation (to the extent quantifiable)	14,458	10,801

i) The Group is of the opinion that the above demands based on management estimate no significant liabilities are expected to arise.

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

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Capital commitments	4,021	3,678
Disbursements - Undrawn lines	1,48,588	1,24,190

(c) The Code on Social Security, 2020 ('The Code') relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders, which are under consideration by the Ministry. The Group will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 40 CONTINGENT LIABILITIES AND COMMITMENTS (Contd.)

(d) Bank Guarantee:

₹ in lakhs

Particulars	As at March 31,2022	As at March 31,2021
Outstanding bank guarantees given to stock exchanges/stock holding corporation of India limited to meet margin requirements	3,050	1,485

Note : 41 CHANGES IN PROVISIONS

₹ in lakhs

Particulars	As at March 31, 2021	Additional Provision	Utilisation/ Reversal	As at March 31, 2022
Provision for Contingencies and Service Tax claims	4,346	108	501	3,953
Provision for Expected credit loss allowance towards Undrawn commitments	104	16	-	120

₹ in lakhs

Particulars	As at March 31, 2020	Additional Provision	Utilisation/ Reversal	As at March 31, 2021
Provision for Contingencies and Service Tax claims	3,838	508	-	4,346
Provision for Expected credit loss allowance towards Undrawn commitments	131	89	116	104

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. The undrawn loan commitments amount outstanding as at March 31, 2022 is ₹ 1,48,588 lakhs (₹1,24,190 lakhs as at March 31, 2021).

The Group creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting period and the related expected credit loss on these commitments as at March 31, 2022 is ₹120 lakhs (₹ 104 lakhs as at March 31, 2021).

Note : 42 ESOP DISCLOSURE

ESOP 2007

The Board at its meeting held on June 22, 2007, approved an issue of Stock Options up to a maximum of 5% of the issued Equity Capital of the Company (before Rights Issue) aggregating to 1,904,162 Equity Shares (prior to share split) in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines.

ESOP 2016

The Board at its meeting held on October 7, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 1,56,25,510 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the board, exercisable into not more than 1,56,25,510 equity shares of face value of ₹ 2/- each fully paid-up, on such terms and in such manner as the board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Group has recognised expense amounting to ₹ 2,048 lakhs for employees services received during the year, shown under Employee Benefit Expenses (Refer Note 31).

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

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding	During the Year				Options outstanding	Options vested but not exercised	Options unvested		
		As at 31.03.2021	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2022	As at 31.03.2022	As at 31.03.2022	Exercise Price	Weighted Average Remaining Contractual Life
GT25 Apr 2008	25-Apr-08	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011A	27-Jan-11	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011B	27 Jan 11	-	-	-	-	-	-	-	-	-	
GT30 APR 2011	30-Apr-11	10,240	-	-	-	10,240	-	-	-	33	-
GT27 OCT 2011	27-Oct-11	8,580	-	-	-	8,580	-	-	-	31	-
Total		**18,820**	**-**	**-**	**-**	**18,820**	**-**	**-**	**-**		

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 42 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding	During the Year				Options outstanding	Options vested but not exercised	Options unvested	Exercise Price	Weighted Average Remaining Contractual Life
		As at 31.03.2021	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2022	As at 31.03.2022	As at 31.03.2022		
GT25 JAN 2017	25-Jan-17	16,64,690	-	-	-	6,01,040	10,63,650	10,63,650	-	202	-
GT30 JAN 2018	30-Jan-18	2,04,085	-	-	-	84,675	1,19,410	1,89,240	-	262	-
GT30 JAN2018A	30-Jan-18	87,300	-	-	-	-	87,300	17,470	-	262	-
GT23 APR 2018	23-Apr-18	26,940	-	-	-	-	26,940	13,470	13,470	312	0.06 years
GT26 JUL 2018	26-Jul-18	1,40,360	-	-	-	3,000	1,37,360	1,08,560	28,800	299	-
GT30 OCT 2018	30-Oct-18	2,97,400	-	-	-	70,100	2,27,300	1,30,580	96,720	254	0.58 years
GT19 MAR 2019	19-Mar-19	5,71,180	-	-	-	1,36,260	4,34,920	2,86,750	1,48,170	278	0.97 years
GT30 JUL 2019	30-Jul-19	26,772	-	-	-	26,772	-	-	-	248	-
GT05 NOV2019	5-Nov-19	2,50,040	-	-	-	51,740	1,98,300	32,940	1,65,360	316	1.10 years
GT23 JAN2020	23-Jan-20	42,400	-	-	10,600	-	31,800	-	31,800	318	1.32 years
GT03 JUNE2020	3-Jun-20	2,11,900	-	-	-	44,285	1,67,615	-	1,69,520	158	1.30 years
GT03 JUNE2020A	3-Jun-20	1,905	-	-	-	-	1,905	-	-	158	1.30 years
GT07 MAY2021	7-May-21	-	-	10,66,600	-	-	10,66,600	-	10,66,600	580	1.80 years
GT30 JULY2021	30-Jul-21	-	-	24,700	-	-	24,700	-	24,700	487	2.03 years
GT29 OCt2021	29-Oct-21	-	-	8,08,120	-	-	8,08,120	-	8,08,120	609	2.28 years
GT01 FEB2022	1-Feb-22	-	-	1,26,100	-	-	1,26,100	-	1,26,100	630	2.54 years
Total		**35,24,972**	**-**	**20,25,520**	**10,600**	**10,17,872**	**45,22,020**	**18,42,660**	**26,79,360**		

*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

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

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding	During the Year 2020-21				Options outstanding	Options vested but not exercised	Options unvested	Exercise Price	Weighted Average Remaining Contractual Life
		As at 31.03.2020	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2021	As at 31.03.2021	As at 31.03.2021		
GT25 Apr 2008	25-Apr-08	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011A	27-Jan-11	23,120	-	-	-	23,120	-	-	-	38	-
GT27 JAN 2011B	27-Jan-11		-	-	-	-	-	-	-	-	-
GT30 APR 2011	30-Apr-11	25,240	-	-	-	15,000	10,240	10,240	-	33	-
GT27 OCT 2011	27-Oct-11	29,760	-	-	-	21,180	8,580	8,580	-	31	-
Total		**78,120**	**-**	**-**	**-**	**59,300**	**18,820**	**18,820**	**-**		

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 42 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding	During the Year 2020-21				Options outstanding	Options vested but not exercised	Options unvested		
		As at 31.03.2020	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2021	As at 31.03.2021	As at 31.03.2021	Exercise Price	Weighted Average Remaining Contractual Life
GT25 JAN2017	25 Jan 17	21,18,600	-	-	1,92,140	2,61,770	16,64,690	16,64,690	-	202	-
GT30 JAN2018	30 Jan 18	2,38,485	-	-	-	34,400	2,04,085	2,04,085	-	262	-
GT30 JAN2018A	30 Jan 18	89,800	-	-	-	2,500	87,300	60,360	26,940	262	0.84 years
GT23 APR2018	23 Apr 18	44,900	-	-	-	17,960	26,940	-	26,940	312	0.56 years
GT26 JUL2018	26 Jul 18	2,74,860	-	-	1,31,500	3,000	1,40,360	86,600	53,760	299	0.32 years
GT30 OCT2018	30 Oct 18	3,67,300	-	-	44,900	25,000	2,97,400	1,03,960	1,93,440	254	1.08 years
GT19 MAR2019	19 Mar 19	5,88,460	-	-	-	17,280	5,71,180	2,75,740	2,95,440	278	1.47 years
GT30 JUL2019	30 Jul 19	31,632	-		4,860	-	26,772	13,386	13,386	248	0.33 years
GT05 NOV2019	5 Nov 19	2,75,600	-		-	25,560	2,50,040	29,560	2,20,480	316	1.73 years
GT23 JAN2020	23 Jan 20	53,000	-		-	10,600	42,400	-	42,400	318	1.94 years
GT03 JUNE2020	3 Jun 20	-	-	2,11,900	-	-	2,11,900	-	2,11,900	158	1.88 years
GT03 JUNE2020A	3 Jun 20	-	-	1,905	-	-	1,905	-	1,905	158	0.18 years
Total		**40,82,637**	**-**	**2,13,805**	**3,73,400**	**3,98,070**	**35,24,972**	**24,38,381**	**10,86,591**		

*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

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2021

ESOP 2007

	Variables					
Date of Grant	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 (₹)
30-Jul-07	7.10% - 7.56%	3-6 years	40.64% -43.16%	5.65%	193.40	61.42
24-Oct-07	7.87% -7.98%	3-6 years	41.24% -43.84%	5.65%	149.90	44.25
25-Jan-08	6.14% -7.10%	3-6 years	44.58% -47.63%	5.65%	262.20	78.15
25-Apr-08	7.79% - 8.00%	2.5-5.5 years	45.78% - 53.39%	3.97%	191.80	76.74
30-Jul-08	9.14% - 9.27%	2.5-5.5 years	46.52% - 53.14%	3.97%	105.00	39.22
24-Oct-08	7.54% - 7.68%	2.5-5.5 years	48.2% - 55.48%	3.97%	37.70	14.01
27-Jan-11						
- Tranche I	8%	4 years	59.50%	10%	187.60	94.82
- Tranche II	8%	3.4 years	61.63%	10%	187.60	90.62
30-Apr-11	8%	4 years	59.40%	25%	162.55	73.07
28-Jul-11	8%	4 years	58.64%	25%	175.35	79.17
27-Oct-11	8%	4 years	57.52%	25%	154.55	67.26

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 42 ESOP DISCLOSURE (Contd.)

The shareholders of the Company, at the 34th Annual General Meeting held on July 30, 2012, authorised extension of exercise period from 3 years from the date of vesting to 6 years from the date of vesting. Accordingly, the Company has measured the fair value of the options using the Black Scholes model immediately before and after the date of modification to arrive at the incremental fair value arising due to the extension of the exercise period. The incremental fair value so calculated is recognised from the modification date over the vesting period in addition to the amount based on the grant date fair value of the stock options.

The incremental (benefit)/cost due to modification of the exercise period from 3 years to 6 years from the date of vesting for the year ended March 31, 2022 is ₹ Nil (March 31, 2021- ₹ Nil)

The fair value of the options has been calculated using the Black Scholes model on the date of modification.

The assumptions considered for the calculation of the fair value (on the date of modification) are as follows:

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

	Variables					
Date of Grant	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*
5-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*
3-Jun-20	5%	3.50 years	47.50%	1.33%	157.90	58.27*
7-May-21	5.12% - 6.02%	3.5 - 6.5 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	53.2% - 43.93%	0.33%	609.00	293.95
1-Feb-22	5.49% - 6.50%	3.50 - 6.51 years	53.81% - 44.42%	0.32%	629.50	309.23

* Fair value option of equity shares issued under this grant is post share split with a face value of ₹ 2/- each

Note : 43 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ in lakhs

Particulars	April 01, 2021	Cash flows	Exchange Difference	Other	March 31, 2022
Debt Securities	12,35,767	1,06,714	-	(10,371)	13,32,110
Borrowings other than debt securities	47,18,226	4,60,663	11,888	9,675	52,00,452
Subordinated liabilities	4,19,006	(32,770)	-	(1,448)	3,84,788
Total	**63,72,999**	**5,34,607**	**11,888**	**(2,144)**	**69,17,350**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 43 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (Contd.)

₹ in lakhs

Particulars	April 1, 2020	Cash flows	Exchange Difference	Other	March 31, 2021
Debt Securities	7,32,683	5,00,898	-	2,186	12,35,767
Borrowings other than debt securities	43,27,308	4,04,659	(13,268)	(473)	47,18,226
Subordinated liabilities	4,40,552	(20,150)	-	(1,396)	4,19,006
Total	**55,00,543**	**8,85,407**	**(13,268)**	**317**	**63,72,999**

(i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of processing fees etc

(ii) Liabilities represents of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

Note : 44 MATURITY ANALYSIS

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

₹ in lakhs

Particulars	Amount	Maturity Within 12 months	Maturity After 12 months
As on March 31, 2022			
Financial Assets			
Cash and Cash Equivalents	2,69,884	2,69,884	-
Bank balances Other than Cash and Cash Equivalents	1,60,300	1,43,154	17,146
Derivative financial instruments	18,653	7,554	11,099
Receivables			
i) Trade Receivables	7,131	7,131	-
ii) Other Receivables	8,964	8,964	-
Loans	74,14,471	21,12,308	53,02,163
Investments			
i) Associate	3,303	-	3,303
ii) Others	1,57,643	909	1,56,734
iii) Joint Venture	44,559	-	44,559
Other Financial Assets	33,522	8,848	24,674
Total Financial Assets	**81,18,430**	**25,58,752**	**55,59,678**
Non- Financial Assets			
Current tax assets (Net)	25,200	-	25,200
Deferred tax assets (Net)	67,491	-	67,491
Investment Property	13	-	13
Property, Plant and Equipment	24,215	-	24,215
Capital Work in Progress	2,303	-	2,303
Intangible assets under development	1,432	37	1,395
Other Intangible assets	1,632	-	1,632
Other Non-Financial Assets	7,152	1,266	5,886
Total Non- Financial Assets	**1,29,438**	**1,303**	**1,28,135**
Financial Liabilities			
Derivative financial instruments	16,956	2,165	14,791
Payables			
i) Trade Payables-Due to MSME	306	306	-
ii) Trade Payables-Other than MSME	12,453	12,453	
iii) Other Payables	72,000	72,000	-
Debt Securities	13,32,110	5,98,192	7,33,918
Borrowings (Other than Debt Securities)	52,00,452	18,51,620	33,48,832
Subordinated Liabilities	3,84,788	50,604	3,34,184
Other Financial Liabilities	33,952	20,992	12,960
Total Financial Liabilities	**70,53,017**	**26,08,332**	**44,44,685**
Non-Financial Liabilities			
Current tax liabilities	-	-	-
Deferred tax Liabilities	65	-	65
Provisions	11,968	2	11,966
Other Non-Financial Liabilities	5,918	4,591	1,327
Total Non-Financial Liabilities	**17,951**	**4,593**	**13,358**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 44 MATURITY ANALYSIS (Contd.)

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

₹ in lakhs

Particulars	Amount	Maturity Within 12 months	After 12 months
As on March 31, 2021			
Financial Assets			
Cash and Cash Equivalents	1,48,036	1,48,036	-
Bank balances Other than Cash and Cash Equivalents	3,79,941	3,44,269	35,672
Derivative financial instruments	4,587		4,587
Receivables			
i) Trade Receivables	5,660	5,660	-
ii) Other Receivables	4,211	4,211	-
Loans	65,83,934	19,71,863	46,12,071
Investments			
i) Associate	2,424	-	2,424
ii) Others	1,55,925	-	1,55,925
iii) Joint Venture	-	-	-
Other Financial Assets	59,445	15,470	43,975
Total Financial Assets	**73,44,163**	**24,89,509**	**48,54,654**
Non- Financial Assets			
Current tax assets (Net)	14,767	-	14,767
Deferred tax assets (Net)	76,897	-	76,897
Investment Property	13	-	13
Property, Plant and Equipment	20,826	-	20,826
Intangible assets under development	991	-	991
Other Intangible assets	1,920	-	1,920
Other Non-Financial Assets	4,839	1,894	2,945
Total Non- Financial Assets	**1,20,253**	**1,894**	**1,18,359**
Financial Liabilities			
Derivative financial instruments	12,742	-	12,742
Payables			-
i) Trade Payables-Due to MSME	9,859	9,859	-
ii) Trade Payables-Other than MSME	-	-	-
iii) Other Payables	54,278	54,278	-
Debt Securities	12,35,767	6,04,785	6,30,982
Borrowings (Other than Debt Securities)	47,18,226	16,91,807	30,26,419
Subordinated Liabilities	4,19,006	1,01,959	3,17,047
Other Financial Liabilities	34,592	30,047	4,545
Total Financial Liabilities	**64,84,470**	**24,92,735**	**39,91,735**
Non-Financial Liabilities			
Current tax liabilities	4,225	4,225	-
Provisions	11,045	11,044	1
Other Non-Financial Liabilities	4,696	3,422	1,274
Total Non-Financial Liabilities	**19,966**	**18,691**	**1,275**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 45.1 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), 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.

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 requirements prescribed by RBI over the reported period. The Capital adequacy ratio as of March 31, 2022 is 19.62% (March 31, 2021- 19.10%) as against the regulatory requirement of 15%.

45.2 FINANCIAL RISK MANAGEMENT

The key financial risks faced by the Group are credit and market risks comprising liquidity risk, interest rate risk and foreign currency risks.

45.2.1 Credit Risk

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

45.2.1.1 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 has a robust online application underwriting 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 model for the vehicle finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

45.2.1.2 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.

45.2.1.3 ECL Methodology

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.

45.2.1.4 Assumptions and Estimation techniques

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:

45.2.1.4(a) 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

45.2.1.4(b) 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 45 CAPITAL MANAGEMENT (Contd.)

45.2.1.4(c) 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.

45.2.1.5 Mechanics of the ECL method

Stage 1:

All loans (other than purchased credit impaired asset) are categorised as Stage 1 on initial recognition.The 12months 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 12monthsECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These 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 9.1

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, 2021).

45.2.1.6 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.

Annual data from 2010 to 2026 (including forecasts for 5 years) were obtained from World Economic Outlook, October 2021 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 45 CAPITAL MANAGEMENT (Contd.)

45.2.1.7 Macro economic variables

Segment	Macro-Economic Variables correlated for each segment	
Heavy Commercial Vehicle	Gross domestic product, current prices USD	Inflation, end of period consumer prices
Light Commercial Vehicle	Gross domestic product, current prices USD	Inflation, end of period consumer prices
Car & MUV	Gross domestic product, current prices USD	Inflation, end of period consumer prices
Mini Light Commercial Vehicle	Gross domestic product per capita, constant prices USD	Inflation, end of period consumer prices
Used Vehicles	General government total expenditure	Gross domestic product per capita, constant prices USD
Shubh	General government total expenditure	Gross domestic product per capita, constant prices USD
Tractor	Inflation, average consumer prices	General government total expenditure
Construction Equipment	Gross domestic product per capita, constant prices USD	Gross domestic product, current prices USD
Loan Against Property	Gross domestic product, current prices USD	Inflation, end of period consumer prices
Home Loan	Inflation, average consumer prices	General government total expenditure

Since the company has used Gross Domestic Product (GDP) as a predominant macro economic variable the sensitivity around the same is given below

₹ in lakhs

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31,2022	Decrease by 5%	518
March 31,2022	Increase by 5%	(535)

45.2.1.8 Concentration of credit risk and Collateral and Credit Enhancements

45.2.1.8(a) 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 69% of the loan book of the Group as of March 31, 2022 (72% as of March 31, 2021). 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 10% and 6% 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 22% of the lending book of the Group as of March 31, 2022 (22% as of March 31, 2021). Portfolio is concentrated in North 35% with small presence in East 5%. South has 35% and West contributes 25% 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, 2022.

45.2.1.8(b) 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

Notes forming part of the Consolidated Financial Statements (Contd.)

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Note : 45 CAPITAL MANAGEMENT (Contd.)

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 31,2022

₹ in lakhs

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
3,30,532	2,33,024	2,40,987	23,823	(1,67,302)	1,26,650

Fair value of collateral held against credit impaired assets - March 31,2021

₹ in lakhs

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
2,64,053	1,90,025	2,15,929	20,285	(1,62,186)	1,14,030

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

45.2.2 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. 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.

45.2.2.1 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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 45 CAPITAL MANAGEMENT (Contd.)

from the 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 47.

45.2.2.2 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.

₹ in lakhs

Year ended	Increase/(Decrease)	Impact on Profit beforex Tax
March 31, 2022	Increase by 100 bps	(14,340)
March 31, 2022	Decrease by 100 bps	14,340

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31, 2021	Increase by 100 bps	(10,360)
March 31, 2021	Decrease by 100 bps	10,360

45.2.2.3 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.

45.2.2.4 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.

45.3 Disclosure of Effects of Hedge Accounting

Cash flow Hedge

As at March 31, 2022								
Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in Lakhs)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in lakhs)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in lakhs)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cross Currency Interest rate swap	6	0	10,809	-	June 27, 2022 to June 20, 2028	9,089	16,419	Borrowings
Overnight Index Swaps	0	2	-	282	October 23, 2022 to March 20,2024	(282)	-	Borrowings
Forward contracts	0	3	7,844	16,674	June 27, 2022 to June 20, 2028	1,045	1,453	Borrowings

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 45 CAPITAL MANAGEMENT (Contd.)

Year ended March 31, 2022				
Cash flow Hedge	**Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in Lakhs)**	**Hedge Effectiveness recognised in profit and loss (₹ in Lakhs)**	**Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in Lakhs)**	**Line item affected in Statement of Profit and Loss because of the Reclassification**
Foreign exchange risk and Interest rate risk	16,197	-	-	NA

As at March 31, 2021

As at March 31, 2021								
Foreign Exchange Risk on Cash Flow Hedge	**Nominal Value of Hedging Instruments (No. of Contracts)**		**Carrying Value of Hedging Instruments (₹ in Lakhs)**		**Maturity Date**	**Changes in Fair value of Hedging Instrument (₹ in lakhs)**	**Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in lakhs)**	**Line item in Balance sheet**
	Asset	Liability	Asset	Liability				
Cross Currency Interest rate swap	6	1	2,634	914	March 18, 2022 to June 03, 2024	7,872	(11,025)	Borrowings
Forward contracts	0	26	1,953	11,828	March 21, 2022 to June 03, 2024	9,875	5,041	Borrowings

Cash flow Hedge	**Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in Lakhs)**	**Hedge Effectiveness recognised in profit and loss**	**Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss**	**Line item affected in Statement of Profit and Loss because of the Reclassification**
Foreign exchange risk and Interest rate risk	(4,521)	-	-	NA

Note 46 : (i) 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 the equity shares of Payswiff up to a sum not exceeding ₹ 450 Crores in one or more tranches. This will result in the Group holding up to 73.84% 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 solution that lets business owners accept payments from their customers in-store, at home deliveries, online, and on-the-go using mPOS and POS solution

₹ in lakhs

Particulars	**As at March 31, 2022**
Value of Investment in Joint Venture	45,001
Less: Cumulative Share of Loss of from Joint venture	(442)
Closing value of Investment	**44,559**

Even though, the Group holds 73.82% of the paid up equity capital of payswiff, however, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholder agreement 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

₹ in lakhs

Particulars	**March 31, 2022**
Current assets	4,025
Non-current assets	5,033
Current liabilities	(5,239)
Non-current liabilities	(152)
Equity	**3,667**
Proportion of the Group's ownership	74%
Group's share in the Equity of the Joint venture	2,714

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 46 (ii) INVESTMENT IN AN ASSOCIATES

a) The Group had recognised the value of investment in associate - White Data Systems India Private Limited (WDSI) at fair value on the date of loss of control and the same is carried at cost as at reporting date.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Value of Investment in Subsidiary on the date of loss of control	2,554	2,554
Less: Cumulative Share of Loss of from Associate	(152)	(130)
Closing value of Investment	**2,402**	**2,424**

The Group has a 30.87% interest in White Data Systems India Private Limited, which is in the business of providing freight data solutions encompassing technology, certification and finance offering in India. The WDSI has dedicated logistics platform "i-loads", seamlessly connects load providers, logistics agents, brokers and transporters through its disruptive technology. It is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in White Data Systems India Private Limited:

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Current assets	1,954	2,483
Non-current assets	2,422	1,713
Current liabilities	(921)	(700)
Non-current liabilities	(60)	(47)
Equity	**3,395**	**3,449**
Proportion of the Group's ownership	30.87%	30.87%
Group's share in the Equity of the associate	1,048	1,065

₹ in lakhs

Particulars	Year ended March 31, 2022
Revenue from contracts with customers	461
Other Income	200
Depreciation & amortization	190
Finance cost	23
Employee benefit	142
Other expense	278
Profit before tax	**28**
Deferred tax reversal	8
Profit for the year (continuing operations)	36
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	(5)
Total comprehensive income for the year (continuing operations)	**31**
Group's share of profit for the year	**11**
Adjustment relating to prior periods	**(33)**
Group's share of loss considered in the consolidated statement of Profit and loss for the year ended March 31, 2022	**(22)**

The associate has no contingent liabilities or capital commitments as at March 31, 2022 and March 31, 2021.

b) Vishwakarma Payments Private Limited (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 ₹ 1 lakh and its networth as March 31, 2022 is ₹ 1 lakh. It can commence operations only on receipt of license from RBI. The Group holds 21% stake in VPPL.

c) 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 46 INVESTMENT IN AN ASSOCIATE (Contd.)

₹ in lakhs

Particulars	As at March 31, 2022
Value of investment in Associate	975
Less: Cumulative Share of Loss of from Associate	(74)
Closing value of Investment	**901**

Particulars	March 31, 2022
Current assets	330
Non-current assets	470
Current liabilities	-
Non-current liabilities	(7)
Equity	**793**
Proportion of the Group's ownership	16.29%
Group's share in the Equity of the associate	129

Particulars	Year ended March 31, 2022
Operating Income	256
Expenses	767
Profit before tax	**(511)**
Income tax expense	-
Profit for the year (continuing operations)	(511)
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	-
Total comprehensive income for the year (continuing operations)	**(511)**
Group's share of loss for the year	**(74)**
Adjustment relating to prior periods	**-**
Group's share of loss considered in the consolidated statement of Profit and loss for the year ended March 31, 2022	**(74)**

Note : 47

Note : 47.1 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.

₹ in lakhs

Particulars	March 31, 2022		March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	2,69,884	2,69,884	1,48,036	1,48,738
Bank balances Other than Cash and Cash Equivalents	1,60,300	1,60,300	3,79,941	3,79,239
Receivables				
i) Trade Receivables	7,131	7,131	5,660	5,660
ii) Other Receivables	8,964	8,963	4,211	4,211
Loans	74,14,471	75,16,453	65,83,934	68,38,189
Investments other than associates	1,57,643	1,38,665	1,55,925	1,48,239
Other Financial Assets	33,522	36,748	56,804	59,445
Total Financial Assets	**80,51,915**	**81,38,144**	**73,34,511**	**75,83,721**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 47.1 FAIR VALUE OF FINANCIAL INSTRUMENTS (Contd.)

₹ in lakhs

Particulars	March 31, 2022		March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities				
Payables				
i) Trade Payables - Due to MSME	306	306	-	-
ii) Trade Payables - Other than MSME	12,453	12,453	9,859	9,859
iii) Other Payables	72,000	72,212	54,278	54,278
Debt Securities	13,32,110	13,32,560	12,35,767	12,36,047
Borrowings (Other than Debt Securities)	52,00,452	52,48,454	47,18,226	47,15,550
Subordinated Liabilities	3,84,788	3,86,858	4,19,006	4,20,811
Other Financial Liabilities	33,952	33,951	34,592	34,592
Total Financial Liabilities	**70,36,061**	**70,86,794**	**64,71,728**	**64,71,137**

The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.

Note 47.2 Fair value hierarchy

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.

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 of investment in Government securities are derived from rate near to the reporting date of the comparable product.

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2022

₹ in lakhs

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	2,688	2,688	-	-
FVTPL Equity Instruments	600	-	-	600
Derivative financial instruments	18,653	-	18,653	-
Assets for which fair values are disclosed				
Loans	74,14,471	-		75,16,453
Investments in Government Securities	1,57,643	-	1,46,905	-
Investment Properties *	13	-	-	304

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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 47.2 FAIR VALUE HIERARCHY (Contd.)

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2022 — ₹ in lakhs

Particulars	Carrying Value	Fair value measurement using: Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	16,956	-	16,956	-
Liabilities for which fair values are disclosed				
Debt Securities	13,32,110	-	13,32,560	-
Borrowings (Other than Debt Securities)	52,00,452	-	52,48,454	-
Subordinated Liabilities	3,84,788	-	3,86,858	-

There have been no transfers between different levels during the period.

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2021 — ₹ in lakhs

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 measured at Fair value				
FVTOCI Equity Instruments	1,046	1,046		-
Derivative financial instruments	288	-		288
Derivative financial instruments	4,587	-	4,587	-
Assets for which fair values are disclosed				
Loans	65,83,934	-		68,38,189
Investment in Government Securities	1,55,925		1,46,905	
Investment Properties *	14	-	-	304

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, 2021 — ₹ in lakhs

Particulars	Carrying Value	Fair value measurement using: Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	12,742	-	12,742	-
Liabilities for which fair values are disclosed				
Debt Securities	12,35,767	-	12,36,407	-
Borrowings (Other than Debt Securities)	47,18,226	-	47,15,550	-
Subordinated Liabilities	4,19,006	-	4,20,811	-

There have been no transfers between different levels during the period.

Note 47.3 Summary of Financial assets and liabilities which are recognised at amortised cost — ₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Financial Assets		
Cash and Cash Equivalents	2,69,884	1,48,036
Bank balances other than Cash and Cash Equivalents	1,60,300	3,79,941
Loans	74,13,721	65,83,934
Investments other than associates	1,57,643	1,55,925
Other Financial Assets	33,522	56,804
Financial Liabilities		
Debt Securities	13,32,110	12,35,767
Borrowings (Other than Debt Securities)	52,00,452	47,18,226
Subordinated Liabilities	3,84,788	4,19,006
Other Financial liabilities	33,952	34,592

47.4 Refer Note 15 for sensitivity analysis for investment property, whose fair value is disclosed under the level 3 category.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 48 ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

As at March 31, 2022 ₹ in lakhs

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
Financial Assets								
Cash and Cash Equivalents	2,67,881	-	-	-	-	-	-	**2,67,881**
Bank balances other than Cash and Cash Equivalents	1,19,461	877	1,807	6,576	20,453	11,188	6,913	**1,67,275**
Derivative financial instruments	-	7,512	42	-	3,297	-	7,802	**18,653**
Receivables								
i) Trade Receivables	7,131	-	-	-	-	-	-	**7,131**
ii) Other Receivables	9,554	-	-	-	-	-	-	**9,554**
Loans	5,05,483	6,05,792	7,51,804	14,11,269	38,93,382	15,27,171	22,97,827	**1,09,92,728**
Investments								
i) Associate and Joint Venture	-	-	-	-	-	-	47,862	**47,862**
ii) Others	-	1,136	3,722	4,857	20,028	19,428	1,13,876	**1,63,047**
Other Financial Assets	2,741	2,270	2,853	5,018	12,724	6,527	7,522	**39,655**
Total Undiscounted financial assets financial assets	**9,12,251**	**6,17,587**	**7,60,228**	**14,27,720**	**39,49,884**	**15,64,314**	**24,81,802**	**1,17,13,786**
Financial Liabilities								
Derivative financial instruments	-	481	593	1,093	5,541	5,862	3,387	**16,957**
Payables								
(I) Trade Payables		-	-	-	-	-	-	-
i) Total outstanding dues of micro and small enterprises	306	-	-	-	-	-	-	**306**
ii) Total outstanding dues of creditors other than micro and small enterprises	13,043	-	-	-	-	-	-	**13,043**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	71,997	-	-	-	3	-	-	**72,000**
Debt Securities	83,327	1,35,620	1,48,533	2,74,480	6,85,141	1,18,828	-	**14,45,929**
Borrowings (Other than Debt Securities)	1,62,933	4,28,998	6,07,371	8,85,678	26,25,680	9,79,335	70,401	**57,60,396**
Subordinated Liabilities	274	6,788	24,079	44,604	1,37,511	67,562	14,37,012	**17,17,830**
Other Financial Liabilities	22,901	969	1,381	2,304	6,603	1,456	-	**35,614**
Total Undiscounted financial liabilities	**3,54,781**	**5,72,856**	**7,81,957**	**12,08,159**	**34,60,479**	**11,73,043**	**15,10,800**	**90,62,075**
Total net Undiscounted financial assets/(liabilities)	**5,57,470**	**44,731**	**(21,729)**	**2,19,561**	**4,89,405**	**3,91,271**	**9,71,002**	**26,51,711**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 48 ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES (Contd.)

As at March 31, 2021 ₹ in lakhs

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
Financial Assets								
Cash and Cash Equivalents	1,59,322		-	-	-	-	-	**1,59,322**
Bank balances other than Cash and Cash Equivalents	96,373	1,02,355	1,36,807	4,033	13,043	10,571	11,444	**3,74,626**
Derivative financial instruments	-	-	-	-	-	-	4,587	**4,587**
Receivables								
i) Trade Receivables	5,660	-	-	-	-	-	-	**5,660**
ii) Other Receivables	4,211	-	-	-	-	-	-	**4,211**
Loans	5,02,874	5,38,796	7,04,685	13,47,385	37,59,707	13,26,678	19,71,659	**1,01,51,784**
Investments								
i) Associate	-	-	-	-	-	-	2,424	**2,424**
ii) Others	-	1,135	3,722	4,857	19,716	19,428	1,07,068	**1,55,926**
Other Financial Assets	4,605	12,851	4,368	7,535	18,303	10,630	10,810	**69,102**
Total Undiscounted financial assets	**7,73,045**	**6,55,137**	**8,49,582**	**13,63,810**	**38,10,769**	**13,67,307**	**21,07,992**	**1,09,27,642**
Financial Liabilities								
Derivative financial instruments	-	-	-	-	-	-	12,742	**12,742**
Payables	-	-	-	-	-	-	-	
(I) Trade Payables		-	-	-	-	-	-	-
i) Total outstanding dues of micro and small enterprises		-	-	-	-	-	-	**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	9,859	-	-	-	-	-	-	**9,859**
(II) Other Payables	-	-	-	-	-	-	-	
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	54,278	-	-	-	-	-	-	**54,278**
Debt Securities	1,13,137	2,70,683	1,08,618	1,48,066	5,52,907	1,60,428	2,712	**13,56,551**
Borrowings (Other than Debt Securities)	1,59,219	3,08,806	7,48,826	7,09,140	25,22,320	6,94,544	1,10,157	**52,53,012**
Subordinated Liabilities	273	37,967	12,769	78,271	1,66,250	76,319	15,33,381	**19,05,230**
Other Financial Liabilities	41,066	913	1,302	2,069	10,402	583	-	**56,335**
Total Undiscounted financial liabilities	**3,77,832**	**6,18,369**	**8,71,515**	**9,37,546**	**32,51,879**	**9,31,874**	**16,58,992**	**86,48,007**
Total net Undiscounted) financial assets/(liabilities)	**3,95,213**	**36,768**	**(21,933)**	**4,26,264**	**5,58,890**	**4,35,433**	**4,49,000**	**22,79,635**

Note : 49 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES

The Group has taken office premises 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:

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 49 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)

Other Disclosures

(i) Movement in the carrying value of the Right to Use Asset

₹ in lakhs

Particulars - Buildings	As on March 31, 2022	As on March 31, 2021
Opening Balance	7,922	11,030
Depreciation charge for the Period	(4,470)	(4,634)
Additions during the Period	7,041	1,563
Adjustment/Deletion	(527)	(37)
Closing Balance	**9,966**	**7,922**

(ii) Classification of current and non current liabilities of the lease liabilities

Particulars	As on March 31, 2022	As on March 31, 2021
Current liablities	4,709	4,450
Non Current Liabilities	6,327	4,803
Total Lease liabilities	**11,036**	**9,253**

(iii) Movement in the carrying value of the Lease Liability

Particulars	As on March 31, 2022	As on March 31, 2021
Opening Balance	9,253	12,425
Interest Expense	884	958
Lease Payments [Total Cash Outflow]	(5,470)	(5,026)
Short term rent concession	(112)	(630)
Additions during the year	7,041	1,563
Adjustment/Deletion	(560)	(37)
Closing Balance	**11,036**	**9,253**

(iv) Contractual Maturities of Lease liability outstanding

Particulars	As on March 31, 2022	As on March 31, 2021
Less than one year	5,013	4,618
One to five Years	7,691	5,780
Total	**12,704**	**10,398**

(v) The following are the amount recognised in the Profit or Loss statement

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Depreciation expense of right-of-use assets	4,470	4,634
Interest expense on lease liabilities	884	958
Expense relating to short-term leases (included in other expenses)	-112	3
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	**5,242**	**5,595**

Lease expenses relating to short term leases aggregated to ₹ 119 Lakhs during the year ended March 31, 2022

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 to provide flexibility in managing the leased-asset portfolio and align with Group's business needs. Management 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 forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 50 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, 2022 AND MARCH 31, 2021

As at March 31, 2022

₹ in lakhs

Name of the entities	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
I. Parent								
Cholamandalam Investment and Finance Company Limited	95%	11,16,752	100%	2,14,522	89%	12,123	99%	2,26,645
II. Subsidiaries								
Cholamandalam Securities Limited	0%	5,762	0%	548	10%	1,336	1%	1,884
Cholamandalam Home Finance Limited	1%	6,223	0%	819	1%	168	0%	987
Minority Interests in all subsidiaries	0%	0	0%	0	0%	0	0%	-
III. Joint Venture (Investment as per equity method)								
Payswiff Technologies Private Limited	4%	44,560	0%	(441)	0%	0	0%	(441)
IV. Associates (Investment as per equity method)								
White Data Systems India Private Limited	0%	2,702	0%	(22)	0%	0	0%	(22)
Vishvakarma Payments Private Limited	0%	0	0%	0	0%	0	0%	0
Paytail Commerce Private Limited	0%	901	0%	(75)	0%	0	0%	(75)
	100%	**11,76,900**	**100%**	**2,15,351**	**100%**	**13,627**	**100%**	**2,28,978**

As at March 31, 2021

Name of the entities	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
I. Parent								
Cholamandalam Investment and Finance Company Limited	99%	9,48,743	100%	1,51,410	119%	(3,478)	99%	1,47,932
II. Subsidiaries								
Cholamandalam Securities Limited	0%	3,437	0%	492	-6%	175	0%	667
Cholamandalam Home Finance Limited	1%	5,376	0%	236	-13%	379	0%	615
Minority Interests in all subsidiaries	0%	0	0%	0	0%	0	0%	-
III. Associates (Investment as per equity method)								
White Data Systems India Private Limited	0%	2,424	0%	(53)	0%	0	0%	(53)
Vishvakarma Payments Private Limited	0%	0	0%	0	0%	0	0%	0
	100%	**9,59,980**	**100%**	**1,52,085**	**100%**	**(2,924)**	**100%**	**1,49,161**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 51ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III

Part 1 -Ageing Analysis

A. Trade Receivables ageing schedule as on March 31,2022

₹ in lakhs

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	7,005	54	1	23	-	7,083
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	2	5	4	5	32	48
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**7,007**	**59**	**5**	**28**	**32**	**7,131**

B. Trade Receivables ageing schedule as on March 31, 2021

Particulars	Outstanding for following periods from due date of transcation					
	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	5,363	253	-	-		5,616
(ii) Undisputed Trade Receivables - which have significant increasein credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	1	4	5	9	25	44
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**5,364**	**257**	**5**	**9**	**25**	**5,660**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 51 ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III (Contd.)

C. CWIP ageing schedule as on March 31,2022

₹ in lakhs

Capital-work-in-progress	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	2,303				2,303
Projects Temporarily Suspended	-	-	-	-	-

Note: The amount pertains to one project which is expected to be completed by Dec 2022

D. Intangible assets under development ageing schedule as on March 31, 2022

Intangible assets under development	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	1,017	284	85	46	1,432
Projects Temporarily Suspended					-

E. Intangible assets under development ageing schedule as on March 31, 2021

Intangible assets under development	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	478	338	141	34	991
Projects Temporarily Suspended					-

F. Trade Payables ageing schedule as on March 31, 2022

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) MSME	306				306
(ii) Others	12,402	5	7	39	12,453
(iii) Disputed dues - MSME					-
(iv) Disputed dues - Others					-
Total	**12,708**	**5**	**7**	**39**	**12,759**

G. Trade Payables ageing schedule as on March 31, 2021

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) MSME					-
(ii) Others	9,671	12	22	37	9,742
(iii) Disputed dues - MSME					-
(iv) Disputed dues - Others		117			117
Total	**9,671**	**129**	**22**	**37**	**9,859**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 51 ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III

Part - II - Other Disclosures
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.
Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
As per the information available, the Group has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
The Group being an non-banking finance company, as part of its normal business, grants loans and advances to its customers, other entities and persons ensuring adherence to all regulatory requirements. Further, the company 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.
Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2022

Note : 52 EVENTS AFTER REPORTING DATE

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

For **Price Waterhouse LLP**
Chartered Accountants
ICAI Firm Regn No. : **301112E/ E30026**

A.J. Shaikh
Partner
Membership No. : 221268

For **Sundaram and Srinivasan**
Chartered Accountants
ICAI Firm Regn No. : **004207S**

S. Usha
Partner
Membership No. : **211785**

Date : May 5, 2022
Place : Chennai

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Independent Auditor's Report

To the Members of Cholamandalam Investment and Finance Company Limited

Report on the Audit of the Standalone financial statements

Opinion

1 We have audited the accompanying standalone financial statements of Cholamandalam Investment and Finance Company Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 9 of the standalone financial statements) The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to INR 76,47,789 lakhs and the associated impairment allowances aggregating to INR 2,32,868 lakhs are significant to the standalone 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.	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 our 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.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
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.	• 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 Standalone Financial Statements.
Assessment of Direct tax and Indirect tax litigations and related disclosure of contingent liabilities (Refer to Note 38 (a) of the Standalone Financial Statements) As at March 31, 2022, the Company has exposure towards litigations relating to various tax matters as set out in the aforesaid Notes. Significant management judgement is required to assess matters relating to direct tax and indirect tax litigations, to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a Key Audit Matter.	Our audit procedures included the following: • We understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to direct and indirect tax laws and regulations ; • We inquired with management the recent developments and the status of the material litigations which were reviewed and noted by the Audit Committee; • We performed our assessment on a test check basis on the underlying calculations supporting the contingent liabilities related to litigations disclosed in the Standalone Financial Statements; • We used auditor's expert to gain an understanding and to evaluate the disputed tax matters; • We considered external legal opinions, where relevant, obtained by management and examined by the auditor's expert; • We obtained the listings from the management and got it reconfirmed from management's consultants; • We evaluated the adequacy of presentation and disclosures in relation to litigations in the Standalone Financial Statements.
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. 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	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 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. 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.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
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; and the complexity of the IT architecture; and its impact on the financial records and financial reporting process of the entity.	• 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 compensating controls or performed alternative audit procedures, where necessary.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (Financial Highlights, Board's report, Management Discussion and Analysis and Report on Corporate Governance), but does not include the standalone financial statements and our auditor's 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Independent Auditor's Report (Contd.)

Auditor's responsibilities for the audit of the standalone financial statements

8. Our objectives are to obtain reasonable assurance about 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.

9. 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

11. 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.

12. 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.

Other Matter

13. The standalone financial statements of the Company for the year ended March 31, 2021, were audited by another firm of chartered accountants under the Companies Act, 1956/ Act who, vide their report dated May 07, 2021, expressed an unmodified opinion on those standalone financial statements.

    Our opinion is not modified in respect of above matter.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. 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.

Independent Auditor's Report (Contd.)

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows 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 Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38(a) to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7 and Note 9 to the standalone financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50A Part II - Other Disclosures to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50A Part II - Other Disclosures to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Sundaram and Srinivasan
Chartered Accountants
Firm Registration No. : 004207S

S. Usha
Partner
Membership No. : 211785
UDIN : 22211785AIKTFO9980

Place : Chennai
Date : May 5, 2022

For Price Waterhouse LLP
Chartered Accountants
Firm Registration No. : 301112E /E300264

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 22203637AIKXQO1770

Place : Chennai
Date : May 5, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as at the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Cholamandalam Investment and Finance Company Limited ("the Company") as of March 31, 2022 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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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.

Annexure A to Independent Auditor's Report (Contd.)

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as at the year ended March 31, 2022

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Sundaram and Srinivasan
Chartered Accountants
Firm Registration No. : 004207S

S. Usha
Partner
Membership No. : 211785
UDIN : 22211785AIKTFO9980

Place : Chennai
Date : May 5, 2022

For Price Waterhouse LLP
Chartered Accountants
Firm Registration No. : 301112E /E300264

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 22203637AIKXQO1770

Place : Chennai
Date : May 5, 2022

Annexure B to Independent Auditor's Report

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2022

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Notes 13 and 14 to the standalone financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise (Refer Note 50A to the standalone financial statements).

ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. (Also refer Note 18.1 (vi) to the financial statements)

iii. (a) The Company is registered with Reserve Bank of India (RBI) under section 45-IA as a non- banking financial company, and its principal business is to give loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable to the Company

(b) Based on our examination and the information and explanations given to us, in respect of investments/ guarantees/ securities/ loans/ advances in nature of loan, in our opinion, the terms and conditions under which such loans were granted/ investments were made/ guarantees provided/ security provided are not prejudicial to the Company's interest.

(c) In respect of the loans/ advances in nature of loan, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Considering that the Company is a non-banking financial company engaged in the business of granting loans majorly to retail customers for vehicle finance, affordable housing etc., the entity-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been reported because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable. The Company has recognised provisions against the above loans, in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (refere Note 9 and 53 to the financial statements).

(d) In respect of the loans/ advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2022 is ₹ 3,48,118 lakhs. In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon. Refer Note 9.2 in the standalone financial statements for details of number of cases and the amount of principal and interest overdue as at March 31, 2022.

(e) This Company is registered with the Reserve Bank of India (RBI) under section 45-IA as a non- banking financial company, and its principal business is to give loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.

(f) The loans/advances in nature of loans granted during the year, including to promoters/related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.

Annexure B to Independent Auditor's Report (Contd.)

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2022

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and sub-section (1) of Section 186 of the Act in respect of the loans and investments made and guarantees and security provided by it. The provisions of sub-sections (2) to (11) of Section 186 are not applicable to the Company as it is a non-banking financial company registered with the RBI engaged in the business of giving loans.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Further, the provisions of sub-sections (1) of Section 73 are not applicable to the company as it is a non-banking financial company registered with the RBI engaged in the business of giving loans.

vi. The Central Government of India has not specified the maintenance of cost records under sub- section (1) of Section 148 of the Act for any of the products of 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 is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (in ₹ lakhs)	Period to which the amounts relates	Forum where the dispute is pending	Remarks, if any
Income Tax Act, 1961	Tax and interest	20.52	2005-06	Assessing Officer	
Income Tax Act, 1961	Tax and interest	0.11	2008-09	High Court	
Income Tax Act, 1961	Tax and interest	641.49	1990-91, 1991-92, 2009-10	Income Tax Appellate Tribunal	
Income Tax Act, 1961	Tax and interest	58.32	2015-16	Assessing Officer (International Taxation	
Income Tax Act, 1961	Tax and interest	9,951.31	2013-14, 2015-16, 2016-17, 2017-18	CIT (Appeals)	
Bihar Finance Act, 1981	Sales tax	2.19	1992-93, 1993-94	Sales Tax Appellate Tribunal, Jamshedpur	
Delhi Sales Tax Act, 1975	Sales tax	7.58	1991-92	Deputy Commissioner of Sales Tax, Appeals	
Gujarat Sales Tax Act, 1969	Sales tax	2.03	1997-98	Sales Tax Appellate Tribunal, Baroda	
Odisha Value Added Tax Act, 2004	Sales tax	302.56	2007-08 to 2013-14	Odisha Sales Tax Appellate Tribunal	
Rajasthan Sales Tax Act	Sales tax	101.63	2006-07 to 2014-15	Supreme Court	
Rajasthan Sales Tax Act	Sales tax	14.73	2012-13, 2016-17, 2017-18	Assessing Officer	
Tamilnadu General Sales Tax Act, 1959	TNGST and CST	998.80	1995-96	High Court	
Tamilnadu Value Added Tax Act, 2006	Sales tax	392.58	2006-07 to 2013-14	High Court	
Finance Act, 1994	Service tax	19,689.95	2005-06 to 2017-18	CESTAT	
Goods and Services Tax Act, 2018	Goods and Services Tax	10.96	2017-18	Commissioner of GST (Appeals)	

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

Annexure B to Independent Auditor's Report (Contd.)

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2022

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 18.1 (v) to the financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

xiv. (b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as an Non Deposit Taking Systemically Important Investment and Credit Company.

(b) The Company has conducted non-banking financial activities during the year and the Company holds a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group has two CICs as part of the Group has to CICs as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

Annexure B to Independent Auditor's Report (Contd.)

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2022

xviii. There has been resignation of the statutory auditors of the Company during the year. As stated in the resignation letter dated July 30, 2021 of the outgoing statutory auditors, the resignation was pursuant to the "Guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)" issued by RBI on April 27, 2021. We noted no issues, objections or concerns raised by the outgoing statutory auditors in their aforesaid letter.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note X to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act.

(b) In respect of ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under this clause is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Sundaram and Srinivasan
Chartered Accountants
Firm Registration No. : 004207S

S. Usha
Partner
Membership No. : 211785
UDIN : 22211785AIKTFO9980

Place : Chennai
Date : May 5, 2022

For Price Waterhouse LLP
Chartered Accountants
Firm Registration No. : 301112E /E300264

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 22203637AIKXQO1770

Place : Chennai
Date : May 5, 2022

Standalone Balance Sheet As at March 31, 2022

₹ in lakhs

	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial Assets			
Cash and Cash Equivalents	5	2,65,788	1,44,785
Bank Balances other than Cash and Cash Equivalents	6	1,56,220	3,78,403
Derivative financial instruments	7	18,653	4,587
Receivables	8		
i) Trade Receivables		3,247	2,031
ii) Other Receivables		9,554	4,612
Loans	9	74,14,921	65,83,934
Investments	10	2,07,616	1,61,882
Other Financial Assets	11	32,088	53,637
		81,08,087	**73,33,871**
Non- Financial Assets			
Current tax assets(Net)		25,071	14,615
Deferred tax assets (Net)	12	67,143	76,380
Investment Property	13	13	13
Property, Plant and Equipment	14	23,989	20,302
Capital Work in Progress		2,303	-
Intangible assets under development		1,395	982
Intangible assets	15	1,455	1,645
Other Non-Financial Assets	16	6,879	7,034
		1,28,248	**1,20,971**
TOTAL ASSETS		**82,36,335**	**74,54,842**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	7	16,956	12,742
Payables			
(I) Trade Payables			
i) Total outstanding dues of micro and small enterprises	33 & 50A	306	-
ii) Total outstanding dues of creditors other than micro and small enterprises		7,984	5,267
(II) Other Payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total ou tstanding dues of creditors other than micro and small enterprises		71,990	54,239
Debt Securities	17	13,32,110	12,35,767
Borrowings(Other than Debt Securities)	18	52,00,452	47,18,226
Subordinated Liabilities	19	3,84,788	4,19,006
Other Financial Liabilities	20	33,343	33,804
		70,47,929	**64,79,051**
Non-Financial Liabilities			
Current Tax Liabilities(Net)		-	4,225
Provisions	21	11,827	10,958
Other Non-Financial Liabilities	22	5,811	4,577
		17,638	**19,760**
Equity			
Equity Share Capital	23A	16,428	16,407
Other Equity	23B	11,54,340	9,39,624
		11,70,768	**9,56,031**
TOTAL LIABILITIES AND EQUITY		**82,36,335**	**74,54,842**

This is the Standalone Statement of Balance Sheet referred to in our report of even date

The accompanying notes are integral part of the Standalone financial statements

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

Date : May 5, 2022
Place : Chennai

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Standalone Statement of Profit and Loss for the year ended March 31, 2022

₹ in lakhs

	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations			
Interest Income	24A	9,56,681	9,22,416
Fee Income	24B	38,374	20,685
Net gain on fair value change on financial instruments	24C	1,299	463
Sale of Services	24D	8,475	8,037
Total Revenue from operations (I)		**10,04,829**	**9,51,601**
Other Income (II)	25	9,048	5,955
Total Income (III) = (I) + (II)		**10,13,877**	**9,57,556**
Expenses			
Finance costs	26	4,29,882	4,57,591
Impairment of financial Instruments (Net)	27	88,030	1,37,777
Employee benefits expense	28	89,453	74,853
Depreciation and amortisation expense	13, 14 & 15	9,735	9,830
Other expenses	29	1,07,683	73,661
Total Expenses (IV)		**7,24,783**	**7,53,712**
Profit before tax (V) = (III) - (IV)		**2,89,094**	**2,03,844**
Tax expense/(benefit)			
- Current tax		69,196	75,086
- Adjustment of tax relating to earlier periods		68	394
- Deferred tax		5,159	(23,127)
Net tax expense (VI)		74,423	52,353
Profit for the year - A = (V) - (VI)		**2,14,671**	**1,51,491**
Other Comprehensive income:			
i) Items that will not be reclassified to profit or loss:			
Re-measurement gains / (losses) of Post employment benefit Obligations (net)		5	(127)
Income tax impact		(1)	32
ii) Items that will be reclassified to profit or loss:			
Net Gain On Cashflow Hedge Reserve	42.8	16,197	(4,521)
Income tax impact		(4,077)	1,138
Other comprehensive income/(loss) net of tax for the year (B)		**12,124**	**(3,478)**
Total comprehensive income net of tax for the year (A + B)		**2,26,795**	**1,48,013**
Earnings per equity share of ₹ 2 each	30		
Basic (₹)		26.16	18.48
Diluted (₹)		26.11	18.45

The accompanying notes are integral part of the Standalone financial statements

This is the Standalone Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

Date : May 5, 2022
Place : Chennai

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Standalone Statement of Changes in Equity for the year ended March 31, 2022

₹ in lakhs

A) Equity Share Capital

Balance as at March 31, 2021	Changes in Equity Share capital due to prior year errors	Restated Balance at the beginning of the current reporting year	Changes in Equity share capital during the current year	Balance as at March 31, 2022
16,407	-	16,407	21	16,428

B) Other Equity (Refer Note 23B)

₹ in lakhs

Particulars	Reserve and Surplus											Total
	Share application Money Pending for allotment	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share based Payments Reserve	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive income	Effective portion of cashflow hedge	
Balance as at March 31, 2021	**-**	**4**	**2,86,605**	**3,300**	**3,73,913**	**1,24,021**	**1,59,046**	**3,445**	**-**	**(129)**	**(10,581)**	**9,39,624**
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	**-**	4	2,86,605	3,300	3,73,913	1,24,021	1,59,046	3,445		(129)	(10,581)	**9,39,624**
Remeasurement of defined benefit plans	-	-	-	-	-	4		-		-	-	**4**
Total comprehensive income for the period, net of income tax	-	-	-	-	-	-		-		-	12,120	**12,120**
Dividend including tax	-	-	-	-	-	(16,414)		-		-	-	**(16,414)**
Transfer to retained earnings						2,14,671						**2,14,671**
Changes during the period	-	-	2,287	-	-	-		2,048		-	-	**4,335**
Transfer to reserves from Retained earnings during the year	-		-	-	1,00,000	(1,43,000)	43,000	-		-	-	**-**
Balance as at March 31, 2022	**-**	**4**	**2,88,892**	**3,300**	**4,73,913**	**1,79,282**	**2,02,046**	**5,493**	**-**	**(129)**	**1,539**	**11,54,340**

Standalone Statement of Changes in Equity for the year ended March 31, 2022 (Contd.)

₹ in lakhs

Standalone Statement of Changes in Equity for the year ended March 31, 2021

Previous reporting period

A) Equity Share Capital

Balance as on March 31, 2020	Changes in Equity Share capital due to prior year errors	Restated Balance at the beginning of the current reporting year	Changes in Equity share capital during the current year	Balance as on March 31, 2021
16,398	-	16,398	9	16,407

B) Other Equity (Refer Note 23B)

₹ in lakhs

Particulars	Reserve and Surplus											Total
	Share application Money Pending for allotment	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share based Payments Reserve	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive income	Effective portion of cashflow hedge	
Balance as at March 31, 2020	**10**	**4**	**2,85,678**	**3,300**	**2,98,777**	**89,281**	**1,28,046**	**3,017**	**-**	**(129)**	**(7,198)**	**8,00,786**
Changes in accounting policy /prior period errors	-	-	-	-	-	-	-	-	-	-	-	**-**
Restated Balance at the beginning of the current reporting period	**10**	**4**	**2,85,678**	**3,300**	**2,98,777**	**89,281**	**1,28,046**	**3,017**	**-**	**(129)**	**(7,198)**	**8,00,786**
Remeasurement of defined benefit plans	-	-	-	-	-	**(95)**	-	-	-	-	-	**(95)**
Total comprehensive income for the period, net of income tax	-	-	-	-	-	-		-	-	-	(3,383)	**(3,383)**
Dividend including tax	-	-	-	-	-	(10,656)	-	-	-	-	-	**(10,656)**
Transfer to retained earnings	-	-	-	-	-	1,51,491	-	-	-	-	-	**1,51,491**
Changes during the period	(10)		927	-	136	-	-	428	-	-	-	**1,481**
Transfer to reserves from Retained earnings during the year	-	-	-	-	75,000	(1,06,000)	31,000	-	-	-	-	**-**
Balance as at March 31, 2021	**-**	**4**	**2,86,605**	**3,300**	**3,73,913**	**1,24,021**	**1,59,046**	**3,445**	**-**	**(129)**	**(10,581)**	**9,39,624**

The accompanying notes are integral part of the Standalone financial statements

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

Date : May 5, 2022
Place : Chennai

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Standalone Cash Flow Statement for the year ended March 31, 2022

₹ in lakhs

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
Cash Flow from Operating Activities				
Profit Before Tax		**2,89,094**		**2,03,844**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	9,735		9,830	
Impairment of financial instruments	88,030		1,37,777	
Finance Costs	4,29,882		4,57,591	
Loss on Sale of Property, plant and equipment (Net)	7		54	
Net gain on fair value change in financial instrument	(1,299)		(463)	
Interest Income on bank deposits and other investments	(24,168)		(34,694)	
Interest on Income Tax Refund	(662)		(336)	
Short Term Rent Concessions	(112)		(630)	
Share based payment expense	2,020		561	
		5,03,433		5,69,690
Operating Profit Before Working Capital Changes		7,92,527		7,73,534
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(9,19,017)		(11,81,438)	
Trade receivables	(6,158)		(769)	
Other Financial Assets	21,549		(14,961)	
Other Non Financial Assets	155	(9,03,471)	(1,917)	(11,99,085)
Increase/(Decrease) in operating liabilities and provisions				
Payables	20,807		20,699	
Other Financial liabilities	(2,551)		6,756	
Provisions	869		1,882	
Other Non Financial liabilities	1,234	20,359	1	29,338
Cash Flow used in Operations		(90,585)		(3,96,213)
Finance Costs paid	(4,11,731)		(4,54,564)	
Interest Received on Bank Deposits and other investments	26,042		35,399	
		(3,85,689)		(4,19,165)
		(4,76,274)		(8,15,378)
Income tax paid (Net of refunds)		(84,478)		(70,326)
Net Cash Used in Operating Activities (A)		**(5,60,752)**		**(8,85,704)**
Cash Flow from Investing Activities				
Purchase of Property, plant and Equipment and Intangible Assets	(7,092)		(3,111)	
Capital Work in Progress	(2,303)		-	
Proceeds from Sale of Property, plant and equipment	192		150	
Investment in Subsidiaries/Associates	(45,976)		-	
Purchase of Mutual Funds Units	(42,11,289)		(17,68,421)	
Redemption of Mutual Funds Units	42,12,589		17,68,884	
Movement of Investment (net)	242		(1,54,590)	
Investment in Bank Fixed Deposits (net of withdrawals)	2,20,305		(18,800)	
Net Cash Used in Investing Activities (B)		**1,66,668**		**(1,75,888)**

Standalone Cash Flow Statement for the year ended March 31, 2022

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital (Including Securities Premium)	2,308	936
Payment of Lease liabilities	(5,411)	(4,914)
Proceeds from issue of Debt securities	9,50,140	18,76,079
Redemption of Debt securities	(8,43,426)	(13,75,181)
Proceeds from Borrowing other than debt securities	25,27,481	48,56,670
Repayment of Borrowings other than debt securities	(20,66,818)	(44,52,011)
Proceeds from issue of subordinated liabilities	54,500	14,500
Repayment of subordinated liabilities	(87,270)	(34,650)
	5,34,607	8,85,407
Dividends Paid	(16,417)	(10,655)
Net Cash From Financing Activities (C)	**5,15,087**	**8,70,774**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**1,21,003**	**(1,90,818)**
Cash and Cash Equivalents at the Beginning of the Year	1,44,785	3,35,603
Cash and Cash Equivalents at the End of the Year	2,65,788	1,44,785
Components of Cash and Cash Equivalents:		
Cash on hand	1,603	3,179
Balances with banks		
- In Current Accounts	11,506	1,38,636
- In Deposit Accounts - Original maturity of 3 months or less	2,50,034	-
Cheques, drafts on hand	2,645	2,970
Total	**2,65,788**	**1,44,785**

The accompanying notes are integral part of the Standalone financial statements

This is the Standalone Cash Flow Statement referred to in our report of even date.

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Date : May 5, 2022
Place : Chennai

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

1. Corporate information

Cholamandalam Investment and Finance Company Limited ("the Company") (CIN L65993TN1978PLC007576) is a public limited Company domiciled in India. The Company is listed on Bombay Stock Exchange and National Stock Exchange. The Company is one of the premier diversified non-banking finance companies in India, engaged in providing vehicle finance, home loans and Loan against property.

The standalone financial statements are presented in INR which is also functional currency of the Company.

2.1 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 (FVOCI) instruments, fair value through Profit and Loss (FVTPL) instruments, derivative financial instruments and certain other financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments)

In the preparation of the financial statements, Management makes estimates and assumptions considered in that affect reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

The standalone financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

The regulatory disclosures as required by Master Directions for Non-Banking Financial Company - Systemically Important Non-Deposit taking Company Directions, 2016 issued by the RBI ('RBI Master 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 13, 2020.

2.2 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 the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

3. Significant accounting policies

3.1 Financial instruments – initial recognition

3.1.1 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 Company becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared by the Company (as per the terms of the agreement with the borrowers) or when the Company assumes unconditional obligations to release the disbursement amount to third party on the direction of the borrower, whichever is earlier. The Company recognises debt securities and borrowings when funds reach the Company.

3.1.2 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 FVTPL (Fair value through profit and loss). Transaction costs/fees which are directly attributable to acquisition of financial assets or financial liabilities are recognised immediately in statement of profit and loss in case of instruments measured at FVTPL and or , are added to, or subtracted from, this amount for other categories.

3.1.3 Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets and financial liabilities based on the business model for

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- FVTPL
- FVOCI

3.2 Financial assets and liabilities

3.2.1 Bank balances, Loans, Trade receivables and financial investments at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- 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.

3.2.1.1 Business model assessment

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

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

- 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
- 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
- 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)
- 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.

3.2.1.2 The SPPI test

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

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

Contractual terms that introduce exposure to risk or volatility in contractual cashflow that are unrelated to a basic lending arrangement do not give to contractual cashflows that are SPPI, such financial assets are either classified as FVTPL /FVOCI

3.2.2 Investment in Mutual funds

The Company recognises the investment on trade date and is classified and measured, at fair value through profit or loss. Any gain/losses on disposal or subsequent re-measurement is recognised in the statement of Profit and Loss.

3.2.3 Equity instruments

Investment in Subsidiaries and Joint Ventures are carried at Cost in the Separate Financial Statements as permitted under Ind AS 27.

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

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits

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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.

3.2.4 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 into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

3.2.5 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

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 together with the corresponding ECLs are disclosed in notes.

3.3 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

3.4 Derecognition of financial assets and liabilities

3.4.1 Derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset 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 company 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 financial asset is modified the company assesses whether this modification results in derecognition. In accordance with the company's policy, a modification results in derecognition when it gives rise to substantially different terms. When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the financial asset is considered as impaired, which is reviewed after a period of 12 months from the date of modification. In case of modifications done in compliance with regulatory guidelines/ directives, the financial asset's risk is considered to have increased significantly since initial recognition. Where a modification does not lead to derecognition, the company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance).

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.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset

  Or

- It retains 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.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities, when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

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A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset

  Or

- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

  The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

  When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

  Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

  In case where transfer of a part of financial assets qualifies for de-recognition, 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 financial asset previously carried under amortisation cost category. The resulting interest only strip initially is recognised at FVTPL and re-assessed at the end of every reporting period.

3.4.2 Financial liabilities

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

3.5 Impairment of financial assets

3.5.1 Overview of the ECL principles

The Company records allowance for expected credit losses for all financial assets other than FVTPL, together with loan commitments. Equity instruments are not subject to impairment.

Loans

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) as outlined in Notes.

The 12mECL is 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.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument'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 Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company 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 Company 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 Company records an allowance for the LTECLs.

3.5.2 The calculation of ECLs

The Company 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.

Notes forming part of the Standalone Financial Statements (Contd.)

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The key elements of the ECL are summarised below:

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.

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

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL 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 Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company 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: For loans considered credit-impaired, the Company 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%.

Loan commitment: When estimating LTECLs for undrawn loan commitments, the Company 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 Company follows 'simplified approach' for recognition of impairment loss allowance on other financial assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

3.5.3 Forward looking information

The Company considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, Inflation etc., as considered relevant so as to determine the impact of macro-economic factors on the Company'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.

3.6 Collateral repossessed

The Company 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.

3.7 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference recorded as an expense in the period of write off. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

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3.8 Restructured, rescheduled and modified loans

The Company 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 Company 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 Company also reassesses whether there has been a significant increase in credit risk. The Company 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.

3.9 Derivative and Hedge accounting

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL.

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 profit or 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.

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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 OCI within equity (cash flow hedge reserve).

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

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 remains 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.

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3.10 Recognition of interest income

3.10.1 The effective interest rate method

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 discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

3.10.2 Interest Income

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account the fees and costs that are an integral part of the EIR. For credit-impaired financial assets interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

3.11 Taxes

3.11.1 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 substantively enacted, by the reporting date in the countries where the Company 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.

3.11.2 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.

3.12 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 Company'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.

Though the Company measures investment property using cost based measurement, the fair value of

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investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.13 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.

Useful life of assets as per Schedule II:

Asset Description	Estimated Useful Life
Buildings	60 years
Computer Equipment	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

*The Company, based on technical assessment made by technical expert and management estimate, depreciates Furniture & Fixtures and vehicles 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 in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.14 Intangible assets

The Company's intangible assets mainly include the value of computer software.

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 Company.

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.

3.15 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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised 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 recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.16 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 company operates the following post-employment schemes:

(a) defined contribution plans such as provident fund

(b) defined benefit plans such as gratuity, pension, post-employment medical plans

a) Defined Contribution Scheme

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Employees' State Insurance: The Company 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 Company 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 Company 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 Company makes contribution to a Gratuity Fund administered by trustees and managed by LIC. The Company 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.

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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.

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the 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 Company 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.

3.17 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 Company 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 Company 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 Company'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.

3.18 Provisions and Contingent liabilities

Provisions are recognised only 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.

Provision 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.

3.19 Dividends on ordinary shares

The Company 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 Company. As per the Companies Act, 2013 in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.20 Determination of Fair value

The Company measures financial instruments, such as, derivatives 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- 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 hierarchy of valuation techniques, as summarised below:

- **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.
- **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.
- **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.

3.21 Recognition of Income

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

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

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

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

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

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

3.21.1 Interest on overdue balances and Other Charges

Overdue interest in respect of loans is recognised upon realisation.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

3.21.2 Fee Income & Sale of Service

a) Fee income from loans are recognised upon satisfaction of following:

i) Completion of service

ii) and realisation of the fee income.

b) Servicing and collections fees on assignment are recognised upon completion of service.

c) Advertising income is recognised over the contract period as and when related services are rendered.

3.22 Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company'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 company approve the dividend.

3.23 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.

3.24 Foreign Currency transactions

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities 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.

Foreign exchange differences are regarded as an adjustment to borrowing cost are presented in the statement of profit and loss within finance cost.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.25 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.

3.26 Segment Information

An operating segment is a component of the Company that engages in the business activities from which it may earn revenues and incur expenses , whose operating results are regularly reviewed by Company's executive vice president and Chief Financial officer("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".

3.27 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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

bank overdrafts as they are considered an integral part of cash management of the Company.

3.28 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.

3.29 Leases

The Company's lease asset consists of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company 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 Company 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 Company 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 Company changes its assessment if the whether it will exercise an extension or a termination option.

The Company has opted to presented 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 Company are classified as financing cash flows.

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

4A. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported 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 Company'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 Company from time to time enters into direct bilateral assignment deals, which qualify for de-recognition under Ind AS 109. Accordingly, the assessment of the Company's business model for managing its financial assets becomes a critical judgment.

Further, the Company 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 Company intends to hold these assets till maturity expects that any sale if any necessitated by requirements are likely to be infrequent and immaterial.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Accordingly the related assessment becomes a critical judgement to determine the business model for such financial assets under Ind AS.

Refer Note 3.2.1.1 for related details.

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 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 Company'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:

- The Company'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
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs.

The Company 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. Also refer note 2.3.It has been the Company'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 Company 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 Company 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 Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

4B. New Standards and amendments

(i) Interest Rate Benchmark Reform – Amendments to Ind AS 107 and Ind AS 109:

The Ministry of Corporate Affairs had earlier notified amendments to Ind AS 109, Financial Instruments and Ind AS 107, Financial Instruments: Disclosures which were effective from April 1, 2020 (the Phase 1 amendments). Those amendments provided temporary reliefs from applying specific hedge accounting requirements to relationships affected by IBOR reform.

The amendments to Ind AS 109, Financial Instruments and Ind AS 107, Financial Instruments: Disclosures which are effective from April 1, 2021 (the Phase 2 amendments) address the issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark rate with an alternative one.

The key reliefs provided by the Phase 2 amendments are as follows:

- Changes to contractual cash flows

When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes, that are necessary as a direct consequence of IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in profit and loss.

- Hedge accounting

The hedge accounting reliefs will allow most Ind AS 109 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

This amendment had no significant impact on the financial statements of the Company

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019.

This amendment had no significant impact on the consolidated financial statements of the Company

(ii) COVID-19-related Rent Concessions – Amendments to Ind AS 116

As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. Previously, an amendment to Ind AS 116, Leases provided lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted. Entities applying the practical expedients must disclose this fact, whether the expedient has been applied to all qualifying rent concessions or, if not, information about the nature of the contracts to which it has been applied, as well as the amount recognised in profit or loss arising from the rent concessions. The relief was originally limited to reduction in lease payments that were due on or before 30 June 2021. However, it was subsequently extended to 30 June 2022

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 5 CASH AND CASH EQUIVALENTS		
Cash on hand	1,603	3,179
Balances with banks		
- In Current Accounts	11,506	1,38,636
- In Deposit Accounts - Original maturity of 3 months or less	2,50,034	-
Cheques, drafts on hand	2,645	2,970
Total	**2,65,788**	**1,44,785**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 6 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
- In Deposit Accounts - Original maturity more than 3 months	1,08,302	2,78,758
- In earmarked accounts		
- Margin account for derivatives	13,913	10,585
- In Unpaid Dividend Accounts	71	74
- Deposits with Banks as collateral towards securitisation loan	33,907	31,978
- Deposits with Banks as collateral towards Overdraft facility (Refer note18)	-	57,000
- Escrow account on unclaimed debentures	19	-
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	8	8
Total	**1,56,220**	**3,78,403**

₹ in lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilites	Notional amounts	Fair Value -Assets	Fair Value -Liabilites
Note : 7 DERIVATIVE FINANCIAL INSTRUMENTS						
Part I						
(i) Other derivatives - Cross Currency Interest Rate Swap	1,89,723	10,809	-	2,34,373	2,634	914
(ii) Overnight Index Swaps	-	-	282	-	-	-
(iii) Forward Contracts	1,94,890	7,844	16,674	1,40,286	1,953	11,828
Total Derivative financial Instruments	**3,84,613**	**18,653**	**16,956**	**3,74,659**	**4,587**	**12,742**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cash flow hedging:						
Others - Cross currency interest rate swap	1,89,723	10,809	-	2,34,373	2,634	914
(ii) Interest rate Swaps	-	-	282	-	-	-
(iii) Forward Contracts	1,94,890	7,844	16,674	1,40,286	1,953	11,828
Total Derivative financial Instruments	**3,84,613**	**18,653**	**16,956**	**3,74,659**	**4,587**	**12,742**

The Company has a Board approved policy for entering into derivative transactions. Derivative transaction comprises of Currency, Interest Rate Swaps and forward contracts. The Company undertakes such transactions for hedging interest / foreign exchange risk on borrowing. The Asset Liability Management Committee and Business Committee periodically monitors and reviews the risks involved.
The notional amount for interest rate swap represents the foreign currency borrowing on which Company has entered to hedge the variable interest rate.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 8 RECEIVABLES (Unsecured)		
(i) Trade Receivables		
Considered Good*	3,247	2,031
Subtotal (i)	**3,247**	**2,031**
(ii) Other Receivables		
Considered Good*	9,554	4,612
Subtotal (ii)	**9,554**	**4,612**
Total (i)+(ii)	**12,801**	**6,643**

*Includes dues from related parties (Refer Note 37)
No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.
*Respective ageing was given in note 50A

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 9 LOANS (At amortised cost)		
(A)		
(i) Bills Discounted	37,099	13,417
(ii) Term loans	76,10,690	68,14,958
Total (A) - Gross	**76,47,789**	**68,28,375**
Less: Impairment Allowance for (i) & (ii)	(2,32,868)	(2,44,441)
Total (A) - Net	**74,14,921**	**65,83,934**
(B)		
(i) Secured by tangible assets	75,08,560	67,85,357
(ii) Unsecured	1,39,229	43,018
Total (B) - Gross	**76,47,789**	**68,28,375**
Less: Impairment Allowance for (i) & (ii)	(2,32,868)	(2,44,441)
Total (B) - Net	**74,14,921**	**65,83,934**
(C)		
(I) Loans In India		
(i) Public Sector	-	-
(ii) Others	76,47,789	68,28,375
Less: Impairment Allowance	(2,32,868)	(2,44,441)
Total (C)(I) - Net	**74,14,921**	**65,83,934**

All loans are in India and have been granted to individuals or entities other than public sector

The Company has not granted loans and advances in the nature of loans to Promoters, Directors , Key Managerial Personnel or related parties u/s2(76) either repayable on demand or without specifying terms/period. Refer related party disclosure(Note 37)

Secured indicates loans secured, wholly or partly, by way of hypothecation of automobile assets and / or pledge of securities and / or equitable mortgage of property and / or equipment and including undertaking to create a security.

Term loans includes unsecured short term loans to a subsidiary and associate. These loans have been classified under Stage 1 Category at the various reporting periods and related impairment provision as per the Company's accounting policy has been created. The details of the same are disclosed below:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loan - Outstanding Value		
Cholamandalam Securities Limited	450	-
White Data System India Private Limited	300	340
Impairment Allowance		
Cholamandalam Securities Limited	-	-
White Data System India Private Limited*	*	*

* Represents amount less than ₹ 1,00,000

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 9.1 LOANS

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

₹ in lakhs

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Bills discounted								
Opening as on April 1, 2021	9,678	-	3,739	13,417	57	-	3,434	3,491
New assets originated	33,290	39	-	33,329	270	4	-	274
Exposure de-recognised /matured/repaid	(9,332)	-	(315)	(9,647)	(75)	-	(221)	(296)
Transfer to Stage 1	71	-	(71)	-	21	-	(21)	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(416)	-	416	-	(2)	-	2	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	118	118
Impact of changes on items within the same stage	-	-	-	-	-	-	166	166
Closing as on March 31, 2022	**33,291**	**39**	**3,769**	**37,099**	**271**	**4**	**3,478**	**3,753**
Term loans								
Opening as on April 1, 2021	61,25,086	4,23,110	2,66,762	68,14,958	53,673	70,963	1,16,315	2,40,951
New assets originated	32,21,557	13,708	8,464	32,43,729	16,917	1,359	1,182	19,458
Exposure de-recognised /matured/repaid	(20,99,167)	(2,16,387)	(78,580)	(23,94,134)	(36,643)	(26,255)	(15,211)	(78,109)
Transfer to Stage 1	50,781	(39,278)	(11,503)	-	10,106	(6,801)	(3,305)	-
Transfer to Stage 2	(4,77,609)	4,83,290	(5,681)	-	(7,437)	9,024	(1,587)	-
Transfer to Stage 3	(1,11,057)	(70,302)	1,81,359	-	(2,181)	(12,310)	14,491	-
Impact on account of exposures transferred during the period between stages	117	4,888	7,706	12,711	-	38,427	44,058	82,485
Impact of changes on items within the same stage	19,839	3,205	9,930	32,974	1,311	218	11,617	13,146
Write off*	(31,077)	(20,526)	(47,945)	(99,548)	(1,726)	(8,667)	(38,423)	(48,816)
Closing as on March 31, 2022	**66,98,470**	**5,81,708**	**3,30,512**	**76,10,690**	**34,020**	**65,958**	**1,29,137**	**2,29,115**
Bills Discounted								
Opening as on April 1, 2020	5,142	42	3,414	8,598	31	4	3,173	3,208
New assets originated	9,678	-	430	10,108	57	-	125	182
Exposure de-recognised /matured/repaid	(5,142)	-	(147)	(5,289)	(31)		(103)	(134)
Transfer to Stage 3	-	(42)	42	-	-	(4)	4	-
Impact on account of exposures transferred during the year between stages (net)	-	-	-	-	-	-	38	38
Impact of changes on items within the same stage (net)	-	-	-	-	-	-	197	197
Closing as on March 31, 2021	**9,678**	**-**	**3,739**	**13,417**	**57**	**-**	**3,434**	**3,491**
Term loans								
Opening as on April 1, 2020	52,69,032	2,02,024	2,12,916	56,83,972	39,091	23,342	86,656	1,49,089
New assets originated	24,24,901	15,298	7,604	24,47,803	37,558	6,175	2,704	46,437
Exposure de-recognised /matured/repaid	(11,85,960)	(58,822)	(47,464)	(12,92,246)	(20,161)	(4,487)	(8,028)	(32,676)
Transfer to Stage 1	65,509	(56,814)	(8,695)	-	8,889	(6,055)	(2,834)	-
Transfer to Stage 2	(3,52,885)	3,59,980	(7,095)	-	(8,308)	10,745	(2,437)	-
Transfer to Stage 3	(81,332)	(43,717)	1,25,049	-	(2,120)	(5,357)	7,477	-
Impact on account of exposures transferred during the year between stages	139	10,451	7,862	18,452	112	48,112	34,511	82,735
Impact of changes on items within the same stage	-	-	8,382	8,382	-	-	19,077	19,077
Write off*	(14,318)	(5,290)	(31,797)	(51,405)	(1,388)	(1,512)	(20,811)	(23,711)
Closing as on March 31, 2021	**61,25,086**	**4,23,110**	**2,66,762**	**68,14,958**	**53,673**	**70,963**	**1,16,315**	**2,40,951**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 9.1 LOANS (Contd.)

ECL across stages have been computed on collective basis.

The Company uses Days past due of the customer to determine the credit quality of loans

*Total write off includes Loss on disposal of repossessed vehicles - ₹ 60,124 Lakhs for the year ended March 31, 2022 (₹ 27,211 lakhs -March 31, 2021)

Note : 9.2 OVERDUE GREATER THAN 90 DAYS AS ON MARCH 31, 2022

₹ in lakhs

No. of cases	Principal outstanding	Overdue Instalments*
87,914	2,03,229	1,44,889

*Overdue instalments includes principal amount overdue and interest overdue

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 10 INVESTMENTS		
Investment in Equity Instruments* Unquoted -		
a) Subsidiaries at cost		
Cholamandalam Home Finance Limited 4,24,00,000 Equity shares of ₹10 each fully paid up	4,240	4,240
Cholamandalam Securities Limited 2,25,00,014 Equity shares of ₹ 10 each fully paid up	2,250	2,250
b) Joint Venture		
Payswiff Technologies Private Limited 27,73,227 Equity shares of ₹ 10 each fully paid up	45,001	-
c) Associate at cost		
White Data System India Private Limited 12,75,917 Equity shares of ₹ 10 each fully paid up	800	800
Vishvakarma Payments Private Limited 2,100 Equity shares of ₹ 10 each fully paid up	-	-
Paytail commerce Private limited 27,482 Equity shares of ₹ 10 each fully paid up	975	-
d) Others - Unquoted - FVOCI **		
Amaravathi Sri Venkatesa Paper Mills Limited 2,93,272 Equity shares of ₹ 10 each fully paid up#	-	-
Saraswat Co-operative Bank Limited 1,000 Equity shares of ₹ 10 each fully paid up#	-	-
The Shamrao Vithal Co-operative Bank Limited 1,000 Equity shares of ₹ 25 each fully paid up#	-	-
Chola Insurance Distribution Services Private Limited 19,133 Equity shares of ₹ 10 each fully paid up	2	2
Chennai Willingdon Corporate Foundation 5 shares of ₹ 10 each fully paid up		
e) Investment in Indian Government Securities - amortised cost (Issued by Government of India)	1,54,348	1,54,590
Total	**2,07,616**	**1,61,882**

*Investments are made in India

**The Company has designated certain unquoted equity instruments as FVOCI on the basis that these are not held for trading.

represents amount less than ₹ 1 lakh.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 11 OTHER FINANCIAL ASSETS		
Unsecured - considered good		
At amortised cost		
Security deposits	2,473	2,280
Other advances	678	304
COVID Ex-gratia Claim Receivable	-	9,647
Interest only strip receivable	28,937	41,406
Total	**32,088**	**53,637**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 12 DEFERRED TAX		
Deferred Tax Assets		
Impairment allowance for financial instruments	57,487	61,472
Provision for Contingencies and Undrawn commitments	1,025	1,120
Provision for Compensated Absences and Gratuity	2,105	1,792
Impact of Effective interest rate adjustment on Financial Assets	4,583	6,281
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961.	1,550	1,145
Items recognised in OCI		3,932
Others	703	899
(A)	**67,453**	**76,641**
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	163	261
Items recognised in OCI	147	-
(B)	**310**	**261**
Net Deferred Tax Assets (A) - (B)	**67,143**	**76,380**

₹ in lakhs

	Year ended March 31, 2022 Income Statement	Year ended March 31, 2022 OCI	Year ended March 31, 2021 Income Statement	Year ended March 31, 2021 OCI
Deferred Tax Assets				
Impairment allowance for financial instruments	3,985	-	(23,731)	-
Provision for Contingencies and Undrawn commitments	95	-	(121)	-
Provision for Compensated Absences and Gratuity	(313)	-	(507)	-
Impact of Effective interest rate adjustment on Financial Assets	1,698	-	1,534	-
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961.	(405)	-	(226)	-
Others	197	-	87	-
(A)	**5,257**	**-**	**(22,964)**	**-**
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	98	-	163	-
Re-measurement gains / (losses) on defined benefit plans (net)		(1)	-	32
Cashflow Hedge reserve	-	(4,077)	-	1,138
(B)	**98**	**(4,078)**	**163**	**1,170**
Net deferred tax charge / (reversal) (A) - (B)	**5,159**	**4,078**	**(23,127)**	**(1,170)**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particular	
Note : 13 INVESTMENT PROPERTY	
Gross carrying amount as at April 1, 2020	**14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2021	**14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2022	14
Accumulated depreciation and impairment	
Balance as at April 1, 2020	**-**
Depreciation for the year	1
Depreciation on disposals	-
Balance as at March 31, 2021**	**1**
Depreciation for the year	-
Depreciation on disposals	-
Balance as at March 31, 2022**	**1**
Net Carrying amount	
As at March 31, 2021	**13**
As at March 31, 2022	**13**
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

The Company's investment property consists of 4 properties and has let out one property as at March 31, 2022.

** represents amount less than ₹ 1,00,000

Income earned and expense incurred in connection with investment property

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rental Income	5	4
Direct Operating expense from property that generated rental income	1	1
Direct Operating expense from property that did not generate the 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.

₹ in lakhs

	As at March 31, 2022	As at March 31, 2021
iv) Fair Value		
Investment Property (₹ in Lakhs)	309	304

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair value (₹ in lakhs)	Sensitivity (₹ in lakhs)
v) Sensitivity analysis						
Investment Property As at March 31, 2022	Professional valuer	Price per Sq. feet	₹ 7,000 - 13,000 per Sq. feet	5%	309	15
Investment Property As at March 31, 2021	Professional valuer	Price per Sq. feet	₹ 7,000 - 13,000 per Sq. feet	5%	304	15

vi) The Title Deeds of the Immovable Properties mentioned above are in the name of the company

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	Freehold Land	Computer Equipment	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicles	Buildings (Refer Note below)		Total
							Owned Assets	Right of Use Assets	
Note : 14 PROPERTY, PLANT AND EQUIPMENT									
Gross carrying amount as at April 1, 2020	**3,956**	**8,174**	**2,784**	**2,393**	**4,895**	**1,973**	**2,305**	**14,860**	**41,340**
Additions	-	1,444	164	77	132	205	-	1,504	3,526
Disposals	-	25	24	6	14	398	-	22	489
Gross carrying amount as at March 31, 2021	**3,956**	**9,593**	**2,924**	**2,464**	**5,013**	**1,780**	**2,305**	**16,342**	**44,377**
Additions	-	3,774	263	208	348	1,005	-	7,041	12,639
Disposals	-	552	39	10	16	560	-	291	1,468
Gross carrying amount as at March 31, 2022	**3,956**	**12,815**	**3,148**	**2,662**	**5,345**	**2,225**	**2,305**	**23,092**	**55,548**
Accumulated depreciation / amortisation and impairment									
Balance as at April 1, 2020	**-**	**5,211**	**1,431**	**1,683**	**2,435**	**668**	**123**	**4,190**	**15,741**
Depreciation for the year	-	1,923	527	288	885	387	43	4,553	8,606
Depreciation on disposals	-	18	13	5	11	214	-	11	272
Balance as at March 31, 2021	**-**	**7,116**	**1,945**	**1,966**	**3,309**	**841**	**166**	**8,732**	**24,075**
Depreciation for the year	-	1,976	475	330	824	390	41	4,426	8,462
Depreciation on disposals	-	535	25	10	14	394	-		978
Balance as at March 31, 2022	**-**	**8,557**	**2,395**	**2,286**	**4,119**	**837**	**207**	**13,158**	**31,559**
Net Carrying amount									
As at March 31, 2021	**3,956**	**2,477**	**979**	**498**	**1,704**	**939**	**2,139**	**7,610**	**20,302**
As at March 31, 2022	**3,956**	**4,258**	**753**	**376**	**1,226**	**1,388**	**2,098**	**9,934**	**23,989**
Useful Life of the asset (In Years)		3	5	5	5	5	60	upto 5	
Method of depreciation					Straight-line method				

Note

1. Details of Immovable properties of land and buildings (Owned Assets), whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security, has been explained in Note 17.1
2. The Company 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.
3. The Title Deeds of the Immovable Properties mentioned above are in the name of the company.
4. Company has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2022

₹ in lakhs

Particulars	Computer Software
Note : 15 INTANGIBLE ASSETS	
Gross carrying amount as at April 1, 2020	**6,220**
Additions	1,133
Disposals	-
Gross carrying amount as at March 31, 2021	**7,353**
Additions	1,081
Disposals	-
Gross carrying amount as at March 31, 2022	**8,434**
Accumulated Amortization and impairment	
Balance as at April 1, 2020	**4,473**
Amortization for the year	1,235
Amortization on disposals	-
Balance as at March 31, 2021	**5,708**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 15 INTANGIBLE ASSETS (Contd.)

₹ in lakhs

Particulars	Computer Software
Amortization for the year	1,271
Amortization on disposals	-
Balance as at March 31, 2022	**6,979**
Net Carrying amount	
As at March 31, 2021	**1,645**
As at March 31, 2022	**1,455**
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

1. Company has not carried out any revaluation of intangible assets during the year ended March 31, 2022.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 16 OTHER NON FINANCIAL ASSETS		
Prepaid expenses	2,431	1,495
Capital advances	143	1,006
GST Input Credit	993	1,816
Others	3,312	2,717
Total	**6,879**	**7,034**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 17 DEBT SECURITIES (at amortised cost)		
Redeemable Non-Convertible Debentures		
Medium-Term - Secured	10,52,995	9,34,263
Medium-Term - Unsecured	2,500	-
Commercial Papers - Unsecured	2,76,615	3,01,504
Total	**13,32,110**	**12,35,767**

All debt securities have been contracted in India

17.1 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 which are owned assets of the Company situated at Chennai.

(ii) The Company has not defaulted in the repayment of dues to its lenders.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 17 DEBT SECURITIES (at amortised cost) (Contd.)

17.2 Details of Debentures - Contractual principal repayment value

(i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2022 ₹ in lakhs	March 31, 2021		
2,700	10,00,000	27,000		Mar-27	7.30
250	10,00,000	2,500	2,500	Nov-26	8.55
5,000	10,00,000	50,000	50,000	Jul-25	7.92
4,974	10,00,000	49,740		Mar-25	7.08
2,000	10,00,000	20,000		Feb-25	5.85
8,600	10,00,000	86,000		Dec-24	5.57 to 6.30
1,500	10,00,000	15,000	15,000	Oct-24	6.80
4,000	10,00,000	40,000		Aug-24	5.53 to 5.58
6,000	10,00,000	60,000	30,000	Jul-24	5.46 to 7.38
1,500	10,00,000	15,000	15,000	Apr-24	8.6179
6,850	10,00,000	68,500	58,500	Feb-24	6.25 to 6.45
5,500	10,00,000	55,000	55,000	Dec-23	6.10
6,023	10,00,000	60,230	35,230	Sep-23	5.58 to 8.80
1,990	10,00,000	19,900		Aug-23	9.06
9,000	10,00,000	90,000	15,000	May-23	5.70 to 7.50
3,250	10,00,000	32,500	32,500	Apr-23	6.26
8,000	10,00,000	80,000	80,000	Mar-23	5.85 to 5.68
3,350	10,00,000	33,500	33,500	Feb-23	5.70 to 7.41
5,900	10,00,000	59,000	59,000	Dec-22	5.48 to 7.98
6,150	10,00,000	61,500	61,500	Nov-22	5.45 to 8.00
3,523	10,00,000	35,230	35,230	Sep-22	8.70
2,000	10,00,000	20,000	20,000	Jun-22	7.20
1,050	10,00,000		10,500	Mar-22	8.35 to 9.06
2,000	10,00,000		20,000	Dec-21	6.93
3,523	10,00,000		35,230	Sep-21	8.45
3,250	10,00,000		32,500	Aug-21	6.74 to 8
2,550	10,00,000		25,500	Jul-21	8.9765
4,010	10,00,000		40,100	Jun-21	8.49 to 8.52
4,100	10,00,000		41,000	May-21	6.90
4,770	10,00,000		47,700	Apr-21	8.0874
		9,80,600	**8,50,490**		

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

17.2 Details of Debentures - Contractual principal repayment value (Contd.)

(ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Due date of redemption	Redemption price ₹	Premium ₹
1000	10,00,000	10,000	-	Mar-27	14,22,599	4,22,599
1250	10,00,000	12,500	12,500	Jul-25	14,61,481	4,61,481
850	10,00,000	8,500	8,500	Jul-25	13,53,045	3,53,045
500	10,00,000	5,000	5,000	Jan-23	12,54,470	2,54,470
250	10,00,000	2,500	2,500	Dec-24	12,93,960	2,93,960
350	10,00,000	3,500	3,500	Oct-24	13,01,025	3,01,025
1100	10,00,000		11,000	May-21	12,94,211	2,94,211
		42,000	43,000			

(iii) Secured Redeemable Non-Convertible Debentures - Redeemable at par - with Put option

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Due date of redemption	Put option date	Rate of interest %
10	10,00,000	100	100	Aug-23	Jul-21	9.06
		100	**100**			

(iv) UnSecured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Due date of redemption	Put option date	Rate of interest %
250	10,00,000	2,500	-	Jul-23	-	5.12
		2,500	**-**		**-**	

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 18 BORROWINGS (Other than Debt Securities) at amortised cost		
A) Term Loans		
i) a) From Banks - Secured		
- Rupee Loans	41,87,373	35,68,218
- Foreign currency Loans	61,577	-
- External Commercial Borrowings	1,94,543	2,39,869
b) From Banks - Unsecured		
Short term loans	-	20,000
ii) From Other Parties - Secured		
Financial Institutions		
- Rupee Loans	1,53,894	1,72,786
- External Commercial Borrowings	1,44,285	1,37,230
Securitisation - Rupee Loans	3,43,306	4,34,452
B) Loan repayable on demand - Secured from Banks - Rupee Loans (Refer Note 6 and 18.1.(vi))	1,15,474	1,45,671
Total	**52,00,452**	**47,18,226**
Borrowings within India	48,61,624	43,41,127
Borrowings Outside India	3,38,828	3,77,099

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 18 BORROWINGS (Contd.)

18.1 Security

(i) Secured term loans from banks and financial institution are secured by way of specific / *pari passu* charge on assets under hypothecation relating to automobile financing and loans against immovable property.

(ii) Loan repayable on demand is in the nature of Cash Credit from banks and is secured by way of floating charge on assets under hypothecation and other assets.

(iii) The Company has not defaulted in the repayment of dues to its lenders.

(iv) Securitisation rupee loan represents the net outstanding value (Net of Investment in Pass- through Certificates) of the proceeds received by the Company from securitisation trust in respect of loan assets transferred by the Company pursuant to Deed of Assignment. The Company has provided Credit enhancement to the trust by way of cash collateral and Bank guarantee.

(v) The Company has utilised the borrowings for the purpose for which it was obtained

(vi) The quarterly statements or returns of current assets filed by the company with banks are in agreement with books of accounts

18.2 Details of term loans - Contractual principal repayment value

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2022	Amount outstanding March 31, 2021
Base Rate / MCLR	< 1year	1	1,40,000	86,250
		2	1,98,750	1,25,016
		3	-	30,000
		4	87,756	1,78,750
		8	50,000	60,395
		12	-	20,000
	1 - 2 years	1	60,000	1,40,000
		2	1,10,000	1,92,917
		4	81,506	1,92,949
		8	50,000	60,395
		12	-	20,000
	2 - 3 years	1	5,000	33,333
		2	80,000	1,22,500
		3	7,796	-
		4	51,111	1,61,699
		8	-	60,395
		12	-	20,000
	3 - 4 years	1	5,000	10,000
		2	-	80,000
		3	4,500	-
		4	25,111	1,41,699
		6	-	7,796
		12	-	20,000
	4 - 5 years	1	-	5,000
		3	-	57,441
		4	-	25,111
		9	-	15,000
Base Rate/ MCLR + spread (0.10%)	< 1year	1	60,000	3,85,000
		2	25,000	-
		3	-	50,000
	1 - 2 years	1	60,000	35,000
		2	25,000	30,000
		3	-	50,000
	2 - 3 years	1	-	70,000
		2	-	30,000
		3	-	50,000
Rate based on T Bill + Spread	< 1 year	1	1,71,550	48,200
		2	22,500	15,000

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

18.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2022	Amount outstanding March 31, 2021
		3	6,000	-
		4	1,41,352	41,667
		12	20,000	-
	1 - 2 years	1	1,46,000	41,050
		2	-	12,500
		3	12,500	-
		4	2,13,726	66,667
		12	20,000	-
	2 - 3 years	1	1,08,000	25,000
		3	43,500	12,500
		4	1,05,726	50,000
		12	20,000	-
	3 - 4 years	1	88,000	-
		2	28,571	-
		4	28,583	-
		9	15,000	-
	4 - 5 years	1	92,375	-
		4	11,083	-
Fixed Rate	< 1year	1	20,000	51,000
		2	10,000	16,000
		4	53,040	40,400
	1 - 2 years	1	33,300	20,000
		2	10,000	10,000
		4	38,040	39,400
	2 - 3 years	1	1,51,633	-
		2	22,100	43,300
		3	10,220	-
		4	-	24,400
	3 - 4 years	1	1,51,733	-
		2	10,000	55,400
	4 - 5 years	1	1,18,333	-
		2	-	43,400
Repo	< 1year	1	23,333	42,500
		2	82,940	15,000
		3	24,333	3,333
		4	1,13,286	82,976
		8	36,000	36,000
		12	83,333	83,333
	1 - 2 years	1	23,333	8,333
		2	30,000	15,000
		3	3,333	3,333
		4	2,51,666	49,643
		6	41,667	-
		8	-	36,000
		12	-	83,333
	2 - 3 years	1	60,119	8,333
		2	15,000	15,000
		3	25,179	3,334
		4	2,12,451	49,643

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

18.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2022	Amount outstanding March 31, 2021
		6	-	41,667
	3 - 4 years	1	-	10,119
		2	15,000	-
		3	1,875	3,750
		4	1,43,880	37,500
	4 - 5 years	1	3,500	-
		2	1,000	-
		3	79,420	-
		4	22,000	-
	> 5 Years	1	5,000	-
Total			**43,47,043**	**38,50,660**
3M MIBOR + Spread	< 1year	1	7,500	-
	1-2 years	1	-	7,500
USD 3M LIBOR + Spread	< 1year	4	21,570	5,202
	1-2 years	4	21,570	20,807
	2-3 years	4	21,570	20,807
	3 - 4 years	4	21,570	20,807
	4 - 5 years	4	21,570	20,807
	>5 Years	5	26,963	46,815
USD 6M LIBOR + Spread	< 1year	1	1,36,418	36,553
	1-2 years	1	-	1,31,589
	2-3 years	1	69,725	-
	3 - 4 years	1	-	67,257
USD 12M LIBOR + Spread	< 1year	1	61,528	-
Total			**4,09,984**	**3,78,144**

The Company has raised funds in the form of Foreign Currency Loans/ External Commercial Borrowings whose interest payments are benchmarked to LIBOR rates.
The maturity of some of those contracts are beyond June 2023 (IBOR Transition date). Based on the assessment performed by the Company, no significant impact is assessed on those contracts upon this transition.

Details of Securitised loan

₹ in lakhs

Rate of Interest	Maturity	Amount outstanding* March 31, 2022	Amount outstanding* March 31, 2021
	Less than 1 year	1,42,619	1,75,343
Fixed	1-2 year	83,830	1,09,355
(4.9% to 8%)	2-3 year	38,337	45,570
	3-4 year	13,014	12,428
	4-5 year	3,094	4,451
	more than 5 years	8,055	12,990
Total		**2,88,949**	**3,60,137**
	Less than 1 year	6,779	6,501
Floating	1-2 year	5,804	6,925
Base Rate/ MCLR - spread	2-3 year	6,095	7,459
(0.75% to 2.65%)	3-4 year	6,088	7,866
	4-5 year	5,630	7,832
	more than 5 years	23,734	37,198
Total		**54,130**	**73,781**

* 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 19 SUBORDINATED LIABILITIES (at amortised cost)		
Perpetual Debt - Unsecured	1,32,899	1,48,920
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	40,736	40,684
b) Other Subordinated Debts	2,11,153	2,29,402
Total	**3,84,788**	**4,19,006**

i) All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.
ii) The Company has not defaulted in the repayment of dues to its lenders.

19.1 Details of Subordinated Liabilities - Contractual principal repayment value

(i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Due date of redemption	Rate of interest %
150	1,00,00,000	15,000		Feb-32	8.10
200	1,00,00,000	20,000		Oct-31	7.90
400	1,00,00,000	40,000	40,000	Jan-30	9.25
3000	10,00,000	30,000	30,000	Aug-28	9.75
5300	10,00,000	53,000	53,000	Mar-28	9.05
1500	10,00,000	15,000	15,000	Aug-27	8.53
2500	10,00,000	25,000	25,000	Jun-27	8.78 to 8.80
100	10,00,000	1,000	1,000	Nov-26	9.20
150	10,00,000	1,500	1,500	Jun-24	11.00
50	10,00,000	500	500	May-24	11.00
250	10,00,000	2,500	2,500	Apr-24	11.00
250	10,00,000	2,500	2,500	Mar-24	11.00
200	10,00,000	2,000	2,000	Feb-24	11.00
250	10,00,000	2,500	2,500	Jan-24	11.00
2000	10,00,000	20,000	20,000	Nov-23	9.08 to 9.20
500	10,00,000	5,000	5,000	Oct-23	9.08
150	10,00,000	1,500	1,500	Sep-23	11.00
600	10,00,000	6,000	6,000	Dec-22	11.05 to 11.25
3,150	10,00,000		31,500	Nov-21	10.02
1000	10,00,000		10000	Jun-21	11.30
1000	10,00,000		10000	May-21	11.30
		2,43,000	**2,59,500**		

(ii) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt -Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Due date of redemption	Redemption price ₹	Premium ₹
150	10,00,000	1,500	1,500	Nov-23	17,57,947	7,57,947
		1,500	**1,500**			

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

19.1 Details of Subordinated Liabilities - Contractual principal repayment value (Contd.)

(iii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at March 31, 2022 ₹ in lakhs	Balance as at March 31, 2021 ₹ in lakhs	Maturity Date - Perpetual#	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
25	1,00,00,000	2,500		Mar-32	9.10
30	1,00,00,000	3,000		Sep-31	8.98
40	1,00,00,000	4,000		Jul-31	9.05
100	1,00,00,000	10,000		May-31	9.2
2000	5,00,000	10,000	10,000	Mar-31	9.25
900	5,00,000	4,500	4,500	Nov-30	9.30
1000	5,00,000	5,000	5,000	Dec-29	10.75
1120	5,00,000	5,600	5,600	Mar-29	10.83
5000	5,00,000	25,000	25,000	Feb-29	10.88
500	5,00,000	2,500	2,500	Aug-24	12.80
174	10,00,000	1,740	1,740	Jul-24	12.90
500	5,00,000	2,500	2,500	Jun-24	12.90
500	5,00,000	2,500	2,500	Feb-24	12.90
50	10,00,000	500	500	Jan-24	12.60
1,031	10,00,000	10,310	10,310	Dec-23	12.50 to 12.60
245	10,00,000	2,450	2,450	Oct-23	12.60
1,000	5,00,000	5,000	5,000	Oct-23	12.90
300	10,00,000	3,000	3,000	Feb-23	12.80
1450	10,00,000	14,500	14,500	Dec-22	12.70 to 12.80
860	5,00,000	4,300	4,300	Sep-22	12.75
2000	5,00,000	10,000	10,000	Aug-22	12.90
200	5,00,000		1,000	Mar-22	12.50
700	5,00,000		3,500	Jan-22	12.50
3,500	5,00,000		17,500	Dec-21	12.50 to 12.95
320	5,00,000		1,600	Aug-21	12.50
413	5,00,000		2,065	Jul-21	12.50
2,021	5,00,000		10,105	Jun-21	12.50
		1,28,900	**1,45,170**		

Company can redeem using Call option on the maturity date with prior approval of RBI.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 20 OTHER FINANCIAL LIABILITIES		
Unpaid dividend	71	74
Advance from customers	2,963	5,239
Security deposits received	343	80
Collections towards derecognised assets pending remittance	17,837	18,928
Lease liability (Refer note 48)	10,998	8,905
Other liabilities	1,131	578
Total	**33,343**	**33,804**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 21 PROVISIONS		
Provision for Employee Benefits		
- Compensated absences (Refer Note 35)	7,754	6,508
	7,754	**6,508**
Other Provisions		
Provision for contingencies and service tax claims (Refer note 39)	3,953	4,346
Provision for expected credit loss towards undrawn commitments (Refer Note 39)	120	104
	4,073	**4,450**
Total	**11,827**	**10,958**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 22 OTHER NON FINANCIAL LIABILITIES		
Income received in advance	607	1,150
Statutory liabilities	4,563	2,568
Others	641	859
Total	**5,811**	**4,577**

₹ in lakhs

Particulars	As at March 31, 2022 Nos.	As at March 31, 2022 Amount	As at March 31, 2021 Nos.	As at March 31, 2021 Amount
Note : 23 A) EQUITY SHARE CAPITAL				
AUTHORISED				
Equity Shares of ₹ 2 each with voting rights	1,20,00,00,000	24,000	1,20,00,00,000	24,000
Preference Shares of ₹ 100 each	5,00,00,000	50,000	5,00,00,000	50,000
		74,000		**74,000**
ISSUED				
Equity Shares of ₹ 2 each with voting rights	82,17,55,591	16,435	82,02,61,529	16,405
		16,435		**16,405**
SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹ 2 each with voting rights	82,10,71,821	16,421	81,95,77,759	16,400
Add : Forfeited Shares	6,54,500	7	6,54,500	7
		16,428		**16,407**

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

₹ in lakhs

	As at March 31, 2022 Nos.	As at March 31, 2022 Amount	As at March 31, 2021 Nos.	As at March 31, 2021 Amount
Equity Shares				
At the beginning of the year (₹ 2/- each)	82,00,35,129	16,400	81,95,77,759	16,391
Issued during the year				
Employees Stock Option (ESOP) Scheme	10,36,692	21	4,57,370	9
Outstanding at the end of the year - ₹2/- each	**82,10,71,821**	**16,421**	**82,00,35,129**	**16,400**
Forfeited shares				
Equity Shares - Amount originally paid up	**6,54,500**	**7**	**6,54,500**	**7**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

i) Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 2 (March 2019 - ₹ 10) per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

b) Equity Shares held by Holding Company

	As at March 31, 2022	As at March 31, 2021
Cholamandalam Financial Holdings Limited	37,28,85,889	37,28,85,889

c) Details of shareholding more than 5% shares in the Company

₹ in lakhs

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	Nos.	% holding in the class	Nos.	% holding in the class
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	45.41	37,28,85,889	45.50

d) Shares held by Promoters as on March 31,2022 - Please refer Annexure A

As per records of the Company, 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.

Annexure A

Details of Shareholding of promoters and promoter Group as on March 31,2022

Promoters Name	No. of shares as on March 31, 2021	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
Valli Annamalai	12,500	-	12,500	-	-
M Vellachi	1,94,660	0.02	11,60,427	0.14	0.12
M A M Arunachalam	65,000	0.01	65,000	0.01	-
Arun Alagappan	9,50,000	0.12	9,50,000	0.12	-
M.A.Alagappan	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	6,685	-	6,685	-	-
A Vellayan	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	50,255	0.01	50,255	0.01	-
M V Valli Murugappan	21,56,350	0.26	-	-	(0.26)
M M Murugappan	21,035	-	21,035	-	-
A M Meyyammai	2,51,880	0.03	2,51,880	0.03	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	10,000	-	10,000	-	-
Meenakshi Murugappan	245	-	245	-	-
Valli Alagappan	5,000	-	5,000	-	-
A Venkatachalam	2,09,605	0.03	2,09,605	0.03	-
V Narayanan	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	15,960	-	15,960	-	-
M V AR Meenakshi	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	2,47,440	0.03	2,27,440	0.03	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

Annexure A

Details of Shareholding of promoters and promoter Group as on March 31,2022

Promoters Name	No. of shares as on March 31, 2021	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
Sigapi Arunachalam	74,255	0.01	74,255	0.01	-
Uma Ramanathan	23,500	-	23,500	-	-
V Vasantha	1,250	-	1,250	-	-
Dhruv M Arunachalam	50,000	0.01	50,000	0.01	-
Kanika Subbiah	67,000	0.01	67,000	0.01	-
Pranav Alagappan	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	-	-	11,90,583	0.15	0.15
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	7,000	-	7,000	-	-
A A Alagammai	2,894	-	2,894	-	-
Umayal R	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	2,91,380	0.04	2,91,380	0.04	-
A M M Vellayan Sons P Ltd	26,575	-	26,575	-	-
Carborundum Universal Limited	500	-	500	-	-
E.I.D. Parry (India) Ltd.	1,965	-	1,965	-	-
M.M.Muthiah Research Foundation	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	3,37,21,870	4.11	3,37,21,870	4.11	-
Parry Enterprises India Ltd	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	37,28,85,889	45.47	37,28,85,889	45.41	(0.06)
AR Lakshmi Achi Trust	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	1,70,700	0.02	1,70,700	0.02	-
Murugappa Educational and Medical Foundation	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,85,630	0.07	5,85,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,33,375	0.03	1,93,375	0.02	(0.01)
V S Bhairavi Trust (M V Subbiah & Kanika Subbiah, Trustees holds shares for Trust)	1,88,875	0.02	1,88,875	0.02	-
Arun Murugappan Children Trust (MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	1,41,160	0.02	1,41,160	0.02	-
MA.Alagappan Grand Children Trust (Arun Alagappan and AA Alagammai, Trustees holds shares for Trust)	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,55,955	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,64,000	0.03	2,64,000	0.03	-
Kadamane Estates - Firm- M.A.Alagappan holds shares in the capacity of Partner	3,55,850	0.04	3,55,850	0.04	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

Annexure A

Details of Shareholding of promoters and promoter Group as on March 31,2022

Promoters Name	No. of shares as on March 31, 2021	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees holds shares for Trust)	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares forTrust)	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	-	25,000	-	-
M M Venkatachalam Family Trust(M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	7,79,785	0.10	7,79,785	0.09	-
Shambho Trust (M V Subbiah,S Vellayan, Trustees holds shares for Trust)	16,01,300	0.20	16,01,300	0.20	-
	42,32,97,948	**51.62**	**42,32,37,948**	**51.55**	

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note : 23 B) OTHER EQUITY		
Statutory Reserve (Refer Note a)		
Balance at the beginning of the year	1,59,046	1,28,046
Add: Amount transferred from retained earnings	43,000	31,000
Closing balance at the end of the year	**2,02,046**	**1,59,046**
Capital Reserve (Refer Note b)		
Balance at the beginning of the year	4	4
Add: Changes during the year	-	-
Closing balance at the end of the year	**4**	**4**
Capital Redemption Reserve (Refer Note c)		
Balance at the beginning of the year	3,300	3,300
Add: Changes during the year	-	-
Closing balance at the end of the year	**3,300**	**3,300**
Securities Premium Account (Refer Note d)		
Balance at the beginning of the year	2,86,605	2,85,678
Add: Premium on ESOPs exercised	2,287	927
Closing balance at the end of the year	**2,88,892**	**2,86,605**
General Reserve (Refer Note e)		
Balance at the beginning of the year	3,73,913	2,98,777
Add: Amount transferred from Share Based Payment Reserve	-	136
Add: Amount transferred from retained earnings	1,00,000	75,000
Closing balance at the end of the year	**4,73,913**	**3,73,913**
Share Based Payments Reserve (Refer Note f)		
Balance at the beginning of the year	3,445	3,017
Addition during the period	2,048	564
Transfer to General reserve	-	(136)
Closing balance at the end of the year	**5,493**	**3,445**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 23 B) OTHER EQUITY (Contd.)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings (Refer Note g)		
Balance at the beginning of the year	1,24,021	89,281
Profit for the year	2,14,671	1,51,491
Less:		
Dividend		
Equity	(16,414)	(10,656)
Transfer to Statutory Reserve	(43,000)	(31,000)
Transfer to General Reserve	(1,00,000)	(75,000)
Re-measurement Gain / (Loss) on Defined Benefit Obligations (Net) transferred to Retained Earnings	4	(95)
Closing balance at the end of the year	**1,79,282**	**1,24,021**
Cash flow hedge reserve (Refer Note h)		
Balance at the beginning of the year	(10,581)	(7,198)
Addition	12,120	(3,383)
Closing balance at the end of the year	**1,539**	**(10,581)**
FVOCI Reserve (Refer Note i)		
Balance at the beginning of the year	(129)	(129)
Closing balance at the end of the year	**(129)**	**(129)**
Total Other Equity	**11,54,340**	**9,39,624**

a) Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit annually as disclosed in the Statement of Profit and Loss account, before any dividend is declared.

b) Capital reserve represents the reserve created on account of amalgamation of Chola Factoring Limited in the year 2013-14.

c) 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 limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

d) Securities premium reserve is used to record the premium on issue of shares. The premium received during the year represents the premium received towards allotment of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the provisions of the Companies Act, 2013.

e) The general reserve is a free reserve, retained from Company's profits and can be utilized upon fulfilling certain conditions in accordance with specific requirement of Companies Act, 2013.

f) Under IND AS 102, 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. Share based payment reserve represents the among of reserve created for recognition of employee compensation cost at grant date and fair value of options vested and but not execersied by the employess and unvested options are recoginised in statement of profit and loss account

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

h) 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 Company accounting policies.

i) FVOCI Reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income.

Proposed dividend

The Board of Directors of the Company have recommended a final dividend of 35% being ₹ 0.70 per share on the equity shares of the Company, for the year ended March 31, 2022 (₹ 0.70 per share - March 31, 2021) which is subject to approval of shareholders. Consequently the proposed dividend has not been recognised in the books in accordance with IND AS 10.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
REVENUE FROM OPERATIONS		
Note : 24A - Interest Income		
(i) Interest - on financial assets measured at amortised cost		
(a) Loans		
- Bills Discounting	1,751	766
- Term loans	9,30,762	8,86,956
(b) Term Deposits With Banks		
- under lien	1,544	2,147
- free of lien	11,753	26,947
(C) Others		
- Deposits with Financial Institutions	1,359	2,299
- Investment in Government Securities	9,512	3,301
Total (A)	**9,56,681**	**9,22,416**
Note : 24B - Fee Income		
(i) Fee Income*		
-Term loans	38,374	20,685
Total (B)	**38,374**	**20,685**
*Services are rendered at a point in time		
Note : 24C - Net gain on fair value change on financial instruments		
Net gain on fair value changes on assets measured at FVTPL		
Investment in mutual funds	1,299	463
Total (C)	**1,299**	**463**
Note : 24D - Sale of Services		
(i)Sale of Services		
(a) Servicing and Collection fee on Assignment	504	691
(b) Other Service Income	7,971	7,346
Total (D)	**8,475**	**8,037**
Note: Timing of revenue recognition		
Services rendered at a point in time	7,875	7,437
Services rendered over a time	600	600
Total	**8,475**	**8,037**

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Note : 25 OTHER INCOME		
Recovery of Bad debts	8,335	5,594
Interest on Income tax refund	662	336
Rent	51	25
Total	**9,048**	**5,955**

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Note : 26 FINANCE COST		
Interest on financial liabilities measured at amortised cost		
- Debt securities	78,886	74,325
- Borrowings other than debt securities	3,07,383	3,37,970
- Subordinated liabilities	39,662	42,835
Others		
- Bank charges	1,891	1,537
- Interest on lease liability	870	924
- Interest on income tax	1,190	-
Total	**4,29,882**	**4,57,591**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Note : 27 IMPAIRMENT OF FINANCIAL INSTRUMENTS		
Impairment provision		
- Loans - measured at amortised cost	87,990	1,37,777
Loss on sale of Investments	40	-
Total	**88,030**	**1,37,777**

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Note : 28 EMPLOYEE BENEFITS EXPENSE		
Salaries, bonus and commission	81,095	69,258
Contribution to provident and other funds		
- Employees' provident fund	3,473	2,953
- Superannuation fund	403	337
Share based payment Expense	2,020	561
Gratuity expense (Refer note 35)	1,274	1,117
Staff welfare expenses	1,188	627
Total	**89,453**	**74,853**

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Note : 29 OTHER EXPENSES		
Rent and facility charges	1,198	734
Rates and taxes	5,173	2,047
Energy cost	1,107	1,011
Repairs and maintenance	585	400
Communication costs	3,125	2,772
Printing and stationery	1,817	1,233
Advertisement and publicity expenses	1,298	1,267
Directors fees, allowances and expenses	147	109
Auditors' remuneration (Refer note 32)	94	80
Legal and professional charges	11,928	4,083
Insurance	2,791	1,591
Travelling and conveyance	4,795	2,641
Information technology expenses	4,775	3,243
Loss on sale of property, plant and equipment(Net)	7	54
Recovery charges	42,425	26,657
Corporate social responsibility expenditure (Refer note 29.1)	3,644	3,207
Outsource cost	22,591	22,417
Miscellaneous expenses	340	289
	1,07,840	73,835
Less : Expenses recovered	(157)	(174)
Total	**1,07,683**	**73,661**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 29 OTHER EXPENSES (Contd.)

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
29.1 Details of CSR expenditure		
Gross Amount required to be spent towards CSR u/s 135 (5) of Companies Act , 2013 (A)	3,632	3,207
Amount approved by the Board to be spent during the year	3,644	3,207
Amount spent during the year (B)		
(a) Construction/ acquisition of asset	-	-
(b) Others	3,644	3,207
Excess/(shortfall) (A-B)	12	-

None of the CSR projects undertaken by the Company has been fall under definition of "On-going Projects"

There is no amount required to be contributed to specified fund u/s 135(6)

Note : 30

a) Earnings per share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit After Tax Attributable to Equity Shareholders **(₹ in lakhs)**	2,14,671	1,51,491
Weighted Average Number of Equity Shares (Basic)	82,05,81,106	81,96,69,366
Add: Dilutive effect relating to ESOP	15,91,805	14,30,020
Weighted Average Number of Equity Shares (Diluted)	82,21,72,911	82,10,99,386
Earnings per Share - Basic (₹)	**26.16**	**18.48**
Earnings per Share - Diluted (₹)	26.11	18.45
Face Value Per Share (₹)	**2**	**2**

Note:

Earnings per Share calculations are done in accordance with Ind AS 33 "Earnings per Share".

b) Income tax reconciliation

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. Reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March, 2022 and 2021 is, as follows:

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax from continuing operations	2,89,094	2,03,844
Income tax rate of 25.17% (31 March 2021: 25.17%)	72,759	51,308
Effects of:		
Impact of difference in tax base for Donations and CSR Expense	918	813
Share based payment expense – No deduction claimed under tax	508	141
Impact Deduction u/s 80JJA	(28)	(28)
Other Adjustments	266	119
Income tax expense reported in statement of profit and loss	74,423	52,353

Note : 31 TRANSFER OF FINANCIAL ASSETS

31.1 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 Company has Securitised certain loans, however the Company has not transferred substantially all risks and rewards, hence these assets have not been de-recognised in its entirety.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 31 TRANSFER OF FINANCIAL ASSETS (Contd.)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Securitisations		
Carrying amount of transferred assets measured at amortised cost	3,75,013	4,75,242
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	3,67,247	4,63,916
Fair value of assets	3,80,513	4,76,131
Fair value of associated liabilities	3,66,882	4,37,374
Net position at Fair Value	13,631	38,757

B) Direct bilateral assignment

The Company has 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 Company'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.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Assignment		
Carrying amount of de-recognised financial asset	2,76,499	4,16,042
Carrying amount of Retained Assets at amortised cost	31,734	47,502

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Assignment		
Gain on sale of the de-recognised financial asset	-	-

31.2 The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

₹ in lakhs

Particulars	Year ended March 31, 2022		Year ended March 31, 2021
Note : 32 AUDITORS' REMUNERATION			
Statutory Audit	52	4	47
Limited Review	16	5	16
Tax Audit	-	-	5
Other Services	1	11	5
Reimbursement of Expenses(incl. input tax credit expensed)	3	2	7
Total	**72**	**22***	**80**

* Represents the amount paid to the previous auditor during the year ended 31st March 2022

Note : 33 MICRO, SMALL & MEDIUM ENTERPRISES

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers under MSMED Act, as at the year end	306	-
Interest accrued and due to suppliers under MSMED Act, 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 under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note: 34 a) EXPENDITURE IN FOREIGN CURRENCIES

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Membership fees	-	3
Interest on borrowings	21,549	12,166
License fees	472	173
Professional charges	30	547

Note: b) REMITTANCES IN FOREIGN CURRENCIES

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Purchase of Computer Equipment	1,346	265
Borrowing origination costs	32	1,468
Repayment of Borrowing	40,492	-

c) There is no dividend paid in foreign currency.

Note : 35 RETIREMENT BENEFIT

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Company recognised ₹ 3,473 lakhs (Previous Year - ₹ 2,953 lakhs) to Provident Fund under Defined Contribution Plan, ₹ 403 lakhs (Previous Year - ₹ 337 lakhs) for Contributions to Superannuation Fund and ₹ 32 lakhs (Previous Year - ₹ 49 lakhs) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

B) Defined Benefit Plan

1) Gratuity

The Company's defined benefit gratuity plan 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 Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans :

Change in Defined Benefit Obligation and Fair value of Plan assets:

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Defined Benefit Obligation at the beginning of the year	**7,303**	**5,989**
Current Service Cost	1,150	1,026
Interest Cost	456	386
Remeasurement Losses/(Gains)		
a. Effect of changes in financial assumptions	(234)	90
b. Effect of experience adjustments	222	36
Benefits Paid	(434)	(224)
Defined Benefit Obligation at the end of the year	**8,463**	**7,303**
Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Year	5,311	4,575
Expected Returns on Plan Assets	332	295
Employer's Contribution	2052	664
Benefits Paid	(434)	(224)
Return on plan assets (excluding interest income)	(7)	-
Transfer in/out	(9)	-
Fair Value of Plan Assets at the end of the year	**7,245**	**5,310**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 35 RETIREMENT BENEFIT (Contd.)

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the End of the Year	7,245	5,310
Defined benefit obligation at the End of the Year	(8,463)	(7,303)
Amount Recognised in the Balance Sheet under Other Payables	**(1,218)**	**(1,993)**
Cost of the Defined Benefit Plan for the Year		
Current Service Cost	1,150	1,026
Net interest Expense	456	386
Expected Return on Plan Assets	(332)	(295)
Net Cost recognized in the statement of Profit and Loss*	**1,274**	**1,117**
Remeasurement Losses/(Gains)		
a) Effect of changes in financial assumptions	(234)	90
b) Effect of experience adjustments	222	36
c) Return on plan assets (excluding interest income)	7	-
Net cost recognized in Other Comprehensive Income	**(5)**	**126**
Assumptions		
Discount Rate	6.70% p.a.	6.25% p.a.
Future salary increase	7.50% p.a.	7.50% p.a.
Attrition Rate		
- Senior management	13% p.a.	13% p.a.
- Middle management	13% p.a.	13% p.a.
- Others	13% p.a.	13% p.a.
Expected rate of return on Plan Assets	7.50% p.a.	7.50% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
Maturity profile of Defined Benefit Obligations		
Weighted average duration (Based on discounted cash flows)	6 years	6 years
Expected Cash flows over the next (valued on undiscounted basis)		
Within the next 12 months (next annual reporting period)	1,210	964
Between 2 and 5 years	4,173	3,478
Between 5 and 10 years	3,868	3,277
Beyond 10 Years	4,314	3,805
Total Expected Cash flows	**13,565**	**11,524**

* Recognized under Employee Benefit Expenses

Sensitivity Analysis:

₹ in lakhs

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (+/- 1%)	7,980	8,999	6,869	7,787
Salary Growth Rate (+/- 1%)	8,925	8,028	7,728	6,906
Attrition Rate (+/- 50% of attrition rates)	8,341	8,621	7,117	7,576
Mortality Rate (+/- 10% of mortality rates)	8,463	8,463	7,303	7,303

Notes:

1. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
2. The Company's best estimate of contribution during the next year is ₹ 2,432 lakhs.
3. 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.
4. The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).
5. 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.
6. The method and type of assumptions used in preparing the sensitivity analysis does not change as compared to the prior period

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 35 RETIREMENT BENEFIT (Contd.)

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 Company is exposed to various risks in providing the above gratuity benefit which are as follows:

(a) Interest Rate risk: The plan exposes the company 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 company 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.

(d) Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company 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 Company 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.

2. Compensated Absences

Assumptions	March 31, 2022	March 31, 2021
Discount Rate	6.70% p.a.	6.25% p.a.
Future salary increase	7.50% p.a.	7.50% p.a.
Attrition Rate		
- Senior management	13% p.a.	13% p.a.
- Middle management	13% p.a.	13% p.a.
- Others	13% p.a.	13% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

1. The Company has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2022.
2. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
3. 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 : 36 SEGMENT INFORMATION

The Company is primarily engaged in the business of financing. All the activities of the Company revolve around the main business. Further, the Company does not have any separate geographic segments other than India

During year ending 31 March 2022, For management purposes, the Company has been organised into the following operating segments based on products and services, as follows

Vehicle Finance - Loans to customers against purchase of new/used vehicles, tractors, construction equipment and loan to automobile dealers.

Loan against property - Loans to customer against immovable property

Home Loans - loans given for acquisition of residential property

Other loans - This includes, loan against shares and other unsecured loans

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for 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 entity as whole basis and are not allocated to operating segments.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 36 SEGMENT INFORMATION (Contd.)

₹ in lakhs

Particulars	Year ended March 31, 2022					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
- Interest Income	7,08,861	1,55,970	59,453	8,196	24,201	**9,56,681**
- Net gain on derecognition of financial instruments under amortised cost category						-
- Fee Income	32,994	4,706	464	190	20	**38,374**
- Net gain on Fair value change on financial instrument					1,299	**1,299**
- Sale of Services	7,961	389	125	-	-	**8,475**
- Others						
Segment revenue from Operations (I)	**7,49,816**	**1,61,065**	**60,042**	**8,386**	**25,520**	**10,04,829**
Other Income (II)	8,021	284	1	28	714	**9,048**
Total Segment Income - (I) + (II)	**7,57,837**	**1,61,349**	**60,043**	**8,414**	**26,234**	**10,13,877**
Expenses						
- Finance costs	3,20,214	90,709	26,237	3,936	(11,214)	**4,29,882**
- Impairment of Financial Instruments	72,262	10,625	4,381	720	42	**88,030**
- Employee benefits expense	68,601	11,180	5,899	3,492	281	**89,453**
- Depreciation and amortisation expense	8,097	982	536	120	-	**9,735**
- Other expenses	88,735	6,988	4,045	4,227	3,688	**1,07,683**
Segment Expenses	**5,57,909**	**1,20,484**	**41,098**	**12,495**	**(7,203)**	**7,24,783**
Segment Profit / (loss) before taxation	**1,99,928**	**40,865**	**18,945**	**-4,081**	**33,437**	**2,89,094**
Tax expense						**74,423**
Profit for the year						**2,14,671**

₹ in lakhs

Particulars	Year ended March 31, 2021					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
- Interest Income	6,93,467	1,44,319	46,679	3,229	34,722	**9,22,416**
- Net gain on derecognition of financial instruments under amortised cost category	-	-	-	-	-	
- Fee Income	18,224	2,180	181	89	12	**20,685**
- Net gain on Fair value change on financial instrument	-	-	-	-	463	**463**
- Sale of Services	7,096	540	400	-	-	**8,037**
Segment revenue from Operations (I)	**7,18,787**	**1,47,039**	**47,260**	**3,318**	**35,197**	**9,51,601**
- Other income (II)	5,244	287	-	63	361	**5,955**
Total Segment Income - (I) + (II)	**7,24,031**	**1,47,326**	**47,260**	**3,381**	**35,558**	**9,57,556**
Expenses						
- Finance costs	3,50,978	84,871	20,670	2,493	(1,421)	**4,57,591**
- Impairment of Financial Instruments	1,18,036	14,847	5,479	-582	(3)	**1,37,777**
- Employee benefits expense	61,327	7,692	4,971	695	168	**74,853**
- Depreciation and amortisation expense	8,388	1,039	371	32	-	**9,830**
- Other expenses	61,102	4,939	3,591	164	3,865	**73,661**
Segment Expenses	**5,99,831**	**1,13,388**	**35,082**	**2,802**	**2,609**	**7,53,712**
Segment Profit / (loss) before taxation	**1,24,200**	**33,938**	**12,178**	**579**	**32,949**	**2,03,844**
Tax expense						**52,353**
Profit for the year						**1,51,491**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 36 SEGMENT INFORMATION (Contd.)

₹ in lakhs

Particulars	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
As on March 31, 2022						
Segment Assets	52,18,720	15,57,057	4,74,236	1,64,160		**74,14,173**
Unallocable Assets					8,22,162	**8,22,162**
Total Assets						**82,36,335**
Segment Liabilities	44,76,896	13,35,726	4,06,825	1,40,825		**63,60,272**
Unallocable Liabilities					7,05,295	**7,05,295**
Total Liabilities						**70,65,567**
As on March 31, 2021						
Segment Assets	48,93,657	12,71,552	3,72,558	45,828		**65,83,595**
Unallocable Assets					8,71,247	**8,71,247**
Total Assets						**74,54,842**
Segment Liabilities	42,66,080	11,08,484	3,24,780	39,951		**57,39,295**
Unallocable Liabilities					7,59,516	**7,59,516**
Total Liabilities						**64,98,811**

In computing the segment information, certain estimates and assumptions have been made by the management.

As the assets are allocated to segment based on certain assumptions, hence additions to the Property, plant and equipment have not been disclosed separately for each specific segment.

There are no revenue from transactions with a single external customer or counter party which amounted to 10% or more of the Company's total revenue in the Current year and Previous year.

Note : 37 RELATED PARTY DISCLOSURES

List of Related Parties:

- **Holding Company:** Cholamandalam Financial Holdings Limited (formerly known as TI Financial Holdings Limited)
- **Entity having significant influence over holding Company:** Ambadi Investments Limited
- **Subsidiaries of the entity which has significant influence over holding Company:** Parry Enterprises Limited and Parry Agro Limited
- **Fellow Subsidiaries:** Cholamandalam MS General Insurance Company Limited, Cholamandalam Health Insurance Limited
- **Joint Venture of Holding Company:** Cholamandalam MS Risk Services Limited
- **Subsidiaries:** Cholamandalam Securities Limited, Cholamandalam Home Finance Limited
- **Joint Venture:** Payswiff Technologies Private Limited and its subsidiaries (from 8th February 2022)
- **Associate :** White Data Systems India Private Limited, Vishvakarma Payments Private Limited (from 30th March 2021), Paytail Commerce Private Limited (from 15th September 2021)
- **Key Managerial Personnel:**
  - a. Mr. Arun Alagappan, Managing Director (upto February 14, 2021)
  - b. Mr. D. Arulselvan, Chief Financial Officer
  - c. Ms. P.Sujatha, Company Secretary
  - d. Mr. Ravindra Kumar Kundu, Executive Director
- **Non-Executive Directors**
  - a) Mr. Ashok Kumar Barat
  - b) Mr. M.M. Murugappan (upto November 11, 2020)
  - c) Mr. N. Ramesh Rajan
  - d) Mr. Rohan Verma
  - e) Ms. Bhama Krishnamurthy
  - f) Mr. Vellayan Subbiah (From November 11, 2020)
  - g) Mr. M.A.M. Arunachalam (From January 29, 2021)
  - h) Mr. Anand Kumar (From March 16, 2021)
  - i) Mr. Bharath Vasudevan (From March 16, 2021)

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

a) Transactions during the year

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Dividend Payments (Equity Shares)		
a) Cholamandalam Financial Holdings Limited	7,458	4,848
b) Ambadi Investments Limited	674	438
c) Parry Enterprises India Limited	*	*
d) AR Lakshmi Archi Trust #	10	-
e) M A Murugappan Holdings LLP#	2	1
f) Kadamane Estates Co#	7	5
Amount received towards Reimbursement of expenses		
a) Cholamandalam Financial Holdings Limited	118	104
b) Cholamandalam Securities Limited	404	213
c) Cholamandalam Home Finance Limited	5,209	3,544
d) Cholamandalam MS General Insurance Company Limited	6	5
e) Parry Enterprises India Limited	1	1
f) Cholamandalam MS Risk Services Limited	-	*
Expenses – Reimbursed		
a) Cholamandalam Home Finance Limited	145	157
b) White Data Systems India Private Limited	3	-
c) Cherry Tin Online Private Limited#	8	-
d) Cholamandalam Securities Limited	8	-
Services Received		
a) Cholamandalam Securities Limited	23	15
b) White Data Systems India Private Limited	24	29
c) Parry Enterprises India Limited	194	72
d) Cholamandalam MS General Insurance Company Limited	217	196
e) Cholamandalam MS Risk Services Limited	1	-
Amount received towards other Reimbursements		
a) Cholamandalam Securities Limited	33	1
Rental Income		
a) Cholamandalam Securities Limited	5	8
Rental Expense		
a) Cholamandalam Home Finance Limited	63	126
Loans given		
a) Cholamandalam Securities Limited	6,550	1,600
b) White Data Systems India Private Limited	300	340
c) Payswiff Solutions Private Limited	300	-
Loans recovered		
a) Cholamandalam Securities Limited	6,100	2,300
b) White Data Systems India Private Limited	340	340
c)) Payswiff Solutions Private Limited	300	-
Interest Income Received		
a) Cholamandalam Securities Limited	9	1
b) White Data Systems India Private Limited	21	26
c) Payswiff Solutions Private Limited	1	-
Loans availed		
a) Cholamandalam Home Finance Limited	6,850	22,820

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loans repaid		
a) Cholamandalam Home Finance Limited	6,850	22,820
Interest Expense		
a) Cholamandalam Home Finance Limited	140	80
b) Cholamandalam MS General Insurance Company Limited	1,313	1,603
Subscriptions/Advertisement Expenses		
a) Finance Industry Development Council#	1	-
Commission and Sitting fees to non-executive Directors	137	100

b) Balances Outstanding at the year end.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loans - Receivable		
a) Cholamandalam Securities Limited	450	-
b) White Data Systems India Private Limited	300	340
c) Medall Healthcare Private Limited#	1,732	-
Debt Securities – Payable		
a) Cholamandalam MS General Insurance Company Limited	(14,793)	(18,527)
Other Receivable / (Payable)		
a) Cholamandalam Financial Holdings Limited	-	2
b) Paytail Commerce Private Limited	437	-
c) Cholamandalam Securities Limited	14	(5)
d) Cholamandalam Home Finance Limited	599	272
e) Cholamandalam MS General Insurance Company Limited	-	1
f) White Data Systems India Private Limited	(10)	(6)
g) Parry Enterprises India Limited	(44)	*
h) Cholamandalam MS Risk Services Limited	(1)	-

c) Remuneration to Key Managerial Personnel

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Short- term employee benefits	557	794
Post–employment pension (defined Contribution)	84	92
Dividend Payments	8	17
Share based payments	271	27
Sale of Vehicle(s)	4	21
Sale of Asset	*	-
Relatives of KMP and Directors	11	7

* Represents amounts less than ₹ 1 lakh

Represents entities included as per Companies Act , 2013

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

Disclosure pursuant to Schedule V of Clause A.2 and 2A of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i) **Disclosures relating Loans and Advances /Investments**

₹ in lakhs

Sl	Loans and Advances in the nature of Loans	2021-2022 Outstanding at the year end	2021-2022 Maximum Amount Outstanding during year	2020-2021 Outstanding at the year end	2020-2021 Maximum Amount Outstanding March 2021
(A)	To Subsidiaries				
	- Cholamandalam Securities Limited	450	2,600	-	700
(B)	To Associates				
	- White Data Systems India Private Limited	300	340	340	340
(C)	To Joint Venture				
	- Payswiff Technologies Private Limited and its subsidiaries	-	3,230	-	-
	To Firms/Companies in which Directors are Interested (other than (A) and (B) above)	-	-	-	-
(D)	Investments by the loanee in the shares of parent company and subsidiary company	-	-	-	-

ii) Cholamandalam Financial Holdings Limited (CFHL), promoter-group company holds 45.41% of equity shares of the company. Disclosure relating to transactions with CFHL is given above.

Note : 38 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contested Claims not provided for:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax and Interest on Tax issues where the Company has gone on appeal	29,977	22,465
Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	634	21,898
Sales Tax issues pending before Appellate Authorities in respect of which the Company is on appeal.	1952	2,573
Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Sales Tax	102	-
Service Tax & GST issues pending before Appellate Authorities in respect of which the Company is on appeal.	19,992	19,992
Disputed claims against the Company lodged by various parties under litigation (to the extent quantifiable)	14,458	10,801

i) The Company is of the opinion that for the above demands, based on the management estimate no significant liabilities are expected to arise.

ii) It is not practicable for the Company to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings.

iii) The Company 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

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Capital commitments	3,992	3,650
Disbursements – Undrawn lines	1,48,588	1,24,190

c) The Code on Social Security, 2020 ('The Code') relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders, which are under consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 39 CHANGES IN PROVISIONS

₹ in lakhs

Particulars	As at March 31, 2021	Additional Provision	Utilisation/ Reversal	As at March 31, 2022
Provision for Contingencies and Service Tax claims	4,346	108	501	3,953
Provision for Undrawn commitments	104	16	-	120

₹ in lakhs

Particulars	As at March 31, 2020	Additional Provision	Utilisation/ Reversal	As at March 31, 2021
Provision for Contingencies and Service Tax claims	3,838	508	-	4,346
Provision for Undrawn commitments	131	89	116	104

Undrawn loan commitments are commitments under which the Company is required to provide a loan under pre-sanctioned terms to the customer.

The undrawn commitments provided by the Company 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. The undrawn loan commitments amount outstanding as at March 31, 2022 is ₹ 1,48,588 lakhs (₹ 1,24,190 lakhs as at March 31, 2021).

The Company creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting period and the related expected credit loss on these commitments as at March 31, 2022 is ₹ 120 lakhs (₹ 104 lakhs as at March 31, 2021)

Note : 40 ESOP DISCLOSURE

ESOP 2007

The Board at its meeting held on June 22, 2007, approved an issue of Stock Options up to a maximum of 5% of the issued Equity Capital of the Company (before Rights Issue) aggregating to 1,904,162 Equity Shares (prior to share split) in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines.

ESOP 2016

The Board at its meeting held on October 7, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 1,56,25,510 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the board, exercisable into not more than 1,56,25,510 equity shares of face value of ₹2/- each fully paid-up, on such terms and in such manner as the board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Company has recognised expense amounting to ₹ 2020 lakhs for employees services received during the year, shown under Employee Benefit Expenses (Refer Note 28).

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

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding As at 31.03.2021	During the Year: Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2022	Options vested but not exercised As at 31.03.2022	Options unvested As at 31.03.2022	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 Apr 2008	25 Apr 08	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011A	27 Jan 11	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011B	27 Jan 11	-	-	-	-	-	-	-	-	-	-
GT30 APR 2011	30 Apr 11	10,240	-	-	-	10,240	-	-	-	33	-
GT27 OCT 2011	27 Oct 11	8,580	-	-	-	8,580	-	-	-	31	-
Total		**18,820**	**-**	**-**	**-**	**18,820**	**-**	**-**	**-**	**-**	**-**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2021	During the Year: Addition in number of options on account of share split*	During the Year: Options Granted	During the Year: Options Forfeited / Expired	During the Year: Options Exercised and allotted	Options outstanding As at 31.03.2022	Options vested but not exercised As at 31.03.2022	Options unvested As at 31.03.2022	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 JAN2017	25 Jan 17	16,64,690	-	-	-	6,01,040	10,63,650	10,63,650	-	202	-
GT30 JAN2018	30 Jan 18	2,04,085	-	-	-	84,675	1,19,410	1,89,240	-	262	-
GT30 JAN2018A	30 Jan 18	87,300	-	-	-	-	87,300	17,470	-	262	-
GT23 APR2018	23 Apr 18	26,940	-	-	-	-	26,940	13,470	13,470	312	0.06 years
GT26 JUL2018	26 Jul 18	1,40,360	-	-	-	3,000	1,37,360	1,08,560	28,800	299	-
GT30 OCT2018	30 Oct 18	2,97,400	-	-	-	70,100	2,27,300	1,30,580	96,720	254	0.58 years
GT19 MAR2019	19 Mar 19	5,71,180	-	-	-	1,36,260	4,34,920	2,86,750	1,48,170	278	0.97 years
GT30 JUL2019	30 Jul 19	26,772	-	-	-	26,772	-	-	-	248	-
GT05 NOV2019	5 Nov 19	2,50,040	-	-	-	51,740	1,98,300	32,940	1,65,360	316	1.10 years
GT23 JAN2020	23 Jan 20	42,400	-	-	10,600	-	31,800	-	31,800	318	1.32 years
GT03 JUNE2020	3 Jun 20	2,11,900	-	-	-	44,285	1,67,615	-	1,69,520	158	1.30 years
GT03 JUNE2020A	3 Jun 20	1,905	-	-	-	-	1,905	-	-	158	1.30 years
GT07 MAY2021	7 May 21	-	-	10,66,600	-	-	10,66,600	-	10,66,600	580	1.80 years
GT30 JULY2021	30 Jul 21	-	-	24,700	-	-	24,700	-	24,700	487	2.03 years
GT29 OCT2021	29 Oct 21	-	-	8,08,120	-	-	8,08,120	-	8,08,120	609	2.28 years
GT01 FEB2022	1 Feb 22	-	-	1,26,100	-	-	1,26,100	-	1,26,100	630	2.54 years
Total		**35,24,972**	**-**	**20,25,520**	**10,600**	**10,17,872**	**45,22,020**	**18,42,660**	**26,79,360**		

Note: Includes options (vested and unvested) issued employees of subsidiary as at March 31, 2022 - 11,276 options prior to share split (March 31, 2021 - 11,276 options)

*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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding As at 31.03.2020	During the Year: Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2021	Options vested but not exercised As at 31.03.2021	Options unvested As at 31.03.2021	Exercise Price ₹	Weighted Average Remaining Contractual Life
Gt 25 Apr 2008	25 Apr 08	-	-	-	-	-	-	-	-	-	-
GT 27 JAN 2011A	27 Jan 11	23,120	-	-	-	23,120	-	-	-	38	-
GT 27 JAN 2011B	27 Jan 11		-	-	-	-	-	-	-	-	-
GT 30 APR 2011	30 Apr 11	25,240	-	-	-	15,000	10,240	10,240	-	33	-
GT 27 OCT 2011	27 Oct 11	29,760	-	-	-	21,180	8,580	8,580	-	31	-
Total		**78,120**	**-**	**-**	**-**	**59,300**	**18,820**	**18,820**	**-**		

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2020	During the Year: Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2021	Options vested but not exercised As at 31.03.2021	Options unvested As at 31.03.2021	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 JAN2017	25 Jan 17	21,18,600	-	-	1,92,140	2,61,770	16,64,690	16,64,690	-	202	-
GT30 JAN2018	30 Jan 18	2,38,485	-	-	-	34,400	2,04,085	2,04,085	-	262	-
GT30 JAN2018A	30 Jan 18	89,800	-	-	-	2,500	87,300	60,360	26,940	262	0.84 years
GT23 APR2018	23 Apr 18	44,900	-	-	-	17,960	26,940	-	26,940	312	0.56 years
GT26 JUL2018	26 Jul 18	2,74,860	-	-	1,31,500	3,000	1,40,360	86,600	53,760	299	0.32 years
GT30 OCT2018	30 Oct 18	3,67,300	-	-	44,900	25,000	2,97,400	1,03,960	1,93,440	254	1.08 years
GT19 MAR2019	19 Mar 19	5,88,460	-	-	-	17,280	5,71,180	2,75,740	2,95,440	278	1.47 years
GT30 JUL2019	30 Jul 19	31,632	-		4,860	-	26,772	13,386	13,386	248	0.33 years
GT05 NOV2019	5 Nov 19	2,75,600	-		-	25,560	2,50,040	29,560	2,20,480	316	1.73 years
GT23 JAN2020	23 Jan 20	53,000	-		-	10,600	42,400	-	42,400	318	1.94 years
GT03 JUNE2020	3 Jun 20	-	-	2,11,900	-	-	2,11,900	-	2,11,900	158	1.88 years
GT03 JUNE2020A	3 Jun 20	-	-	1,905	-	-	1,905	-	1,905	158	0.18 years
Total		**40,82,637**	**-**	**2,13,805**	**3,73,400**	**3,98,070**	**35,24,972**	**24,38,381**	**10,86,591**		

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 40 ESOP DISCLOSURE (Contd.)

Note: Includes options (vested and unvested) issued employees of subsidiary as at March 31, 2021 - 11,276 options prior to share split (March 31, 2020 - 11,276 options)

*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

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2022:

ESOP 2007

	Variables					
Date of Grant	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 (₹)
30 Jul 07	7.10% - 7.56%	3-6 years	40.64% -43.16%	5.65%	193.40	61.42
24 Oct 07	7.87% -7.98%	3-6 years	41.24% -43.84%	5.65%	149.90	44.25
25 Jan 08	6.14% -7.10%	3-6 years	44.58% -47.63%	5.65%	262.20	78.15
25 Apr 08	7.79% - 8.00%	2.5-5.5 years	45.78% - 53.39%	3.97%	191.80	76.74
30 Jul 08	9.14% - 9.27%	2.5-5.5 years	46.52% - 53.14%	3.97%	105.00	39.22
24 Oct 08	7.54% - 7.68%	2.5-5.5 years	48.2% - 55.48%	3.97%	37.70	14.01
27 Jan 11						
- Tranche I	8%	4 years	59.50%	10%	187.60	94.82
- Tranche II	8%	3.4 years	61.63%	10%	187.60	90.62
30 Apr 11	8%	4 years	59.40%	25%	162.55	73.07
28 Jul 11	8%	4 years	58.64%	25%	175.35	79.17
27 Oct 11	8%	4 years	57.52%	25%	154.55	67.26

The shareholders of the Company, at the 34th Annual General Meeting held on July 30, 2012, authorised extension of exercise period from 3 years from the date of vesting to 6 years from the date of vesting. Accordingly, the Company has measured the fair value of the options using the Black Scholes model immediately before and after the date of modification to arrive at the incremental fair value arising due to the extension of the exercise period. The incremental fair value so calculated is recognised from the modification date over the vesting period in addition to the amount based on the grant date fair value of the stock options.

The incremental (benefit)/cost due to modification of the exercise period from 3 years to 6 years from the date of vesting for the year ended March 31, 2022 is ₹ Nil (March 31, 2021- ₹ Nil)

The fair value of the options has been calculated using the Black Scholes model on the date of modification.

The assumptions considered for the calculation of the fair value (on the date of modification) are as follows:

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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 40 ESOP DISCLOSURE (Contd.)

ESOP 2016

	Variables					
Date of Grant	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*
5 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*
3 Jun 20	5%	3.50 years	47.50%	1.33%	157.90	58.27*
7 May 21	5.12% - 6.02%	3.5 - 6.51 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	53.2% - 43.93%	0.33%	609.00	293.95
1 Feb 22	5.49% - 6.50%	3.50 - 6.51 years	53.81% - 44.42%	0.32%	629.50	309.23

* Fair value option of equity shares issued under this grant is post share split with a face value of ₹ 2/- each

Note : 41 SHARING OF COSTS

The Company shares certain costs / service charges with other companies. These costs have been allocated between the Companies on a basis mutually agreed between them, which has been relied upon by the Auditors.

Note : 42.1 CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business, meeting the capital adequacy requirements of Reserve Bank of India (RBI), maintain strong credit rating and healthy capital ratios in order to support business and maximise shareholder value. The adequacy of the Company's capital is monitored by the Board using, among other measures, the regulations issued by RBI.

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.

The Company has complied in full with the capital requirements prescribed by RBI over the reported period. The Capital adequacy ratio as of March 31, 2022 is 19.62% (March 31, 2021- 19.10%) as against the regulatory requirement of 15%.

Note : 42.2 FINANCIAL RISK MANAGEMENT

The key financial risks faced by the company are credit and market risks comprising liquidity risk, interest rate risk and foreign currency risks.

Note : 42.2.1 CREDIT RISK

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2.1.1 ASSESSMENT METHODOLOGY

The company 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 company 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 company's lending is covered by adequate collaterals from the borrowers. The company has a robust online application underwriting model to assess the credit worthiness of the borrower for underwriting decisions for its vehicle finance, Loan Against Property and home loan business. The company also has a well- developed model for the vehicle finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

42.2.1.2 RISK MANAGEMENT AND PORTFOLIO REVIEW

The company 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.

42.2.1.3 ECL METHODOLOGY

The Company 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.

42.2.1.4 ASSUMPTIONS AND ESTIMATION TECHNIQUES

The Company 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:

42.2.1.4(a) 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.

42.2.1.4(b) 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.

42.2.1.4(c) 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.

42.2.1.5 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 Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These 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 Company 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 Company 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%

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 42 CAPITAL MANAGEMENT (Contd.)

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 company 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 9.1

Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Company 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 Company follows 'simplified approach' for recognition of impairment loss allowance on other financial assets. The application of simplified approach does not require the Company 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, 2021).

42.2.1.6 Incorporation of forward looking statements in ECL model

The Company 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 Company'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.

Annual data from 2010 to 2026 (including forecasts for 5 years) were obtained from World Economic Outlook, October 2021 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 company 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.

42.2.1.7 Macro economic variables

Segment	Macro-Economic Variables correlated for each segment	
Heavy Commercial Vehicle	Gross domestic product, current prices USD	Inflation, end of period consumer prices
Light Commercial Vehicle	Gross domestic product, current prices USD	Inflation, end of period consumer prices
Car & MUV	Gross domestic product, current prices USD	Inflation, end of period consumer prices
Mini Light Commercial Vehicle	Gross domestic product per capita, constant prices USD	Inflation, end of period consumer prices
Used Vehicles	General government total expenditure	Gross domestic product per capita, constant prices USD
Shubh	General government total expenditure	Gross domestic product per capita, constant prices USD
Tractor	Inflation, average consumer prices	General government total expenditure
Construction Equipment	Gross domestic product per capita, constant prices USD	Gross domestic product, current prices USD
Loan Against Property	Gross domestic product, current prices USD	Inflation, end of period consumer prices
Home Loan	Inflation, average consumer prices	General government total expenditure

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 42 CAPITAL MANAGEMENT (Contd.)

Since the company has used Gross Domestic Product (GDP) as a predominant macro economic variable the sensitivity around the same is given below:

₹ in lakhs

Year ended	Increase/ (Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31, 2022	Decrease by 5%	518
March 31, 2022	Increase by 5%	(535)

42.2.1.8 Concentration of credit risk and Collateral and Credit Enhancements

42.2.1.8(a) 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 Company 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 69% of the loan book of the Company as of March 31, 2022 (72% as of March 31, 2021). Hypothecation endorsement is made in favour of the Company 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 10% and 6% 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 22 % of the lending book of the Company as of March 31, 2022 (22% as of March 31, 2021). Portfolio is concentrated in North 35% with small presence in East 5%. South has 35% and West contributes 25% of the overall exposure of the company.

The Concentration of risk is managed by Company for each product by its region and its sub-segments. Company did not overly depend on few regions or sub-segments as of March 31, 2022.

42.2.1.8(b) Collateral and Credit enhancements

Although collateral can be an important mitigation of credit risk, it is the Company'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 Company obtains first and exclusive charge on all collateral that it obtains for the loans given. Vehicle Finance and Loan Against Property loans are secured by collateral at the time of origination. In case of Vehicle loans, Company values the vehicle either through proforma invoice (for new vehicles) or using registered valuer for used vehicles. In case of Loan against Property, the value of the property at the time of origination will be arrived by obtaining two valuation reports from Company's empanelled valuers.

Hypothecation endorsement is obtained in favour of the Company 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 Company 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 Company for loan against securities. 99% of the Company's term loan are secured by way of tangible Collateral.

In respect of some unsecured lending, the company 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, 2022

₹ in lakhs

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
3,30,532	2,33,024	2,40,987	23,823	(1,67,302)	1,26,650

Fair value of collateral held against credit impaired assets - March 31,2021

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
2,64,053	1,90,025	2,15,929	20,285	(1,62,186)	1,14,030

Note: Column (b), (c), (d) of the above table, represents fair value of collateral

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 42 CAPITAL MANAGEMENT (Contd.)

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 are valued based on book debts at cost or securities at market value

42.2.2 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. The company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The company 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 company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee. In addition, the company has put in an Asset Liability Management (ALM) support group which meets frequently to review the liquidity position of the company.

42.2.2.1 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. 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 Company 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 Company 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 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 -47.

42.2.2.2 Interest Rate Risk

The Company 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 company 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 company can benefit from rising interest rates while a negative gap indicates that the company can benefit from declining interest rates. Based on market conditions, the company enters into interest rate swap to mitigate interest rate risk.

₹ in lakhs

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31, 2022	Increase by 100 bps	(14,340)
March 31, 2022	Decrease by 100 bps	14,340

₹ in lakhs

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31, 2021	Increase by 100 bps	(10,360)
March 31, 2021	Decrease by 100 bps	10,360

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2.2.3 Foreign Currency Risk

Foreign currency risk for the Company arise majorly on account of foreign currency borrowings. The Company 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 Company negotiates the terms of those derivatives to match with the terms of the hedge exposure.

The Company 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.

42.2.2.4- Hedging Policy

The Company'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.

42.2.2.4(a) Disclosure of Effects of Hedge Accounting

Cash flow Hedge

As at March 31, 2022

Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in lakhs)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in lakhs)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in lakhs)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cross Currency Interest rate swap	6	0	10,809	-	June 27, 2022 to June 20, 2028	9,089	16,419	Borrowings
Overnight Index Swaps	0	2	-	282	October 23, 2022 to March 20, 2024	(282)	-	Borrowings
Forward contracts	1	3	7,844	16,674	June 27, 2022 to June 20, 2028	1,045	1,453	Borrowings

	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in lakhs)	Hedge Effectiveness recognised in profit and loss (₹ in lakhs)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in lakhs)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	16,197	-	-	NA

As at March 31, 2021

Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in lakhs)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in lakhs)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in lakhs)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cross Currency Interest rate swap	6	1	2,634	914	March 18, 2022 to June 03, 2024	7,872	(11,025)	Borrowings
Forward contracts	0	26	1,953	11,828	March 21, 2022 to June 03, 2024	9,875	5,041	Borrowings

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 42 CAPITAL MANAGEMENT (Contd.)

As at March 31, 2021

	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in lakhs)	Hedge Effectiveness recognised in profit and loss (₹ in lakhs)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in lakhs)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	(4,521)	-	-	NA

Note : 43 EVENTS AFTER REPORTING DATE

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

Note : 44

44.1 - Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company 's financial instruments that are not carried at fair value in the balance sheet. This table does not include the fair values of non–financial assets and non–financial liabilities.

₹ in lakhs

	March 31, 2022		March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	2,65,788	2,65,788	1,44,785	1,44,785
Bank balances Other than Cash and Cash Equivalents	1,56,220	1,56,220	3,78,403	3,78,403
Receivables				
i) Trade Receivables	3,247	3,247	2,031	2,031
ii) Other Receivables	9,554	9,554	4,612	4,612
Loans	74,14,921	75,16,903	65,83,934	68,38,189
Investments in Government Securities	1,54,348	1,42,665	1,54,590	1,46,905
Other Financial Assets	32,088	32,088	53,637	53,637
Total Financial Assets	**80,36,166**	**81,26,465**	**73,21,992**	**75,68,562**
Financial Liabilities				
Payables				
i) Trade Payables - Due to MSME	306	306	-	-
ii) Trade Payables - Other than MSME	7,984	7,984	5,267	5,267
iii) Other Payables	71,990	71,990	54,239	54,239
Debt Securities	13,32,110	13,32,560	12,35,767	12,36,407
Borrowings(Other than Debt Securities)	52,00,452	52,48,454	47,18,226	47,15,550
Subordinated Liabilities	3,84,788	3,86,858	4,19,006	4,20,811
Other Financial Liabilities	33,343	33,343	33,804	33,804
Total Financial Liabilities	**70,30,973**	**70,81,495**	**64,66,309**	**64,66,078**

The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.

Note 44.2 - Fair value hierarchy

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) 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 44 Fair value hierarchy (Contd.)

ii) The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate

iii) Derivatives are fair valued using observable inputs / rates

iv) The fair value of investment in Government securities are derived from rate equal to the rate near to the reporting date of the comparable product.

The following table provides the fair value measurement hierarchy of the Company's financial assets and financial liabilities

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2022 ₹ in lakhs

		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				
FVOCI Equity Instruments	-	-	-	-
Derivative financial instruments	18,653	-	18,653	-
Assets for which fair values are disclosed				
Loans	74,14,921	-		75,16,903
Investments in Government securities	1,54,348	-	1,42,665	-
Investment Properties *	13	-	-	309

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, 2022 ₹ in lakhs

		Fair value measurement using		
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	16,956	-	16,956	-
Liabilities for which fair values are disclosed				
Debt Securities	13,32,110	-	13,32,560	-
Borrowings(Other than Debt Securities)	52,00,452	-	52,48,454	-
Subordinated Liabilities	3,84,788	-	3,86,858	-

There have been no transfers between the level 1 and level 2 during the period.

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2021 ₹ in lakhs

		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				
FVOCI Equity Instruments	-	-	-	-
Derivative financial instruments	4,587	-	4,587	-
Assets for which fair values are disclosed				
Loans	65,83,934	-		68,38,189
Investment in Government securities	1,54,590	-	1,46,905	-
Investment Properties *	14	-	-	304

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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 44.2 - Fair value hierarchy (Contd.)

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2021

		Fair value measurement using		
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	12,742	-	12,742	-
Liabilities for which fair values are disclosed				
Debt Securities	12,35,767	-	12,36,407	-
Borrowings (Other than Debt Securities)	47,18,226	-	47,15,550	-
Subordinated Liabilities	4,19,006	-	4,20,811	-

There have been no transfers between different levels during the period.

44.3 Summary of Financial assets and liabilities which are recognised at amortised cost

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Financial Assets		
Cash and Cash Equivalents	2,65,788	1,44,785
Bank balances other than Cash and Cash Equivalents	1,56,220	3,78,403
Loans	74,14,921	65,83,934
Other Financial Assets	32,088	53,637
Investments in Government Securities	1,54,348	1,54,590
Financial Liabilities		
Debt Securities	13,32,110	12,35,767
Borrowings(Other than Debt Securities)	52,00,452	47,18,226
Subordinated Liabilities	3,84,788	4,19,006
Other Financial liabilities	33,343	33,804

44.4 Refer Note 13 for sensitivity analysis for investment property, whose fair value is disclosed under the level 3 category.

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.

₹ in lakhs

	Amount	Maturity	
		Within 12 months	After 12 months
As on March 31, 2022			
Financial Assets			
Cash and Cash Equivalents	2,65,788	2,65,788	-
Bank balances Other than Cash and Cash Equivalents	1,56,220	1,40,478	15,742
Derivative financial instruments	18,653	7,554	11,099
Receivables			-
i) Trade Receivables	3,247	3,247	-
ii) Other Receivables	9,554	9,554	-
Loans	74,14,921	21,12,758	53,02,163
Investments	2,07,616	909	2,06,707
Other Financial Assets	32,088	7,557	24,531
Total Financial Assets	**81,08,087**	**25,47,845**	**55,60,242**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 45 MATURITY ANALYSIS (Contd.)

₹ in lakhs

	Amount	Maturity	
		Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	25,071	-	25,071
Deferred tax assets (Net)	67,143	-	67,143
Investment Property	13	-	13
Property, Plant and Equipment	23,989	-	23,989
Capital Work in Progress	2,303	-	2,303
Intangible assets under development	1,395	-	1,395
Other Intangible assets	1,455	-	1,455
Other Non-Financial Assets	6,879	993	5,886
Total Non- Financial Assets	**1,28,248**	**993**	**1,27,255**
Financial Liabilities			
Derivative financial instruments	16,956	2,165	14,791
Payables			
i) Trade Payables - Due to MSME	306	306	-
ii) Trade Payables - Other than MSME	7,984	7,984	-
iii) Other Payables	71,990	71,990	-
Debt Securities	13,32,110	5,98,192	7,33,918
Borrowings (Other than Debt Securities)	52,00,452	18,51,620	33,48,832
Subordinated Liabilities	3,84,788	50,604	3,34,184
Other Financial Liabilities	33,343	20,774	12,569
Total Financial Liabilities	**70,47,929**	**26,03,635**	**44,44,294**
Non-Financial Liabilities			
Current tax liabilities	-	-	-
Provisions	11,827	-	11,827
Other Non-Financial Liabilities	5,811	4,563	1,248
Total Non-Financial Liabilities	**17,638**	**4,563**	**13,075**

₹ in lakhs

	Amount	Maturity	
		Within 12 months	After 12 months
As on March 31, 2021			
Financial Assets			
Cash and Cash Equivalents	1,44,785	1,44,785	-
Bank balances Other than Cash and Cash Equivalents	3,78,403	3,78,403	-
Derivative financial instruments	4,587	-	4,587
Receivables			-
i) Trade Receivables	2,031	2,031	-
ii) Other Receivables	4,612	4,612	-
Loans	65,83,934	19,71,863	46,12,071
Investments	1,61,882	9,714	1,52,168
Other Financial Assets	53,637	26,982	26,655
Total Financial Assets	**73,33,871**	**25,38,390**	**47,95,481**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 45 MATURITY ANALYSIS (Contd.)

₹ in lakhs

	Amount	Maturity	
		Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	14,615	-	14,615
Deferred tax assets (Net)	76,380	-	76,380
Investment Property	13	-	13
Property, Plant and Equipment	20,302	-	20,302
Capital Work in Progress	-	-	-
Intangible assets under development	982	-	982
Intangible assets	1,645	-	1,645
Other Non-Financial Assets	7,034	1,816	5,218
Total Non- Financial Assets	**1,20,971**	**1,816**	**1,19,155**
Financial Liabilities			
Derivative financial instruments	12,742	-	12,742
Payables			
i) Trade Payables - Due to MSME	-	-	-
ii) Trade Payables - Other than MSME	5,267	5,267	-
ii) Other Payables	54,239	54,239	-
Debt Securities	12,35,767	6,04,785	6,30,982
Borrowings(Other than Debt Securities)	47,18,226	16,91,807	30,26,419
Subordinated Liabilities	4,19,006	1,01,959	3,17,047
Other Financial Liabilities	33,804	29,229	4,575
Total Financial Liabilities	**64,79,051**	**24,87,286**	**39,91,765**
Non-Financial Liabilities			
Current tax liabilities	4,225	4,225	-
Provisions	10,958	10,958	-
Other Non-Financial Liabilities	4,577	3,303	1,274
Total Non-Financial Liabilities	**19,760**	**18,486**	**1,274**

Note : 46 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ in lakhs

Particulars	April 01, 2021	Cash flows	Exchange Difference	Others	March 31, 2022
Debt Securities	12,35,767	1,06,714	-	(10,371)	13,32,110
Borrowings other than debt securities	47,18,226	4,60,663	11,888	9,675	52,00,452
Subordinated liabilities	4,19,006	(32,770)	-	(1,448)	3,84,788
Total	63,72,999	5,34,607	11,888	(2,144)	69,17,350

₹ in lakhs

Particulars	April 01, 2020	Cash flows	Exchange Difference	Others	March 31, 2021
Debt Securities	7,32,683	5,00,898	-	2,186	12,35,767
Borrowings other than debt securities	43,27,308	4,04,659	(13,268)	(473)	47,18,226
Subordinated liabilities	4,40,552	(20,150)	-	(1,396)	4,19,006
Total	55,00,543	8,85,407	(13,268)	317	63,72,999

(i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of processing fees etc

(ii) Liabilities represents of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 47 ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

As at March 31, 2022 ₹ in lakhs

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
Financial Assets								
Cash and Cash Equivalents	2,65,788	-	-	-	-	-	-	**2,65,788**
Bank Balances other than Cash and Cash Equivalents	1,15,518	776	1,604	6,146	19,048	11,188	6,913	**1,61,193**
Derivative financial instruments	-	7,512	42	-	3,297	-	7,802	**18,653**
Receivables								
i) Trade Receivables	3,247	-	-	-	-	-	-	**3,247**
ii) Other Receivables	9,554	-	-	-	-	-	-	**9,554**
Loans	5,05,483	6,05,792	7,51,804	14,11,269	38,93,382	15,27,171	22,97,827	**1,09,92,728**
Investments	-	1,136	3,722	4,857	19,428	19,428	1,59,045	**2,07,616**
Other Financial Assets	1,453	2,270	2,853	5,016	12,719	6,527	7,384	**38,222**
Total Undiscounted financial assets	**9,01,043**	**6,17,486**	**7,60,025**	**14,27,288**	**39,47,874**	**15,64,314**	**24,78,971**	**1,16,97,001**
Financial Liabilities								
Derivative financial instruments	-	481	593	1,093	5,541	5,862	3,387	**16,957**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	306							**306**
ii) Total outstanding dues of creditors other than micro and small enterprises	7,984	-	-	-	-	-	-	**7,984**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	71,990	-	-	-	-	-	-	**71,990**
Debt Securities	83,327	1,35,620	1,48,533	2,74,480	6,85,141	1,18,828	-	**14,45,929**
Borrowings (Other than Debt Securities)	1,62,833	4,28,648	6,07,371	8,85,678	26,25,680	9,79,335	70,401	**57,59,946**
Subordinated Liabilities	274	6,788	24,079	44,604	1,37,511	67,562	14,37,012	**17,17,830**
Other Financial Liabilities	22,834	954	1,256	2,294	6,212	1,456	-	**35,006**
Total Undiscounted financial liabilities	**3,49,548**	**5,72,491**	**7,81,832**	**12,08,149**	**34,60,085**	**11,73,043**	**15,10,800**	**90,55,948**
Total net Undiscounted financial assets/(liabilities)	**5,51,495**	**44,995**	**(21,807)**	**2,19,139**	**4,87,789**	**3,91,271**	**9,68,171**	**26,41,053**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 47 ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES (Contd.)

As at March 31, 2021 ₹ in lakhs

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
Financial Assets								
Cash and Cash Equivalents	1,55,370	-	-	-	-	-	-	**1,55,370**
Bank Balances other than Cash and Cash Equivalents	96,303	1,02,196	1,36,657	3,577	13,043	10,571	11,444	**3,73,791**
Derivative financial instruments	-	-	-	-	-	-	4,587	**4,587**
Receivables								
ii) Other Receivables	4,612	-	-	-	-	-	-	**4,612**
Loans	5,02,874	5,38,796	7,04,685	13,47,385	37,59,707	13,26,678	19,71,659	**1,01,51,784**
Investments	-	1,135	3,722	4,857	19,428	19,428	1,13,312	**1,61,882**
Other Financial Assets	1,641	12,851	4,368	7,475	18,298	10,630	10,672	**65,935**
Total Undiscounted financial assets	**7,60,800**	**6,54,978**	**8,49,432**	**13,63,294**	**38,10,476**	**13,67,307**	**21,11,674**	**1,09,17,961**
Financial Liabilities								
Derivative financial instruments	-	-	-	-	-	-	12,742	**12,742**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	-							-
ii) Total outstanding dues of creditors other than micro and small enterprises	5,267	-	-	-	-	-	-	**5,267**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	54,239	-	-	-	-	-	-	**54,239**
Debt Securities	1,13,137	2,70,683	1,08,618	1,48,066	5,52,907	1,60,428	2,712	**13,56,551**
Borrowings (Other than Debt Securities)	1,59,219	3,08,806	7,48,826	7,09,140	25,22,320	6,94,544	1,10,157	**52,53,012**
Subordinated Liabilities	273	37,967	12,769	78,271	1,66,250	76,319	15,33,381	**19,05,230**
Other Financial Liabilities	40,771	884	1,159	1,994	9,838	583	-	**55,229**
Total Undiscounted financial liabilities	**3,72,906**	**6,18,340**	**8,71,372**	**9,37,471**	**32,51,315**	**9,31,874**	**16,58,992**	**86,42,270**
Total net Undiscounted financial assets/(liabilities)	**3,87,894**	**36,638**	**(21,940)**	**4,25,823**	**5,59,161**	**4,35,433**	**4,52,682**	**22,75,691**

Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES

The Company has taken office premises on lease for its operations.

The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company 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 Company also has certain leases of machinery with lease terms of 12 months or less. The Company 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:

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)

OTHER DISCLOSURES

(i) Movement in the carrying value of the Right to Use Asset

₹ in lakhs

Particulars - Buildings	As on March 31, 2022	As on March 31, 2021
Opening Balance	7,610	10,670
Depreciation charge for the Period	(4,426)	(4,542)
Additions during the Period	7,041	1,504
Adjustment/Deletion	(291)	(22)
Closing Balance	**9,934**	**7,610**

(ii) Classification of current and non current liabilities of the lease liabilities

₹ in lakhs

Particulars	As on March 31, 2022	As on March 31, 2021
Current liabilities	4,690	4,330
Non Current Liabilities	6,308	4,575
Total Lease liabilities	**10,998**	**8,905**

(iii) Movement in the carrying value of the Lease Liability

₹ in lakhs

Particulars	As on March 31, 2022	As on March 31, 2021
Opening Balance	8,905	12,042
Interest Expense	870	924
Lease Payments [Total Cash Outflow]	(5,411)	(4,914)
Short term rent concession	(112)	(630)
Additions during the year	7,041	1,504
Adjustment/Deletion	(295)	(21)
Closing Balance	**10,998**	**8,905**

(iv) Contractual Maturities of Lease liability outstanding

₹ in lakhs

Particulars	As on March 31, 2022	As on March 31, 2021
Less than one year	4,993	4,497
One to five Years	7,668	5,497
More than Five years	-	-
Total	**12,661**	**9,994**

(v) The following are the amount recognised in the Profit or Loss statement

₹ in lakhs

Particulars	For the year ended As on March 31, 2022	As on March 31, 2021
Depreciation expense of right-of-use assets	4,426	4,542
Interest expense on lease liabilities	870	924
Expense relating to short-term leases (included in other expenses)	112	109
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	**5,408**	**5,575**

Lease expenses relating to short term leases aggregated to ₹ 112 lakhs (₹ 109 lakhs - March 31, 2021) during the year ended March 31, 2022.

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8% to 12%.

The Company 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 Company has several lease contracts that includes extension and termination contracts. These options are negotiated by the Management to provide flexibility in managing the leased-asset portfolio and align with Company's business needs. Management exercises significant judgement in determining whether these extension and termination are reasonably certain to be exercised.

The company has not defaulted in its lease obligations

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 49 DISCLOSURES TO BE MADE IN NOTES TO ACCOUNTS BY ORIGINATORS PURSUANT TO RBI DIRECTIONS,2021 DATED SEPTEMBER 24, 2021

₹ in lakhs

Sl. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1.	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	27	30
2.	Total amount of securitised assets as per books of the SPEs	3,67,247	4,63,916
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	32,096	31,857
	• Others (Second loss)	1,711	-
	• Others (PTC Investment)	24,169	29,996
4.	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations	-	-
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5.	Sale consideration received for the securitised assets	8,66,123	9,64,026
	Gain/loss on sale on account of securitisation	Nil	Nil
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Nil	Nil
	First Loss Credit Facility – Bank Fixed Deposit	32,096	31,857
	Second Loss Credit Facility – Bank Fixed Deposit	1,711	-
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	First Loss Credit Facility – Bank Fixed Deposit		
	(a) Amount paid (utilised)	6,523 (20.3%)	8,443 (23.9%)
	(b) Repayment received (replenishment)	6,506 (20.3%)	5,019 (14.2%)
	(c) Outstanding amount	17 (0.05%)	3,424 (9.7%)
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Vehicle loans - 1.4% Loan against Property - 0.6%	Vehicle loans - 1.4% Loan against Property - 0.7%
9.	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		
	Vehicle Loans		
	No. of Additional / Top up loan	4,468	7,351
	Amount of Loan	8,824	12,146
	Loan Against Property		
	No. of Additional / Top up loan	1,054	1,313
	Amount of Loan	27,518	37,777
10.	Investor complaints		
	(a) Directly/Indirectly received and;	Nil	Nil
	(b) Complaints outstanding	Nil	Nil

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 50 A - ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III

Part 1 - Ageing Analysis

A. Trade Receivables ageing schedule as on March 31, 2022

₹ in lakhs

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	3,193	53	-	-	-	3,246
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(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	**3,193**	**53**	**-**	**-**	**-**	**3,246**

B. Trade Receivables ageing schedule as on March 31, 2021

₹ in lakhs

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	1,762	248	21	-	-	2,031
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(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	**1,762**	**248**	**21**	**-**	**-**	**2,031**

C. Capital work in progress aging schedule for the year ended March 31, 2022

₹ in lakhs

Capital -work -in progress	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	2,303	-	-	-	2,303
Projects Temporarily Suspended	-	-	-	-	-

Note:

The above amount pertains to one project which is expected to be completed by December 2022

D. Intangible assets under development aging schedule as on March 31, 2022

₹ in lakhs

Intangible assets under development	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	979	284	85	46	1,394
Projects Temporarily Suspended	-	-	-	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 50 A - ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III (Contd.)

₹ in lakhs

Name of the Project	To be completed in			
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years
New Loan Origination system -VF -Gallop	926	-	-	-
Loan Origination system -Enhancements -Leap	73	-	-	-
Dealer Portal -Dealer plus	57	-	-	-
Dedupe system upgrade -Prime360	52	-	-	-
Procure to Pay System- BAZ	38	-	-	-
Analytical Tool for Business Decision Making -Analytics BDM	34	-	-	-
Other Projects	214	-	-	-
Total	**1,394**	-	-	-

E. Intangible assets under development aging schedule as on March 31, 2021

₹ in lakhs

Intangible assets under development	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	474	335	138	34	981
Projects Temporarily Suspended	-	-	-	-	-

₹ in lakhs

Name of the Project	To be completed in			
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years
New Loan Origination system -VF -Gallop	-	193	-	-
Loan Origination system -Enhancements -Leap	469	-	-	-
Dealer Portal -Dealer plus	-	57	-	-
Loan Management System - Finnone	-	159	-	-
Analytical Tool for Business Decision Making -Analytics BDM	-	30	-	-
Other Projects	73	-	-	-
Total	**542**	**439**	**-**	**-**

F. Trade Payables ageing schedule as on March 31, 2022

₹ in lakhs

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) MSME	306	-	-	-	306
(ii) Others	7,964	20	-	-	7,984
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**8,270**	**20**	**-**	**-**	**8,290**

G. Trade Payables ageing schedule as on March 31, 2021

₹ in lakhs

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) MSME	-	-	-	-	-
(ii) Others	5,127	5	18	-	5,150
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	117	-	-	117
Total	**5,127**	**122**	**18**	**-**	**5,267**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 50 A - ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III (Contd.)

Part - II - Other Disclosures
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.
The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
As per the inforamation available with the company, Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
The Company being an non-banking finance company, as part of its normal business, grants loans and advances to its customers, other entities and persons ensuring adherence to all regulatory requirements. Further, the company 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 Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company 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
Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2022

Note : 50 - B DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION DNBS.193DG (VL) - 2007 DATED FEBRUARY 22, 2007:

₹ in lakhs

Sl. No.	Particulars	Amount Outstanding As at March 31, 2022	Amount Overdue
	Liabilities:		
(1)	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**		
(a)	Debentures		
	- Secured	10,52,995	-
	- Unsecured (other than falling within the meaning of public deposits)	2,54,389	-
	- Perpetual Debt Instrument	1,32,899	-
(b)	Deferred Credits		-
(c)	Term Loans	50,84,977	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Paper	2,76,615	-
	Other Loans (Represents Working Capital Demand Loans and Cash Credit from Banks along with Interest Accrued but Not Due on above)	1,15,475	-

₹ in lakhs

Sl. No.	Particulars	Amount Outstanding As at March 31, 2021	Amount Overdue
	Liabilities:		
(1)	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**		
(a)	Debentures		
	- Secured	9,34,263	-
	- Unsecured (other than falling within the meaning of public deposits)	2,70,086	-
	- Perpetual Debt Instrument	1,48,920	-
(b)	Deferred Credits		-
(c)	Term Loans	45,52,555	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Paper	3,01,504	-
	Other Loans (Represents Working Capital Demand Loans & Cash Credit from Banks along with Interest Accrued but Not Due on above)	1,65,671	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 50 - B DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION DNBS.193DG (VL) - 2007 DATED FEBRUARY 22, 2007: (Contd.)

₹ in lakhs

Sl. No.	Particulars	Amount Outstanding As at March 31, 2022	Amount Outstanding As at March 31, 2021
(2)	**Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below]:**		
	(including interest accrued)		
(a)	Secured	21,04,825	16,80,011
(b)	Unsecured	1,32,005	37,084
(3)	**Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities**		
(i)	Lease Assets including Lease Rentals Accrued and Due:	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
(iii)	Other Loans counting towards AFC Activities		
	(a) Loans where assets have been repossessed(Net)	-	-
	(b) Loans other than (a) above	51,78,092	48,66,838
(4)	**Break-up of Investments (net of provision for diminution in value):**		
	Current Investments:		
	I Quoted:		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities (Net of amortisation)	-	-
(v)	Others	-	-
II	**Unquoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
	Long-term Investments:		
I	**Quoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities (Net of amortisation)	-	-
(v)	Others	-	-
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity (Net of Provision for Diminution in Value of Investment)	53,268	7,292
	(b) Preference		-
(ii)	Debentures and Bonds		-
(iii)	Units of Mutual Funds		-
(iv)	Government Securities	1,54,348	1,54,590
(v)	Others		
	- Investment in Pass Through Certificates		-
	- Investment property	13	13

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 50 - B DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION DNBS.193DG (VL) - 2007 DATED FEBRUARY 22, 2007: (Contd.)

(5) Borrower Group-wise Classification of Assets Financed as in (2) and (3) above ₹ in lakhs

	Category	Amount (Net of provision for Non-performing assets)		
		Secured	Unsecured	Total
	As at March 31, 2022			
1.	Related Parties *			
	(a) Subsidiaries	-	450	450
	(b) Companies in the same Group	-	300	300
	(c) Other Related Parties	-	-	-
2.	Other than Related Parties	72,82,917	1,31,255	74,14,172
	Total	**72,82,917**	**1,32,005**	**74,14,922**
	As at March 31, 2021			
1.	Related Parties *			
	(a) Subsidiaries	-	340	340
	(b) Companies in the same Group	-	-	-
	(c) Other Related Parties	-	-	-
2.	Other than Related Parties	65,46,850	36,744	65,83,594
	Total	**65,46,850**	**37,084**	**65,83,934**

* Related Parties are as identified in Note 37 above.

(6) Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted) :

₹ in lakhs

	Category	Market value / Break - up Value or Fair Value or Net Asset Value	Book Value (Net of Provisioning)
	As at March 31, 2022		
1.	Related Parties *		
(a)	Subsidiaries	6,490	6,490
(b)	Joint Ventures	45,001	45,001
(c)	Companies in the Same Group		
(d)	Other Related Parties	1,775	1,775
2.	Other than Related Parties	1,42,667	1,54,350
	Total	**1,95,933**	**2,07,616**
	As at March 31, 2021		
1.	Related Parties *		
(a)	Subsidiaries	6,490	6,490
(b)	Companies in the Same Group	-	-
(c)	Other Related Parties	800	800
2.	Other than Related Parties	1,54,592	1,54,592
	Total	**1,61,882**	**1,61,882**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 50 - B DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION DNBS.193DG (VL) - 2007 DATED FEBRUARY 22, 2007: (Contd.)

₹ in lakhs

(7) Other Information	Amount Outstanding as at March 31, 2022	March 31, 2021
(i) Gross Non-Performing Assets		
a) With Related Parties *	-	-
b) With Others	5,21,203	2,70,501
(ii) Net Non-Performing Assets		
a) With Related Parties *	-	-
b) With Others	3,62,979	1,50,752
(iii) Assets Acquired in Satisfaction of Debt		
a) With Related Parties *	-	-
b) With Others	-	-

* Related Parties are as identified in Note 37 above.

Note : 51. A. Disclosure Pursuant to Reserve Bank of India Notification RBI/2014-15/299 DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10, 2014:

i. Capital Adequacy Ratio

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Tier I Capital	11,79,865	9,39,023
Tier II Capital	2,23,680	2,44,044
Total Capital	**14,03,545**	**11,83,067**
Total Risk Weighted Assets	71,53,663	61,93,249
Capital Ratios		
Tier I Capital as a Percentage of Total Risk Weighted Assets (%)	16.49%	15.16%
Tier II Capital as a Percentage of Total Risk Weighted Assets (%)	3.13%	3.94%
Total (%)	**19.62%**	**19.10%**
Amount of Subordinated Debt raised as Tier – II capital during the year	**35,000**	**-**
Amount raised by issue of Perpetual Debt instruments during the year	**19,500**	**14,500**

ii. Investments

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(1) **Value of Investments**		
(i) Gross Value of Investments		
(a) In India	2,07,744	1,62,024
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	(129)	(129)
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	2,07,615	1,61,895
(b) Outside India.	-	-
(2) Movement of provisions held towards depreciation on investments.		
(i) Opening balance	129	129
(ii) Add: Provisions made during the year	-	-
(iii) Less: Reversal of provision during the year	-	-
(iv) Closing balance	129	129

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 51. A. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/2014-15/299 DNBR (PD) CC.NO.002/03.10.001/2014-15 DATED NOVEMBER 10, 2014:

iii. Asset Liability Management

Maturity pattern of certain items of assets and liabilities

As at March 31, 2022

₹ in lakhs

Particulars	1-7 days	8-14 days	15-30 days	1 to 2 months	2 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
Liabilities											
Borrowing from Banks	(1,03,189)	(6,299)	(34,500)	(87,586)	(2,91,893)	(5,40,555)	(7,75,246)	(23,69,375)	(9,15,937)	(58,001)	**(51,82,581)**
Market Borrowings	(19)	(1,254)	(81,961)	(5,967)	(1,22,684)	(1,61,539)	(2,75,374)	(6,88,744)	(1,13,827)	(2,65,530)	**(17,16,899)**
Total	**(1,03,208)**	**(7,553)**	**(1,16,461)**	**(93,553)**	**(4,14,577)**	**(7,02,094)**	**(10,50,620)**	**(30,58,119)**	**(10,29,764)**	**(3,23,531)**	**(68,99,480)**
Assets											
Advances (Net of Provision for Non Performing Assets)	47,841	22,399	1,06,922	1,74,498	1,59,201	6,27,624	9,74,274	26,98,005	12,21,309	13,82,848	**74,14,921**
Investment (Net of Provision for Diminution in Value of Investments)	-				600	310				2,06,706	**2,07,616**
Total	**47,841**	**22,399**	**1,06,922**	**1,74,498**	**1,59,801**	**6,27,934**	**9,74,274**	**26,98,005**	**12,21,309**	**15,89,554**	**76,22,537**

As at March 31, 2021

₹ in lakhs

Particulars	1-7 days	8-14 days	15-30 days	1 to 2 months	2 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
Liabilities											
Borrowing from Banks	49,041	6,295	81,993	90,975	1,83,820	6,78,690	5,98,952	22,75,340	6,52,340	94,795	**47,12,241**
Market Borrowings	-	62,676	50,363	1,37,029	1,65,477	1,09,063	1,82,136	5,85,067	1,49,388	2,13,575	**16,54,774**
Total	**49,041**	**68,971**	**1,32,356**	**2,28,004**	**3,49,297**	**7,87,753**	**7,81,088**	**28,60,407**	**8,01,728**	**3,08,370**	**63,67,015**
Assets											
Advances (Net of Provision for Non Performing Assets)	37,947	36,598	89,998	1,10,950	1,21,854	6,09,041	9,65,475	26,34,376	9,18,458	10,59,237	**65,83,934**
Investment (Net of Provision for Diminution in Value of Investments)	-	-	-	-	1,135	3,722	4,857	19,428	19,428	1,13,312	**1,61,882**
Total	**37,947**	**36,598**	**89,998**	**1,10,950**	**1,22,989**	**6,12,763**	**9,70,332**	**26,53,804**	**9,37,886**	**11,72,549**	**67,45,816**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 51. A. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/2014-15/299 DNBR (PD) CC.NO.002/ 03.10.001/2014-15 DATED NOVEMBER 10, 2014: (Contd.)

iv. Exposure to the Real Estate Sector, both Direct and Indirect

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) **Direct Exposure** (Net of Advances from Customers)		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:		
- individual housing loans upto ₹ 15 lakhs	5,06,860	3,11,572
- individual housing loans more than ₹ 15 lakhs	13,74,527	12,96,770
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retails space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc.).		
- Fund Based	2,70,788	1,57,662
- Non Fund based		
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
(b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).		
Total Exposure	**21,52,175**	**17,66,004**

Note: The above summary is prepared based on the information available with the Company.

v. Exposure to the Capital Market

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(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;	-	-
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	7,098	3,052
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds /convertible debentures / units of equity oriented mutual funds' does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stock brokers and market makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares/bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows/issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Pending Disbursements	1,151	4,802
Total Exposure	**8,249**	**7,854**

vi. Other Regulator Registration

S. No.	Regulator	Registration no.
1	Ministry of Corporate Affairs	CIN: L65993TN1978PLC007576
2	Reserve Bank of India	Certificate of Registration dt. 09/06/2011 No. 07-00306

vii. Penalties levied by the above Regulators - Nil

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 51. A. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/2014-15/299 DNBR (PD) CC.NO.002/03.10.001 /2014-15 DATED NOVEMBER 10, 2014: (Contd.)

viii. Ratings assigned by Credit Rating Agencies

Particulars	As at March 31, 2022	As at March 31, 2021
Commercial paper & Non- convertible Debentures – Short Term	ICRA A1+,CRISIL A1+	ICRA A1+,CRISIL A1+
Working Capital Demand Loans	ICRA A1+	ICRA A1+
Cash Credit	ICRA AA+	ICRA AA+
Bank Term Loans	ICRA AA+	ICRA AA+
Non-Convertible Debentures – Long term	ICRA AA+, IND AA+	ICRA AA+, IND AA+
Subordinated Debt	ICRA AA+, CARE AA+, CRISIL AA+, IND AA+	ICRA AA+, CARE AA+, CRISIL AA+, IND AA+
Perpetual Debt	ICRA AA, CARE AA, IND AA	ICRA AA, CARE AA, IND AA

ix. Concentration of Advances

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Total Advances to twenty largest borrowers	35,883	37,166
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.47%	0.54%

x. Concentration of Exposures

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to twenty largest borrowers/customers	35,906	37,802
Percentage of Exposures to twenty largest borrowers /Customers to Total Exposure of the NBFC on borrowers/customers.	0.47%	0.54%

xi. Concentration of NPAs

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to top four NPA accounts	3,351	3,625

xii. Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector as on March 31, 2022	Percentage of NPAs to Total Advances in that sector as on March 31, 2021
1.	Agriculture & allied activities	-	-
2.	MSME	-	-
3.	Corporate borrowers	-	-
4.	Services	-	-
5.	Unsecured personal loans	0.12%	-
6.	Auto loans	6.65%	3.08%
7.	Other loans	7.39%	6.51%

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 51. A. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/2014-15/299 DNBR (PD) CC.NO.002/03.10.001/ 2014-15 DATED NOVEMBER 10, 2014: (Contd.)

xiii. Movement of NPAs

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Net NPAs to Net Advances(%)	4.85%	2.25%
(ii) Movement of Gross NPA		
(a) Opening balance	2,70,501	2,16,331
(b) Additions during the year	4,33,575	1,49,369
(c) Reductions during the year	1,82,873	95,199
(d) Closing balance	5,21,203	2,70,501
(iii) Movement of Net NPA		
(a) Opening balance	1,50,752	1,26,501
(b) Additions during the year	3,33,582	85,237
(c) Reductions during the year	1,21,355	60,986
(d) Closing balance	3,62,979	1,50,752
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	1,19,749	89,829
(b) Provisions made during the year	99,993	64,133
(c) Write-off / write-back of excess provisions	61,519	34,213
(d) Closing balance	1,58,224	1,19,749

xiv. Disclosure on Restructured Accounts

₹ in lakhs

Type of Restructuring	Asset classification details	Standard Advances	Sub-standard Advances	Doubtful Advances	Loss Advances
Restructured loans as on April 1, 2021	Number of borrowers	13,702	641	-	-
	Amount Outstanding	1,32,153	7,052	-	-
	Provision thereon	18,700	1,999	-	-
Fresh Restructured during the year	Number of borrowers	37,135	16,297	-	-
	Amount Outstanding	2,94,029	1,04,776	-	-
	Provision thereon	31,459	12,794	-	-
Upgradations to restructured category	Number of borrowers	10,477	-	-	-
	Amount Outstanding	55,363	-	-	-
	Provision thereon	5,534	-	-	-
Restructured loans ceases to attract higher provision or additional risk weight at the end of year	Number of borrowers	-	-	-	-
	Amount Outstanding	-	-	-	-
	Provision thereon	-	-	-	-
Downgrade of restructured accounts during the year	Number of borrowers	-	8,500	47	-
	Amount Outstanding	-	68,522	916	-
	Provision thereon	-	16,306	319	-
Write-off of restructured accounts during the year	Number of borrowers	3,647	1,442	-	-
	Amount Outstanding	29,568	9,455	-	-
	Provision thereon	3,866	1,360	-	-
Restructured loans as on March 31, 2022	Number of borrowers	38,912	13,388	19	-
	Amount Outstanding	2,84,343	98,224	240	-
	Provision thereon	29,230	23,727	114	-

Note: Includes accounts restructured under Covid resolution framework 1.0 and 2.0

xv. Customer Complaints

No. of Complaints

Particulars	March 31, 2022	March 31, 2021
(a) Pending as at beginning of the year	0	8
(b) Received during the year	812	1,169
(c) Redressed during the year	812	1,177
(d) Pending as at end of the year	0	0

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 52 DISCLOSURE OF FRAUDS REPORTED DURING THE YEAR ENDED MARCH 31, 2021 VIDE DNBS. PD. CC NO. 256/ 03.10.042/ 2011-12 DATED MARCH 02, 2012

There were 107 cases (March 31, 2021 - 66 cases) of frauds amounting to₹ 780 lakhs (March 31, 2021 - ₹731 lakhs) reported during the year. The Company has recovered an amount of ₹112 lakhs (March 31, 2021 - ₹ 45 lakhs). The un-recovered amounts are either pending settlement with the insurance companies or have been fully provided/ written off.

Note : 53. DISCLOSURE OF COMPARISON OF PROVISION AS PER IRAC NORMS AND ECL PURSUANT TO RBI CIRCULAR, VIDE DNBS.PD.CC. NO.109/22.10.106/2019-20 DATED MARCH 13, 2020 FOR THE YEAR ENDED MARCH 31, 2022.

₹ in lakhs

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind As [2]	Loss allowance (provision) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	67,05,869	32,981	66,72,888	25,550	7,430
Substandard	Stage 1	25,830	1,307	24,523	2,358	(1,051)
Doubtful - upto 1 year	Stage 1	62	3	59	12	(8)
Standard	Stage 2	4,20,718	41,663	3,79,055	35,311	6,352
Substandard	Stage 2	1,60,404	24,226	1,36,178	14,949	9,277
Doubtful - upto 1 year	Stage 2	546	67	479	91	(24)
1 - 3 years	Stage 2	79	6	73	23	(17)
Non Performing Assets (NPA)						
Substandard	Stage 3	1,81,434	61,941	1,19,493	17,688	44,253
Doubtful - upto 1 year	Stage 3	71,542	30,037	41,505	12,839	17,198
1 - 3 years	Stage 3	54,274	23,462	30,812	13,117	10,345
More than 3 years	Stage 3	25,936	16,281	9,654	10,673	5,608
Loss	Stage 3	1,097	894	202	721	174
Subtotal for NPA		**3,34,282**	**1,32,615**	**2,01,666**	**55,038**	**77,578**
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	1,48,588	120	1,48,469	-	120
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**1,48,588**	**120**	**1,48,469**	**-**	**120**
Total	Stage 1	68,80,349	34,410	68,45,939	27,920	6,491
	Stage 2	5,81,747	65,962	5,15,785	50,374	15,588
	Stage 3	3,34,282	1,32,615	2,01,667	55,038	77,577
	Total	**77,96,378**	**2,32,987**	**75,63,391**	**1,33,332**	**99,656**

1) As required by the RBI Notification dated March 13, 2020, the Company has complied with the requirements of Ind AS and the Guidelines and Policies approved by the Board in recognition of impairment of financial instruments. The overall impairment provision made under Ind AS is higher than the prudential floor (including the provision requirement specified in the notification referred to in Note 9) prescribed by RBI

2) Gross carrying amount as per Ind AS represents gross exposures inclusive of securitisation balances transferred by the Company but will not qualify for de-recognition and interest income on Stage III assets which will not form part of Provisions required as per IRACP norms

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 54. DISCLOSURE ON MORATORIUM – COVID 19 REGULATORY PACKAGE – ASSET CLASSIFICATION AND PROVISIONING FOR THE YEAR ENDED MARCH 31, 2022 IN PURSUANT TO THE NOTIFICATION VIDE: DOR.NO.BP.BC.63/21.04.048/2019-20 DATED APRIL 17, 2020.

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Amount in SMA/overdue categories as of February 29, 2020	Nil	13,20,164
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 (as of February 29, 2020)	Nil	11,67,712
Respective amount where asset classification benefits is extended (net of accounts which have moved out of SMA/overdue category during the moratorium period)*	Nil	Nil
Provisions made during the period (As per para 4, Applicable to NBFC's covered under Ind AS)**	Nil	Nil
Provisions adjusted against slippages in terms of paragraph 6 of the circular	Nil	Nil
Residual provision	Nil	Nil

*there are nil accounts where asset classification benefit has been extended as on March 31, 2021. Post the moratorium period, the movement of aging has been at actuals.

** The above provision does not include management overlay provision of Rs 1,967 lakhs as of March 31, 2020.

Note : 55. DISCLOSURES PURSUANT TO RBI NOTIFICATION - RBL/2020-21116 DOR NO.BP.13C/3121 .C4,048/2020-21 DATED 6 AUGUST 2020 AND NOTIFICATION RBI/2021-2022/31 DATED MAY 5, 2021

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at March 31,2021 (A)	Of (A) aggregate debt that slipped during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at March 31,2022
Personal Loans	33,962	3,381	63	668	29,850
Corporate persons #	-	-	-	-	-
Of which MSME	-	-	-	-	-
Others*	4,43,096	71,664	10,449	1,10,439	2,50,544
Total	**4,77,058**	**75,045**	**10,512**	**1,11,107**	**2,80,394**

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

* Others consists of Vehicle finance and loan against property

56.1 Liquidity Risk

Public disclosure on liquidity risk -March 31, 2022

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	No. of Significant Counterparties	Amount (₹ In Lakhs)	% of Total Deposits	% of Total Liabilities
1	15	47,94,629	NA	67.9%

(ii) Top 20 large deposits (% of total deposits)

Not Applicable

(iii) Top 10 borrowings (% of total borrowings)

Amount (₹ In Lakhs)	% of Total Borrowings
19,14,814	27.8%

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 56.1 LIQUIDITY RISK (Contd.)

(iv) Funding concentration based on significant instrument / product

Sr. No.	Name of the instrument / product	Amount (₹ In Lakhs)	%of Total Liabilities
1	Rupee Term Loans	44,55,020	63.0%
2	NCDs (including PDI & Sub Debt)	13,58,600	19.2%
3	CPs	2,80,000	4.0%
4	ECB Loans	3,40,956	4.8%
5	Securitisation	3,43,078	4.9%
6	FCNR (B) Loans	61,528	0.9%
7	Rupee Denominated Bonds	40,000	0.6%
	TOTAL	**68,79,182**	**97.4%**

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets :

Commercial Papers as a % of total public funds	4.1%
Commercial Papers as a % of total liabilities	4.0%
Commercial Papers as a % of total assets	3.4%

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets – **Not Applicable.** Non-convertible debentures of original maturity of less than one year have not been issued

(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	1.6%
Other Short-term liabilities as a % of total liabilities	1.5%
Other Short-term liabilities as a % of total assets	1.3%

(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. 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 Company 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 Company 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 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.

Notes:

1) A "Significant Counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of total liabilities.
2) A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total liabilities.
3) Total Borrowing has been computed as Gross Total Debt basis extant regulatory ALM guidelines.
4) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.
5) Commercial Paper for stock ratio is the Gross outstanding (i.e. Maturity amount).
6) Other Short-term Liabilities represents liabilities other than borrowings which are payable within one year ,basis extant regulatory ALM guidelines.
7) Public Funds = Total Borrowings as computed above.

Refer Note No 47 for the summary of maturity profile of undiscounted cash flows of the Company's financial assets and financial liabilities as at reporting period.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

Note : 56.2 LIQUIDITY COVERAGE RATIO

The Liquidity Coverage Ratio (LCR) is a key compliance requirement for a resilient and stable financial sector. Its objective is the promotion of short-term resilience of the liquidity risk profile of financial institutions by ensuring that it has sufficient High Quality Liquid Assets (HQLA) to survive a significant stress scenario lasting for one month. The Liquidity Coverage Ratio is expected to improve the financial sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy.

Liquidity Management of the company is supervised by the Asset Liability Committee. The management is of the view that the company has in place robust processes to monitor and manage liquidity risks and sufficient liquidity cover to meet its likely future short-term requirements.

The company has a diversified mix of borrowings with respect to the source, type of instrument, tenor and nature of security. The Asset Liability Committee constantly reviews and monitors the funding mix and ensures the optimum mix of funds based on the cash flow requirements, market conditions and keeping the interest rate view in consideration. Additionally, the Company 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 Asset Liability Committee provides strategic direction and guidance on liquidity risk management. A sub-committee of the Asset Liability Committee, comprising members from the 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 Asset Liability Management perspective. This sets the boundaries for daily cash flow management.

In line with RBI regulations, the cash outflows and inflows have been stressed by 115% and 75% of their respective original values for computing LCR. The key drivers on the inflow side are the expected collections from the performing assets of the company and on the outflow side the scheduled maturities. The High Quality Liquid Assets are entirely held in Government Securities which are classified as Level 1 assets with no haircut.

₹ in lakhs

Particulars	Q1 FY22-Avg	Q2 FY22-Avg	Q3 FY22-Avg	Q4 FY22-Avg
High Quality Liquid Assets	1,46,465	1,47,406	1,45,562	1,42,665
Cash Outflows:				
Deposits			-	-
Un-Secured wholesale funding	93,790	1,221	53,438	1,08,735
Secured wholesale funding	1,81,549	3,06,198	1,33,495	1,22,450
Additional Requirements, of which			-	-
(i) Outflows related to derivatives exposures and other collateral requirements.	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and Liquidity facilities	-	-	-	-
Other Contractual funding obligations	1,95,986	1,79,867	2,19,233	2,46,561
Other Contingent funding obligations	12,731	13,231	13,773	14,685
Total Cash Outflows	**4,84,056**	**5,00,517**	**4,19,938**	**4,92,431**
Cash Inflows				
Secured Lending	-	-	-	-
Inflows from fully performing exposures	1,82,800	2,13,400	2,38,416	2,60,459
Other cash inflows	3,80,183	3,66,954	1,94,297	2,48,912
Total Cash Inflows	**5,62,983**	**5,80,354**	**4,32,713**	**5,09,371**
TOTAL HIGH QUALITY LIQUID ASSETS	1,46,465	1,47,406	1,45,562	1,42,665
TOTAL NET CASH FLOWS	1,21,014	1,25,129	1,04,985	1,23,108
LIQUIDITY COVERAGE RATIO (%)	**121%**	**118%**	**139%**	**116%**

The LCR has been consistently maintained above 100% through the year which is well over the regulatory threshold of 60%. The company has internal risk thresholds for LCR approved by the Risk Managing Committee which is higher than the regulatory requirement. The High Quality Liquid Assets (HQLA) as on March 31,2022 is held in the form of Government Securities to meet the LCR requirements

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2022

The company has maintained LCR well above the regulatory threshold of 60% throughout the financial year. All foreign currency borrowings are fully hedged at the time of drawn of each loan. Hence there is no risk to the company on account of derivatives or collateral calls thereof or mismatch in currency.

For **Price Waterhouse LLP**
Chartered Accountants
ICAI Firm Regn No.**301112E/ E300264**

A.J. Shaikh
Partner
Membership No. : 203637

For **Sundaram and Srinivasan**
Chartered Accountants
ICAI Firm Regn No. : **004207S**

S. Usha
Partner
Membership No. : 211785

Date : May 5, 2022
Place : Chennai

For and on behalf of the Board of directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Independent Auditor's Report

To the Members of Cholamandalam Investment and Finance Company Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of Cholamandalam Investment And Finance Company Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements ").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements ' section of our report. We are independent of the Group and its associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Emphasis of Matter

We draw attention to Note 2.2 to the accompanying Consolidated Ind AS financial statements, which describes the impact of COVID-19 pandemic, and its possible consequential implications on the Company's operations and financial metrics, including the Company's estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements . The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Ind AS Financial Statements .

Key audit matters	How our audit addressed the key audit matter
Impairment of Financial Assets based on Expected Credit Loss ('ECL') *(as described in Note 5.3 of the Consolidated Ind AS Financial Statements)*	
Financial instruments, which include loans to customers, represents a significant portion of the total assets of the Group. The Group has loans aggregating Rs 68,28,375 lakhs as at March 31, 2021. Estimates regarding the impairment provision against financial assets are based on the expected credit loss model developed by the Group based on the guiding principles prescribed under Ind AS 109.	• Read and assessed the Group's impairment provision policy and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on 13 March 2020. • Read and assessed the Group's policy with respect to moratorium and one-time restructuring pursuant to the RBI circular and tested the implementation of such policy on a sample basis

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
As explained in the notes to the financial statements for the year ended March 31, 2021, the impairment provision based on the expected credit loss model requires the management of the Group to make significant judgments in connection with related computation. These include: (a) Segmentation of the loan portfolio into homogenous pool of borrowers; (b) Identification of exposures where there is a significant increase in credit risk and those that are credit impaired; (c) Determination of the 12 month and life-time probability of default for each of the segments identified; and (d) Loss given default for various exposures based on past trends / experience, management estimates etc., Additionally, the economic and business consequences of the COVID 19 pandemic as described in Note 2.2 to the Consolidated Ind AS financial statements, slowdown of economic activity, moratoriums granted to borrowers, the related regulatory directives and also the applicable accounting directions, further affect loan loss provisioning under the ECL approach. Note 5.3 to the Consolidated Ind AS Financial Statements explains the various matters that the management has considered for developing this expected credit loss model. As at March 31, 2021, the Group has made a provision for impairment loss aggregating ₹ 2,44,441 Lakhs against the loans outstanding. Due to the significance of the judgments used in both classification of loans into various stages as well as the computation of expected credit losses on such financial assets as per Ind AS 109, this has been considered as key audit matter.	• Understood the Group's key credit processes comprising granting, recording and monitoring of loans as well as impairment provisioning. • Read and assessed the Company's impairment provisioning policy as per Ind AS 109; • Obtained an understanding of the Group's Expected Credit Loss ('ECL') methodology, the underlying assumptions and performed sample tests to assess the staging of outstanding exposures; • Tested the ECL model, including assumptions and underlying computation. • Assessed the Exposure at Default used in the impairment calculations on a test basis; • Obtained an understanding of the basis and methodology adopted by management to determine 12 month and life-time probability of defaults for various homogenous segments and performed test checks; • Obtained an understanding of the basis and methodology adopted by management to determine Loss Given Defaults for various homogenous segments based on past recovery experience, qualitative factors etc., and performed test checks; • Assessed the items of loans, credit related contingent items as at the reporting date which are considered in the impairment computation as at the reporting date; • Assessed the data used in the impairment computation (including the data integrity of information extracted from the Group's IT systems); • Assessed and tested the inputs used in the impairment computation (including the data integrity of information extracted from the Group's IT systems); • Enquired with the management regarding significant judgments and estimates involved in the impairment computation and additional management overlay provision arising from the effects of the COVID-19 pandemic, and evaluated the reasonableness thereof • Assessed analytical reviews of disaggregated data to observe any unusual trends warranting additional audit procedures; and • Read the financial statement disclosures in respect of impairment losses on financial assets, including the specific disclosures made with regard to the impact of COVID-19 on the ECL estimation.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
Audit in an Information Technology (IT) enabled environment – including considerations on exceptions identified in IT environment	
The Group has information technology applications which are used across various class of transactions in its operations including automated and IT dependent manual controls that are embedded in them. Due to the pervasive nature and complexity of the Group's IT environment, we place significant emphasis on the information systems, the controls, and process around such information systems and the usage of information from such systems for the purpose of financial reporting by the management for our audit. Accordingly, this has been considered as a key audit matter. .	In assessing the reliability of electronic data processing, we involved specialized IT auditors in our audit team. Our audit procedures focused on the IT infrastructure and applications relevant to financial reporting: • Assessing the information systems and the applications that is available in the Group in two phases: (i) IT General Controls and (ii) Application level embedded controls; • The aspects covered in the IT systems General Control audit were (i) User Access Management (ii) Change Management (iii) Other related ITGCs; - to understand the design and the operating effectiveness of such controls in the system; • Understanding of the changes that were made to the IT landscape during the audit period and assessing changes that have impact on financial reporting; • Performed tests of controls (including over compensatory controls wherever applicable) on the IT Application controls and IT dependent manual controls in the system. • Wherever applicable, we also assessed through direct sample tests, the information produced from these systems which were relied upon for our audit.
Pending litigations with tax authorities *(as described in Note 40(a) of the Consolidated Ind AS Financial Statements)*	
The Group operates in a complex tax environment and is required to discharge direct and indirect tax obligations under various legislations such as Income Tax Act, 1961, the Finance Act, 1994 Goods and Services Tax Acts and VAT Acts of various states, as may be applicable The tax authorities under these legislations have raised certain tax demands on the Group in respect of the past periods. The Group has disputed such demands and has appealed against them at appropriate forums. As at March 31, 2021 the Group has an amount of ₹ 66,928 Lakhs. pertaining to various pending tax litigations. Ind AS 37 requires the Group to perform an assessment of the probability of economic outflow on account of such disputed tax matters and determine whether any particular obligation needs to be recorded as a provision in the books of account or to be disclosed as a contingent liability. Considering the significant degree of judgement applied by the management in making such assessments and the resultant impact on the financial statements, we have considered it to be a key audit matter.	In assessing the exposure of the Group for the tax litigations, we have performed the following procedures: • Obtained an understanding of the process laid down by the management for performing their assessment taking into consideration past legal precedents, changes in laws and regulations, expert opinions obtained from external tax / legal experts (as applicable); • Assessed the processes and entity level controls established by the Group to ensure completeness of information with respect to tax litigations; • Along with our tax experts, we undertook the following procedures: • Reading communications with relevant tax authorities including notices, demands, orders, etc., relevant to the pending litigations, as made available to us by the management; • Testing the accuracy of disputed amounts from the underlying communications received from tax authorities and responses filed by the Group; • Considered the submissions made to appellate authorities and expert opinions obtained by the Group from external tax / legal experts (wherever applicable) which form the basis for management's assessment; • Assessed the positions taken by the management in the light of the aforesaid information and based on the examination of the matters by our tax experts. • Read the disclosures included in the Consolidate Ind AS Financial Statements in this regard.

Independent Auditor's Report (Contd.)

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS 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 including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group and its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS 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 Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements , the Board of Directors of respective companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

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

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

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

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

Independent Auditor's Report (Contd.)

- 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates 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 Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements , including the disclosures, and whether the Consolidated Ind AS 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 and its associates of which we are the independent auditors to express an opinion on the Consolidated Ind AS Financial Statements . We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS Financial Statements , which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements for the financial year ended March 31, 2021 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 Matter

(a) The consolidated Ind AS financial statements include the Group's share of net loss of ₹ 53 lakhs for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of two associates whose financial statements and other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of the associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group. Our opinion above on the Consolidated Ind AS Financial Statements , and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Independent Auditor's Report (Contd.)

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, 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 Ind AS Financial Statements ;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements ;

(d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associates , none of the directors of the Group's companies and its associates, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to Consolidated Ind AS Financial Statements of the Holding Company and its subsidiary companies and associate companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company, its subsidiaries and associates incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us

i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its Consolidated Ind AS Financial Statements – Refer Note 40(a) to the Consolidated Ind AS Financial Statements ;

ii. Provision has been made in the Consolidated Ind AS Financial Statements , as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 9 and 11 to the Consolidated Ind AS Financial Statements in respect of such items as it relates to the Group and its associates and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates incorporated in India during the year ended March 31, 2021.

For **S.R. BATLIBOI & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm Registration Number: **101049W/E300004**

per Aravind K
Partner
Membership Number: 221268
UDIN: 21221268AAAACR7600
Place of Signature: Chennai
Date: May 7, 2021

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated ind AS Financial Statements of Cholamandalam Investment and Finance Company Limted

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

In conjunction with our audit of the consolidated Ind AS financial statements of Cholamandalam Investment and Finance Company Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Cholamandalam Investment and Finance Company Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, 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 issued by the Institute of Chartered Accountants of India. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be 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 these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated Ind AS 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 with reference to these consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS 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 internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated ind AS Financial Statements of Cholamandalam Investment and Finance Company Limted (Contd.)

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Ind AS Financial Statements

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31,2021, 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.

For **S.R. BATLIBOI & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm Registration Number: **101049W/E300004**

per Aravind K
Partner
Membership Number: 221268
Place of Signature: Chennai
Date: May 7, 2021

Consolidated Ind AS Balance Sheet

As at March 31, 2021

₹ in lakhs

	Note No.	As at March 31,2021	As at March 31,2020
ASSETS			
Financial Assets			
Cash and cash equivalents	7	1,59,323	3,49,514
Bank balances other than cash and cash equivalents	8	3,68,654	3,50,560
Derivative financial instruments	9	4,587	11,420
Receivables	10		
i) Trade receivables		5,660	3,019
ii) Other receivables		4,211	3,536
Loans	11	65,83,934	55,39,573
Investments			
i) Associate	46	2,424	2,477
ii) Others	12	1,55,925	793
Other financial assets	13	59,445	43,913
		73,44,163	**63,04,805**
Non- Financial Assets			
Current tax assets (Net)		14,767	15,947
Deferred tax assets (Net)	14	76,897	52,747
Investment property	15	13	14
Property, plant and equipment	16	20,826	26,236
Intangible assets under development		991	1,060
Other intangible assets	17	1,920	2,067
Other non-financial assets	18	4,839	2,962
		1,20,253	**1,01,033**
TOTAL ASSETS		**74,64,416**	**64,05,838**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	9	12,742	-
Payables			
(I) Trade payables			
i) Total outstanding dues of micro and small enterprises	36	-	70
ii) Total outstanding dues of creditors other than micro and small enterprises		27,930	21,977
(II) Other payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		20,531	9,949
Debt securities	19	12,35,767	7,32,683
Borrowings(Other than Debt Securities)	20	47,18,226	43,27,308
Subordinated Liabilities	21	4,19,006	4,40,552
Other Financial Liabilities	22	50,268	39,485
		64,84,470	**55,72,024**
Non-Financial Liabilities			
Current tax Liabilities		4,225	-
Provisions	23	11,045	9,151
Other non-financial liabilities	24	4,696	4,677
		19,966	**13,828**
Equity			
Equity share capital	25	16,407	16,398
Other equity	26	9,43,573	8,03,588
Total Equity		**9,59,980**	**8,19,986**
TOTAL LIABILITIES AND EQUITY		**74,64,416**	**64,05,838**

The accompanying notes are integral part of the Consolidated Ind AS financial statements

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Regn No.101049W/E300004

per **Aravind K**
Partner
Membership No: 221268

Date : May 7, 2021
Place : Chennai

For and on behalf of the **Board of Directors**

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Consolidated Ind AS Statement of Profit and Loss

for the year ended March 31, 2021

₹ in lakhs

	Note No.	Year ended March 31,2021	Year ended March 31,2020
Revenue from Operations			
- Interest income	27A	9,22,477	8,12,465
- Net gain on derecognition of financial instruments under amortised cost category		-	24,727
- Fee & commission income	27B	26,939	24,870
- Net gain on fair value change on financial instrument	27C	487	1,569
- Sale of services	27D	8,037	7,570
Total Revenue from operations (I)		**9,57,940**	**8,71,201**
Other income (II)	28	438	62
Total Income (III) = (I) + (II)		**9,58,378**	**8,71,263**
Expenses			
- Finance costs	29	4,57,554	4,59,170
- Impairment of financial instruments	30	1,32,211	89,735
- Employee benefits expense	31	79,184	70,032
- Depreciation and amortisation expense	15, 16 & 17	10,230	11,125
- Other expenses	32	74,409	82,379
Total Expenses (IV)		**7,53,588**	**7,12,441**
Profit before tax (V) = (III) - (IV)		**2,04,790**	**1,58,822**
Tax expense/(benefit)	34		
- Current tax			
- Pertaining to profit for the current period		75,320	56,791
- Adjustment of tax relating to earlier periods		392	3
- Deferred tax	14	(23,061)	(3,386)
Net tax expense (VI)		**52,651**	**53,408**
Profit for the period - A = (V) - (VI)		**1,52,139**	**1,05,414**
Share of loss from associate (net of tax)	46	(53)	(42)
Profit for the period		**1,52,086**	**1,05,372**
Other Comprehensive income:			
i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit obligations (net)	37	(133)	(506)
Income tax impact		33	127
Net (Loss) / gain on equity instruments designated at FVOCI for the year		558	(624)
Income tax impact		-	-
ii) Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Cashflow Hedge Reserve	45.8	(4,521)	(9,232)
Income tax impact		1,138	3,261
Other comprehensive income/(loss) net of tax for the period (B)		**(2,925)**	**(6,974)**
Total Comprehensive Income net of tax (A) + (B)		**1,49,161**	**98,398**
Profit for the period attributable to :			
- Equity holders of the Parent Company		1,52,086	1,05,372
- Non-Controlling Interest		-	-
Other Comprehensive Income (net of tax) for the period attributable to :			
- Equity holders of the Parent Company		(2,925)	(6,974)
- Non-Controlling Interest		-	-
Total Comprehensive Income for the period attributable to :			
- Equity holders of the Parent Company		1,49,161	98,398
- Non-Controlling Interest		-	-
Earnings per equity share of ₹ 2 each	33		
- Basic (₹)		18.55	13.39
- Diluted (₹)		18.52	13.37

The accompanying notes are integral part of the financial statements.

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Regn No.101049W/E300004

per **Aravind K**
Partner
Membership No: 221268

Date : May 7, 2021
Place : Chennai

For and on behalf of the **Board of Directors**

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Consolidated Ind AS Statement of Changes in Equity for the year ended March 31, 2021

₹ in lakhs

a) Equity Share Capital	
Balances as on April 1, 2019	**15,643**
Add: Issue of share capital	755
Balances as on March 31, 2020	**16,398**
Add: Issue of share capital	9
Balances as on March 31, 2021	**16,407**

b) Other Equity (Refer Note 26)

₹ in lakhs

Particulars	Reserve and Surplus							Items of other comprehensive income		
	Share application money pending allotment	Statutory Reserve	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Share based Payments reserve	Equity Instruments through other comprehensive income	Effective portion of cashflow hedge	Total attributable to equity holders
Opening Balance as at April 01, 2020	**10**	**1,28,046**	**4**	**3,300**	**2,85,678**	**3,00,967**	**89,808**	**3,017**	**(63)**	**(7,179)**	**8,03,588**
Profit for the year	-	-	-	-	-	-	1,52,086	-	-	-	**1,52,086**
Remeasurement of defined benefit plans and fair value change	-	-	-	-	-	-	(100)	-	-	-	**(100)**
Total comprehensive income for the period, net of income tax	-	-	-	-	-	-	-	-	558	(3,383)	**(2,825)**
Dividend including DDT	-	-	-	-	-	-	(10,656)	-	-	-	**(10,656)**
Addition during the year	(10)	-	-	-	927	136	-	427	-	-	**1,480**
Utilisation of securities premium					-	-	-				-
Transfer to reserves from retained earnings during the period	-	31,000	-	-	-	75,000	(1,06,000)	-	-	-	-
Closing balance as at March 31,2021	**-**	**1,59,046**	**4**	**3,300**	**2,86,605**	**3,76,103**	**1,25,138**	**3,444**	**495**	**(10,562)**	**9,43,573**
Opening Balance as at April 01, 2019	**-**	**1,06,046**	**4**	**3,300**	**1,66,850**	**2,50,967**	**76,848**	**1,861**	**561**	**(1,208)**	**6,05,229**
Profit for the period	-	-	-	-	-	-	1,05,372	-	-	-	**1,05,372**
Remeasurement of defined benefit plans and fair value change	-	-	-	-	-	-	(379)	-	-	-	**(379)**
Total comprehensive income for the period, net of income tax	-	-	-	-	-	-	-	-	(624)	(5,971)	**(6,595)**
Dividend including DDT	-	-	-	-	-	-	(20,033)	-	-	-	**(20,033)**
Addition during the year	10	-	-	-	1,19,749	-	-	1,156	-	-	**1,20,915**
Utilisation of securities premium	-	-	-	-	(921)	-	-	-	-	-	**(921)**
Transfer to reserves from retained earnings during the period	-	22,000	-	-	-	50,000	(72,000)	-	-	-	-
Closing balance as at March 31,2020	**10**	**1,28,046**	**4**	**3,300**	**2,85,678**	**3,00,967**	**89,808**	**3,017**	**(63)**	**(7,179)**	**8,03,588**

The accompanying notes are integral part of the Consolidated IND AS financial statements

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Regn No.101049W/E300004

per **Aravind K**
Partner
Membership No: 221268

Date : May 7, 2021
Place : Chennai

For and on behalf of the **Board of Directors**

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Consolidated Ind AS Cash Flow Statement

for the year ended March 31, 2021

₹ in lakhs

Particulars	Year ended March 31,2021		Year ended March 31,2020	
Cash Flow from Operating Activities				
Profit Before Tax		**2,04,790**		**1,58,822**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	10,230		11,125	
Impairment of financial instruments	1,32,211		89,735	
Finance Costs	4,57,554		4,59,170	
Loss on Sale of Property plant and equipment (Net)	54		13	
Change in fair value of financial instruments - Loss	-		140	
Net gain on fair value change in financial instruments	(487)		(1,569)	
Interest Income on bank deposits and other investments	(34,756)		(24,371)	
Dividend on Investments	(13)		(37)	
Income tax refund	(378)		-	
Share based payment expense	564		1,161	
		5,64,979		5,35,367
Operating Profit Before Working Capital Changes		**7,69,769**		**6,94,189**
Adjustments for :-				
(Increase)/Decrease in operating Assets				
- Loans	(11,76,572)		(8,04,020)	
- Trade Receivables	(3,316)		1,481	
- Other Financial Assets	(15,532)		(28,937)	
- Other Non Financial Assets	(1,877)	(11,97,297)	(210)	(8,31,686)
Proceeds from de-recognition of financial assets recognised at amortised cost		-		4,35,789
Increase/(Decrease) in operating liabilities & Provisions				
- Payables	16,332		(4,567)	
- Other Financial liabilities	13,954		5,384	
- Provisions	1,894		1,685	
- Other Non-Financial liabilities	19	32,199	(873)	1,629
Cash Flow used in Operations		**(3,95,329)**		**2,99,921**
Finance Costs paid	(4,54,493)		(4,71,458)	
Interest Received on Bank Deposits and Other Investments	35,543		21,660	
Dividend received	13		37	
		(4,18,937)		(4,49,761)
		(8,14,266)		(1,49,840)
Income tax paid (Net of refunds)		(69,929)		(57,637)
Net Cash Used in Operating Activities (A)		**(8,84,195)**		**(2,07,477)**
Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and Intangible Assets	(3,289)		(7,156)	
Proceeds from Sale of Property, Plant and Equipment	150		108	
Movement in investments (net)	(1,54,089)		1,643	
Net Cash Used in Investing Activities (B)		**(1,57,228)**		**(5,405)**

Consolidated Ind AS Cash Flow Statement (Contd.)

for the year ended March 31, 2021

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital (Including Securities Premium)	936	1,19,584
Payment of Lease liabilities	(5,656)	(4,877)
Proceeds from issue of debt securities	18,76,079	19,40,525
Redemption of Debt securities	(13,75,181)	(26,09,365)
Borrowing - Other than debt securities	48,33,850	44,91,409
Repayment of borrowing - Other than debt securities	(44,29,191)	(33,93,350)
Proceeds from issue of subordinated liabilities	14,500	45,000
Repayment of subordinated liabilities	(34,650)	(29,500)
	8,85,407	4,44,719
Investment in Bank Fixed Deposits (Net of withdrawals)	(18,445)	(2,94,218)
Dividends Paid (Including Distribution Tax)	(10,655)	(20,027)
Net Cash Flow From Financing Activities (C)	**8,51,587**	**2,45,181**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**(1,89,836)**	**32,299**
Cash and Cash Equivalents at the Beginning of the Year (Refer Note below)	3,48,457	3,16,158
Cash and Cash Equivalents at the End of the period (Refer Note Below)	**1,58,621**	**3,48,457**
Note:		
Cash and Cash Equivalents at the End of the period as per Balance Sheet	1,59,323	3,49,514
Less: On Other bank balances	702	1,057
Cash and cash equivalents for cashflow purpose	1,58,621	3,48,457

The accompanying notes are integral part of the Consolidated financial statements

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Regn No.101049W/E300004

per **Aravind K**
Partner
Membership No: 221268

Date : May 7, 2021
Place : Chennai

For and on behalf of the **Board of Directors**

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Notes forming part of the Consolidated Ind AS Financial Statements

For the year ended March 31, 2021

1. Corporate Information

Cholamandalam Investment and Finance Company Limited ("the Company") (CIN L65993TN1978PLC007576) is a public limited Company domiciled in India and the equity shares of the Company is listed on Bombay Stock Exchange and National Stock Exchange. The Company and its subsidiaries viz. Cholamandalam Securities Limited and Cholamandalam Home Finance Limited (together hereinafter referred to as "Group"). The Group is one of the premier diversified financial services companies in India, engaged in providing vehicle finance, home loans and Loan against property, business of broking and distribution of financial products.

The Consolidated Ind AS financial statements are presented in INR which is also functional currency of the Group.

2.1 Basis of Consolidation

The Consolidated Ind AS 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 Consolidated Ind AS financial statements have been prepared in accordance with Ind AS. The Consolidated Ind AS financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) 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).

The Consolidated Ind AS financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

The Consolidated Ind AS financial statements comprise the financial statements of the Company, its subsidiaries (being the entity that it controls) and its Associates as at March 31, 2021. 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:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- 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 of during the period are included in the Consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated 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 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 financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Consolidation procedure:

(a) 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 financial statements at the acquisition date.

(b) 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.

(c) 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 inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Consolidated 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 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.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of 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.

2.2 . Impact of COVID-19 on Business

The COVID-19 pandemic has affected several countries across the world, including India, Consequent lockdowns and varying restrictions imposed by the government across several jurisdictions in which the Company operates has considerably impacted company's business operations during the year ended March 31, 2021.

In accordance with the Reserve bank of India (RBI) guidelines related to "Covid-19 regulatory package" dated March 27, 2020 and subsequent guidelines on EMI moratorium dated April 17, 2020 and May 23, 2020 the Company has offered moratorium to its customers based the eligibility for EMIs falling due between March 1, 2020 to August 31, 2020. Further, the Company offered resolution plans to its customers pursuant to RBI's guideline 'Resolution framework for Covid-19 related stress' dated August 6, 2020.

The impact of COVID-19 pandemic including the ongoing "second wave", on Company's operations and financial metrics, will depend on the future developments, which are highly uncertain. Management continues to monitor the evolving situation on an ongoing basis and management has considered events up to the date of these financial statements, to determine the financial implications including in respect of Expected Credit Loss (ECL) provisioning, as at March 31, 2021, and has made cumulative expected credit loss provision for loans as on March 31, 2021 which aggregates to ₹ 2,44,441 lakhs (₹ 1,52,297 lakhs for March 31, 2020). The Company holds a management overlay of ₹ 1,10,024 lakhs as at March31, 2021 (₹ 53,445 lakhs - March 31, 2020) as part of its ECL provision.

Given the dynamic and evolving nature of pandemic, these estimates are subject to uncertainty caused by the ongoing Covid-19 pandemic and related events.

3A Particulars of consolidation

The financial statements of the following subsidiaries/ associates (all incorporated in India) have been considered for consolidation:

Name of the Company	Percentage of Voting Power as on March 31, 2021	March 31, 2020
Cholamandalam Securities Limited (CSEC)	100.00%	100.00%
Cholamandalam Home Finance Limited (CHFL)	100.00%	100.00%
White Data Systems India Private Limited	30.87%	30.87%
Vishvakarma Payments Private Limited	21.00%	-

3B Investment in Associates

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.

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associates 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 since the acquisition date. Goodwill relating

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

to the associates 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. 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, 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.

If an entity's share of losses of an associates equal or exceeds its interest in the associates (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 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 associates is shown on the face of the statement of profit and loss.

The financial statements of the associates 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. 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 and its carrying value, and then recognises the impairment loss with respect to the Group's investment in an associates.

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.

4. Presentation of financial statements

The Group 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 notes 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 of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

5. Significant accounting policies

5.1 Financial instruments – initial recognition

5.1.1 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 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.

5.1.2 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.

5.1.3 Measurement categories of financial assets and liabilities

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

- Amortised cost
- FVTPL
- FVOCI

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5.1.4 Financial assets and liabilities

5.1.4.1 Bank balances, Loans, Trade receivables and financial investments at amortised cost

The Group measures Bank balances, Loans, and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- 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.

5.1.4.1.1 Business model assessment

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

The Group'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:

- 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
- 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
- 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)

The expected frequency, value and timing of sales are also important aspects of the Group'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 Group's original expectations, the Group 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.

5.1.4.1.2 The SPPI test

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

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

5.1.5 Equity instruments

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

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are 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.

5.1.6 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 into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

5.1.7 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. Undrawn loan commitments are in the scope of the ECL requirements.

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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 together with the corresponding ECLs are disclosed in notes.

5.1.8 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities during the reporting period.

5.2 Derecognition of financial assets and liabilities

5.2.1 Derecognition of financial assets due to substantial modification

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI.

When assessing whether or not to derecognise a loan to a customer, amongst others, the Group considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty

If the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

5.2.2 Derecognition of financial assets other than due to substantial modification

5.2.2.1 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 Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- The Group has transferred its contractual rights to receive cash flows from the financial asset

Or

- It retains 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.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Group has transferred substantially all the risks and rewards of the asset

Or

- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset 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 asset and the associated liability

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are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset 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.

In case where transfer of a part of financial assets qualifies for de-recognition, 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 financial asset previously carried under amortisation cost category. The resulting interest only strip initially is recognised at FVTPL.

5.2.2.2 Financial liabilities

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

5.3 Impairment of financial assets

5.3.1 Overview of the ECL principles

The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

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) as outlined in these notes.

The 12mECL is 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.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument'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.

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 that has been credit-impaired are based on the following, for which it records an allowance for the LTECLs.

a) Contractual payments of either principal or interest are past due for more than 90 days;

b) The loan is considered to be in default by the management.

The calculation of ECLs

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.

The key elements of the ECL are summarised below:

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

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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.

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

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL 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 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

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: 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%.

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 provision.

5.3.2 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.

5.4 Collateral repossessed

In connection with recovery of outstanding dues from borrowers, the Group from time to time and in the normal course of business, resorts to regular repossession of collateral provided against vehicle loans and in certain cases, also exercises its right over property through legal procedures which include seizure of property (wherever applicable). Such assets repossessed are not used for the internal operations. As per the Group's accounting policy, repossessed assets are not recorded in the balance sheet, and instead their estimated realisable value is considered in determining the ECL allowance for the related Stage 3 financial assets.

5.5 Write-offs

Financial assets 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 recorded as an expense in the period of write off. Any subsequent recoveries are credited to impairment on financial instrument in the Consolidated statement of profit and loss.

5.6 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 - 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

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have been classified as Stage 2 due to significant increase in credit risk.

5.7 Hedge accounting

The Group makes use of derivative instruments 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.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

5.7.1 Cash flow hedges

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 OCI within equity (cash flow hedge reserve).

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

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 remains 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.

5.8 Recognition of interest income

5.8.1 The effective interest rate method

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 discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Interest Income

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account the fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the life of the loan. For credit-impaired financial assets interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

5.9 Taxes

5.9.1 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 in the countries where the Group operates and generates taxable income.

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.

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5.9.2 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:

- 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

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

5.9.3 Minimum Alternative Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

5.10 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.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the

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asset is recognised in the statement of profit and loss in the period of derecognition.

5.11 Property, plant and equipment

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

Depreciation is calculated using the straight–line method to write down the cost of property and equipment to their residual values over their estimated useful lives which is similar to those provided under Schedule II. Land is not depreciated.

Useful life of assets which is same as those prescribed as per Schedule II of the Companies Act, 2013:

Asset Description	Estimated Useful Life
Buildings	60 years
Computer Equipment	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
Membership card of stock exchanges	10 years

*The Group, based on technical assessment made by technical expert and management estimate, depreciates Furniture & Fixtures and vehicles 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.

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

5.12 Intangible assets

The Group's other intangible assets mainly include the value of computer software. 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.

5.13 Impairment of non–financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised 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 recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

5.14 Retirement and other employee benefits

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. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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.

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.

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

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benefit obligation as an expense in the Consolidated statement of profit and loss:

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

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.

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.

5.16 Provisions

Provisions are recognised 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.

5.16.1 Provision for Claw Back of Commission Income

The estimated liability for claw back of commission income is recorded in the period in which the underlying revenue is recognised. These estimates are established using historical information on the nature, frequency and expected average cost of claw back and management estimates regarding possible future incidence. The estimates used for accounting of claw back claims are reviewed periodically and revisions are made as required.

5.17 Dividends on ordinary shares

The Group recognises a liability to make cash distributions to equity holders of the parent 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 recognised directly in equity.

5.18 Determination of Fair value

The Group measures financial instruments, such as, derivatives 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:

- In the principal market for the asset or liability, or
- 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 Group.

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 Group 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.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- **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 Group has access to at the measurement date. The Group 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.
- **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 Group will classify the instruments as Level 3.
- **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 Group 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 Group 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.

5.19 Recognition of Income

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

The Group 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 Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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

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

5.19.1 Interest on overdue balances and Other Charges

Overdue interest in respect of loans is recognised upon realisation.

5.19.2 Fee Income & Sale of Services

a) Fee income from loans are recognised upon satisfaction of following:
   i) Completion of service
   ii) and realisation of the fee income.

b) Servicing and collections fees on assignment are recognised upon completion of service.

c) Advertising income is recognised over the contract period as and when related services are rendered.

d) 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.

5.19.3 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

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

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.

5.20 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 approve the dividend.

5.21 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.

5.22 Foreign Currency transactions

The Group's financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency.

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Income and expenses in foreign currencies are initially recorded by the Group at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities 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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

5.23 Earnings Per Share

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

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

5.24 Segment Information

The accounting policies adopted for Segment reporting are in line with the accounting policies of the Group with the following additional policies:

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".

5.25 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.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

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5.26 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.

5.27 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. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") 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.

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-of-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. Lease liabilities are remeasured with a corresponding adjustment to the related right to use asset if the Group changes its assessment if the whether it will exercise an extension or a termination option.

ROU asset has been presented under Property, plant and equipment while lease liability is presented under Other Financial Liabilities in the Balance Sheet. Lease payments made by the Group are classified as financing cash flows.

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

5.28 Trade receivable

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

6A. 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.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

i) De-recognition of Financial instruments

The Group enters into securitisation transactions where financial assets are transferred to a structured entity for a consideration. The financial assets transferred qualify for derecognition only when substantial risk and rewards are transferred.

This assessment includes judgements reflecting all relevant evidence including the past performance of the assets transferred and credit risk that the Group has been exposed to. Based on this assessment, the Group believes that the credit enhancement provided pursuant to the transfer of financial assets under securitisation are higher than the loss incurred on the similar portfolios of the Group hence it has been concluded that securitisation transactions entered by the Group does not qualify de-recognition since substantial risk and rewards of the ownership has not been transferred. The transactions are treated as financing arrangements and the sale consideration received is treated as borrowings.

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 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:

- 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
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs

The Company 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. Also refer note 2.3.

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 – Group 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 Group 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 Group would have to pay to for its borrowings.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

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 remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the 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) 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 business model for managing its financial assets becomes a critical judgement.

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.

Refer Note 5.1.4.1.1 for related details.

6B. Amendments to Ind AS 116: COVID-19-Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no significant impact on the Consolidated financial statements of the group.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 7 CASH AND CASH EQUIVALENTS		
Cash on hand	3,180	330
Balances with banks		
- In Current Accounts	1,49,570	61,856
- In Deposit Accounts - Original maturity 3 months or less	2,901	2,86,130
Cheques, drafts on hand	2,970	141
On other bank balances		
- On client and exchange related accounts & other deposits	702	1,057
Total	**1,59,323**	**3,49,514**
Cash and cash equivalents	1,59,323	3,49,514
Less: Other bank balances	702	1,057
Cash and cash equivalents for cashflow purpose	**1,58,621**	**3,48,457**

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note 8 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
- In Deposit Accounts - Original maturity more than 3 months	2,78,758	3,11,805
- Non current bank balances	836	837
- In earmarked accounts		
- In Unpaid Dividend Accounts	74	73
- Deposits with Banks as collateral towards securitisation loan	31,978	37,837
- Deposits with Banks as collateral towards Overdraft facility (Refer Note 20)	57,000	-
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	8	8
Total	**3,68,654**	**3,50,560**

₹ in lakhs

Particulars	As at 31st March 2021			As at 31st March 2020		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilites	Notional amounts	Fair Value -Assets	Fair Value -Liabilites
Note 9 : DERIVATIVE FINANCIAL INSTRUMENTS						
Part I						
(i) Other derivatives - Cross Currency Interest Rate Swap	2,24,373	2,634	914	2,34,373	11,420	-
(ii) Interest rate Swaps	1,40,286	1,953	-	-	-	-
(iii) Forward Contracts	1,40,286	-	11,828	-	-	-
Total Derivative financial Instruments	**5,04,945**	**4,587**	**12,742**	**2,34,373**	**11,420**	**-**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cash flow hedging:						
Others - Cross currency interest rate swap	2,24,373	2,634	914	2,34,373	11,420	-
(ii) Interest rate Swaps	1,40,286	1,953	-	-	-	-
(iii) Forward Contracts	1,40,286	-	11,828	-	-	-
Total Derivative financial Instruments	**5,04,945**	**4,587**	**12,742**	**2,34,373**	**11,420**	**-**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note 9 : DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

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 periodically monitors and reviews the risks involved.

The notional amount for interest rate swap represents the foreign currency borrowing on which Company has entered to hedge the variable interest rate.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 10 RECEIVABLES		
(i) Trade Receivables		
Considered Good*	5,064	2,687
Unsecured - Considered good	597	332
	5,661	3,019
Provision for Impairment on receivables	(1)	-
	5,660	**3,019**
Trade Receivables credit impaired	44	17
Provision for Impairment on receivables	(44)	(17)
Total Trade receivables		
Considered good	5,661	3,019
Trade Receivables credit impaired	44	17
Total	**5,705**	**3,036**
Provision for Impairment on receivables	(45)	(17)
Subtotal (i)	**5,660**	**3,019**
(ii) Other Receivables		
Considered Good*	4,211	3,536
Subtotal (ii)	**4,211**	**3,536**
Total (i)+(ii)	**9,871**	**6,555**

*Includes dues from related parties(Refer Note 39)

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 11 LOANS (At amortised cost)		
(A)		
(i) Bills Discounted	13,417	8,598
(ii) Term loans	68,14,958	56,83,272
Total (A) - Gross	**68,28,375**	**56,91,870**
Less: Impairment Allowance for (i) & (ii)	(2,44,441)	(1,52,297)
Total (A) - Net	**65,83,934**	**55,39,573**
(B)		
(i) Secured	67,85,357	56,63,436
(ii) Unsecured	43,018	28,434
Total (B) - Gross	**68,28,375**	**56,91,870**
Less: Impairment Allowance	(2,44,441)	(1,52,297)
Total (B) - Net	**65,83,934**	**55,39,573**

All loans are in India and have been granted to individuals or entities other than public sector.

Secured indicates loans secured, wholly or partly, by way of hypothecation of automobile assets and / or pledge of securities and / or equitable mortgage of property and / or advances generated out of loans and / or equipments

Term loans includes unsecured short term loan to an associate. The loans have been classified under Stage 1 Category at the various reporting periods and related impairment provision as per the Group's accounting policy has been created. The details of the same are disclosed below:

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 11 LOANS (At amortised cost)

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Loan - Oustanding Value		
White Data System India Private Limited - Associate	340	340
Impairment Provision		
White Data System India Private Limited - Associate*	0	0

* Represents amount less than ₹ 50,000

Note : 11.1 LOANS

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

₹ in lakhs

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Bills discounted								
Opening as on April 1, 2020	5,141	43	3,414	8,598	31	4	3,173	3,208
New assets originated / Increase in existing assets (Net)	9,678	-	430	10,108	57	-	125	182
Exposure de-recognised / matured / repaid	(5,141)	-	(147)	(5,288)	(31)	-	(103)	(134)
Transfer to Stage 3	-	(43)	42	(1)	-	(4)	4	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	38	38
Impact of changes on items within the same stage	-	-	-	-	-	-	197	197
Closing as on March 31, 2021	**9,678**	**-**	**3,739**	**13,417**	**57**	**-**	**3,434**	**3,491**
Term loans								
Opening as on April 1, 2020	52,68,333	2,02,022	2,12,917	56,83,272	39,091	23,342	86,656	1,49,089
New assets originated / Increase in existing assets (Net)	24,24,901	15,298	7,604	24,47,803	37,558	6,175	2,704	46,437
Exposure de-recognised / matured / repaid	(11,85,261)	(58,821)	(47,464)	(12,91,546)	(20,163)	(4,486)	(8,028)	(32,677)
Transfer to Stage 1	65,509	(56,814)	(8,695)	-	8,889	(6,055)	(2,834)	-
Transfer to Stage 2	(3,52,885)	3,59,980	(7,095)	-	(8,308)	10,745	(2,437)	-
Transfer to Stage 3	(81,332)	(43,717)	1,25,049	-	(2,120)	(5,357)	7,477	-
Impact on account of exposures transferred during the period between stages	139	10,451	7,862	18,452	112	48,112	34,511	82,735
Impact of changes on items within the same stage	-	-	8,382	8,382	-	-	19,077	19,077
Write off	(14,318)	(5,290)	(31,797)	(51,405)	(1,388)	(1,512)	(20,811)	(23,711)
Closing as on March 31, 2021	**61,25,086**	**4,23,109**	**2,66,763**	**68,14,958**	**53,671**	**70,964**	**1,16,315**	**2,40,950**
Bills Discounted								
Opening as on April 1, 2019	5,367	40	3,453	8,860	13	3	3,157	3,173
New assets originated / Increase in existing assets (Net)	5,123	42	250	5,415	31	4	100	135
Exposure de-recognised / matured / repaid	(5,349)	(39)	(289)	(5,677)	(13)	(3)	(230)	(246)
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on account of exposures transferred during the year between stages (net)	-	-	-	-	-	-	-	-
Impact of changes on items within the same stage (net)	-	-	-	-	-	-	146	146
Closing as on March 31, 2020	**5,141**	**43**	**3,414**	**8,598**	**31**	**4**	**3,173**	**3,208**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 11.1 LOANS (Contd.)

₹ in lakhs

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Term loans								
Opening as on April 1, 2019	49,97,273	2,07,617	1,40,398	53,45,288	18,690	19,724	51,484	89,898
New assets originated / Increase in existing assets (Net)	25,49,193	25,834	9,514	25,84,541	28,640	3,982	4,031	36,653
Exposure de-recognised / matured / repaid	(20,60,421)	(1,13,388)	(48,497)	(22,22,306)	(13,214)	(5,073)	(7,497)	(25,784)
Transfer to Stage 1	59,640	(55,972)	(3,668)	-	6,161	(5,184)	(977)	-
Transfer to Stage 2	(1,84,591)	1,87,214	(2,623)	-	(811)	1,491	(680)	-
Transfer to Stage 3	(76,058)	(42,931)	1,18,989	-	(348)	(3,981)	4,329	-
Impact on account of exposures transferred during the year between stages	139	682	2,562	3,383	232	14,604	32,867	47,703
Impact of changes on items within the same stage	-	-	4,489	4,489	-	-	8,679	8,679
Write off	(16,842)	(7,034)	(8,247)	(32,123)	(259)	(2,221)	(5,580)	(8,060)
Closing as on March 31, 2020	**52,68,333**	**2,02,022**	**2,12,917**	**56,83,272**	**39,091**	**23,342**	**86,656**	**1,49,089**

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

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 12 INVESTMENTS		
Investment in Equity Instruments*		
a) Unquoted - FVOCI**		
Amaravathi Sri Venkatesa Paper Mills Limited		
293,272 Equity shares of ₹ 10 each fully paid up#	-	-
Saraswat Co-operative Bank Limited		
1,000 Equity shares of ₹ 10 each fully paid up#	-	-
The Shamrao Vithal Co-operative Bank Limited		
1,000 Equity shares of ₹ 25 each fully paid up#	-	-
Chennai Willingdon Corporate Foundation		
5 shares of ₹ 10 each: cost ₹ 50 only#	-	-
Chola Insurance Services Private Ltd.		
19,133 Equity shares of ₹10 each fully paid up	2	2
b) Unquoted - FVTPL		
Faering Capital India Evolving Fund		
21,662 units (as on March 31, 2020 - 27,263 units) of ₹10 each fully paid up	288	302
c) Quoted - FVOCI		
Bombay Stock Exchange Limited		
65,000 Equity shares of ₹ 1 each(as on March 31, 2020) of ₹ 2 each fully paid up	371	194
Madras Enterprises Limited		
2,85,000 Equity shares of ₹ 1 each fully paid up#	-	-
Coromandel Engineering Co. Ltd		
25,00,100 Equity shares of ₹ 10 each fully paid up	675	295
d) Investment in Government Securities - amortised cost	1,54,589	-
(Issued by Government of India)		
Total	**1,55,925**	**793**

*Investments are made in India

** The Group has designated certain unquoted investments as FVOCI on the basis that these are not held for trading.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 12 INVESTMENTS (Contd.)

Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to Investment at Amortised Cost

Particulars	Gross carrying amount - Stage 1	Impairment allowance - Stage 1
Opening as on April 1, 2020	-	-
New assets originated	1,54,589	-
Exposure matured / repaid	-	-
Closing as on March 31, 2021	1,54,589	-

represents amount less than ₹ 1 lakh.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 13 OTHER FINANCIAL ASSET		
At amortised cost		
Unsecured - considered good (unless otherwise stated)		
Security deposits	5,397	4,949
Interest only strip receivable	41,406	35,782
Covid Ex-gratia Claim Receivable	9,647	-
Other advances (Refer Note 39)	2,995	3,182
Total	**59,445**	**43,913**

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 14 DEFERRED TAX		
Deferred Tax Assets		
Impairment allowance for financial instruments	61,471	37,741
Provision for Contingencies and undrawn commitments	1,132	1,004
Provision for Claw back	-	1
Provision for Compensated Absences and Gratuity	1,812	1,313
Impact of Effective interest rate adjustment on Financial Assets	6,281	7,815
Contract liability as per IND AS 115	262	413
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	1,604	968
Carry forward of tax losses	-	254
MAT credit entitlement	26	293
Items recognised in OCI	3,933	2,762
Others	637	607
(A)	**77,158**	**53,171**
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	261	424
(B)	**261**	**424**
Net Deferred Tax Assets (A) - (B)	**76,897**	**52,747**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 14 DEFERRED TAX (Contd.)

₹ in lakhs

Particulars	Year ended March 31,2021 Income Statement	Year ended March 31,2021 OCI	Year ended March 31,2020 Income Statement	Year ended March 31,2020 OCI
Deferred Tax Assets				
Impairment allowance for financial instruments	(23,730)	-	(5,311)	-
Provision for Contingencies and undrawn commitments	(128)	-	375	-
Provision for Claw back	1	-	4	-
Provision for Compensated Absences and Gratuity	(499)	-	(33)	-
Impact of Effective interest rate adjustment on Financial Assets	1,534	-	1,946	-
Contract liability as per IND AS 115	151	-	582	-
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	(636)	-	(297)	-
Carry forward of tax losses and MAT entitlement credit	439	-	11	-
Others	(30)	-	(231)	-
(A)	**(22,898)**	**-**	**(2,954)**	**-**
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	163	-	432	-
Re-measurement gains / (losses) on defined benefit plans (Net)	-	33	-	127
Cashflow Hedge Reserve	-	1,138	-	3,261
(B)	**163**	**1,171**	**432**	**3,388**
Net deferred tax charge / (reversal) (A) - (B)	**(23,061)**	**(1,171)**	**(3,386)**	**(3,388)**

Pursuant to the Taxation Laws (Amendment) Bill 2019, passed on 25th November 2019, the Group had exercised the option permitted u/s 115BAA of the Income Tax Act, 1961, to compute income tax at revised rate (i.e.25.17%) from current financial year and accordingly, had re-measured deferred tax as at April 1, 2019. The re-measurement has resulted in additional tax charge of ₹ 12,845 lakhs in the statement of profit and loss and additional tax benefit of ₹ 172 lakhs in other Comprehensive income for the previous year.

₹ in lakhs

Particulars	Total
Note : 15 INVESTMENT PROPERTIES	
Gross carrying amount as at April 1, 2019	**14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2020	**14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2021	**14**
Accumulated depreciation and impairment	
Balance as at April 1, 2019	**0**
Depreciation for the year	0
Depreciation on disposals	-
Balance as at March 31, 2020**	
Depreciation for the period	1
Depreciation on disposals	0
Balance as at March 31, 2021**	**1**
Net Carrying amount	
As at March 31, 2020	**14**
As at March 31, 2021	**13**
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

The Group's investment property consists of 4 properties and has let out one property as at March 31, 2021

** represents amount less than ₹ 100,000

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 15 INVESTMENT PROPERTIES (Contd.)

i) Income earned and expense incurred in connection with Investment Property

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Rental Income	4	4
Direct Operating expense from property that generated rental income	1	1
Direct Operating expense from property that did not generated 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.

iv) Fair Value

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Investment Property	304	299

v) Sensitivity analysis

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair value (₹ in lakhs)	Sensitivity (₹ in lakhs)
Investment property As at March 31 2021	Based on Market value	Price per Sq. feet	₹7,000 - ₹13,000 per Sq. feet	5%	304	15
Investment property As at March 31 2020	Based on Market value	Price per Sq. feet	₹7,000 - ₹13,000 per Sq. feet	5%	299	15

₹ in lakhs

Particulars	Freehold Land	Computer Equipment	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicles	Buildings (Refer Note below)		Total
							Own Assets	Right of Use Asset	
Note : 16 PROPERTY, PLANT AND EQUIPMENT									
Gross carrying amount as at April 1, 2019	**3,956**	**5,946**	**2,170**	**1,863**	**3,722**	**1,607**	**2,566**	**-**	**21,830**
Additions	-	2,463	735	685	1,359	580	137	15,289	21,248
Disposals	-	18	57	85	40	201	398	-	799
Gross carrying amount as at March 31, 2020	**3,956**	**8,391**	**2,848**	**2,463**	**5,041**	**1,986**	**2,305**	**15,289**	**42,279**
Additions	-	1,447	169	81	142	218	-	1,563	3,620
Disposals	-	25	24	6	14	408	-	37	514
Gross carrying amount as at March 31, 2021	**3,956**	**9,813**	**2,993**	**2,538**	**5,169**	**1,796**	**2,305**	**16,815**	**45,385**
Accumulated depreciation / amortisation and impairment									
Balance as at April 1, 2019	**-**	**3,274**	**931**	**1,134**	**1,478**	**420**	**96**	**-**	**7,333**
Depreciation for the year	-	2,076	567	657	1,031	373	425	4,259	9,388
Depreciation on disposals	-	20	42	67	30	121	398	-	678
Balance as at March 31, 2020	**-**	**5,330**	**1,456**	**1,724**	**2,479**	**672**	**123**	**4,259**	**16,043**
Depreciation for the period	-	1,975	539	296	911	390	43	4,645	8,799
Depreciation on disposals	-	17	13	6	12	224	-	11	283
Balance as at March 31, 2021	**-**	**7,288**	**1,982**	**2,014**	**3,378**	**838**	**166**	**8,893**	**24,559**
Net Carrying amount									
As at March 31, 2020	**3,956**	**3,061**	**1,392**	**739**	**2,562**	**1,314**	**2,182**	**11,030**	**26,236**
As at March 31, 2021	**3,956**	**2,525**	**1,011**	**524**	**1,791**	**958**	**2,139**	**7,922**	**20,826**
Useful Life of the asset (In Years)		3	5	5	5	5	60	upto 5	
Method of depreciation				Straight-line method					

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 16 PROPERTY, PLANT AND EQUIPMEN (Contd.)

Note

1. Details of Immovable properties of land and buildings, whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security, has been explained in Note 19.1
2. 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.

₹ in lakhs

Particulars	Computer Software
Note : 17 INTANGIBLE ASSETS	
Gross carrying amount as at March 31, 2019	**5,377**
Additions	1,587
Disposals	204
Gross carrying amount as at March 31, 2020	**6,760**
Additions	1,284
Disposals	-
Gross carrying amount as at March 31, 2021	**8,044**
Accumulated Amortization and impairment	
Balance as at April 1, 2019	**3,159**
Amortization for the year	1,738
Amortization on disposals	204
Balance as at March 31, 2020	**4,693**
Amortization for the period	1,431
Amortization on disposals	-
Balance as at March 31, 2021	**6,124**
Net Carrying amount	
As at March 31, 2020	**2,067**
As at March 31, 2021	**1,920**
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 18 OTHER NON FINANCIAL ASSETS		
Unsecured - considered good		
Prepaid expenses	1,563	1,489
Capital advances	1,012	114
Other assets	81	424
GST Input Credit	2,183	935
Total	**4,839**	**2,962**

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 19 DEBT SECURITIES (at amortised cost)		
Redeemable Non-Convertible Debentures Medium - Term - Secured	9,34,263	5,74,418
Commercial Papers - Unsecured	3,01,504	1,58,265
Total	**12,35,767**	**7,32,683**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 17 INTANGIBLE ASSETS (Contd.)

All debt securities have been contracted in India

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) The Group has not defaulted in the repayment of dues to its lenders.

19.2 Details of Debentures - Contractual principal repayment value

(i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31,2021 ₹ in lakhs	March 31,2020 ₹ in lakhs		
250	10,00,000	2,500	2,500	Nov-26	8.55
5,000	10,00,000	50,000	-	Jul-25	7.92
1,500	10,00,000	15,000	-	Oct-24	6.80
3,000	10,00,000	30,000	-	Jul-24	7.38
1,500	10,00,000	15,000	15,000	Apr-24	8.62
5,850	10,00,000	58,500	-	Feb-24	6.45
5,500	10,00,000	55,000	-	Dec-23	6.10
3,523	10,00,000	35,230	35,230	Sep-23	8.80
1,500	10,00,000	15,000	-	May-23	7.50
3,250	10,00,000	32,500	-	Apr-23	6.26
8,000	10,00,000	80,000	-	Mar-23	5.85 to 5.68
3,350	10,00,000	33,500	13,500	Feb-23	5.70 to 7.41
5,900	10,00,000	59,000	10,000	Dec-22	5.48 to 7.98
6,150	10,00,000	61,500	15,000	Nov-22	5.45 to 8.00
3,523	10,00,000	35,230	35,230	Sep-22	8.70
2,000	10,00,000	20,000	-	Jun-22	7.20
1,050	10,00,000	10,500	10,500	Mar-22	8.35 to 9.06
2,000	10,00,000	20,000	-	Dec-21	6.93
3,523	10,00,000	35,230	35,230	Sep-21	8.45
3,250	10,00,000	32,500	12,500	Aug-21	6.74 to 8
2,550	10,00,000	25,500	25,500	Jul-21	8.98
4,010	10,00,000	40,100	40,100	Jun-21	8.49 to 8.52
4,100	10,00,000	41,000	-	May-21	6.90
4,770	10,00,000	47,700	47,700	Apr-21	8.09
1,500	10,00,000	-	15,000	Mar-21	8.85
600	10,00,000	-	6,000	Feb-21	9.09
1,350	10,00,000	-	13,500	Jan-21	8.11
3,500	10,00,000	-	35,000	Dec-20	8.00 to 8.98
1,750	10,00,000	-	17,500	Oct-20	7.75
2,200	10,00,000	-	22,000	Jun-20	8.10 to 9.10
4,800	10,00,000	-	48,000	May-20	8.12 to 8.90
800	10,00,000	-	8,000	Apr-20	8.10 to 9.02
		8,50,490	**4,62,990**		

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 19 DEBT SECURITIES (at amortised cost) (Contd.)

(ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put call option

₹ in lakhs

No. of Debentures	Face Value ₹	Balance as at March 31,2021 ₹ in lakhs	Balance as at March 31,2020 ₹ in lakhs	Due date of redemption	Redemption price ₹	Premium ₹
1250	10,00,000	12,500	-	Jul-25	14,61,481	4,61,481
850	10,00,000	8,500	-	Jul-25	13,53,045	3,53,045
500	10,00,000	5,000	5,000	Jan-23	12,54,470	2,54,470
250	10,00,000	2,500	-	Dec-24	12,93,960	2,93,960
350	10,00,000	3,500	-	Oct-24	13,01,025	3,01,025
1100	10,00,000	11,000	11,000	May-21	12,94,211	2,94,211
1000	10,00,000	-	10,000	Mar-21	12,76,583	2,76,583
1150	10,00,000	-	11,500	Dec-20	11,92,230	1,92,230
2050	10,00,000	-	20,500	May-20	12,63,916	2,63,916
190	10,00,000	-	1,900	Apr-20	12,56,100	2,56,100
500	10,00,000	-	5,000	Apr-20	13,54,976	3,54,976
800	10,00,000	-	8,000	Apr-20	12,74,682	2,74,682
		43,000	**72,900**			

(iii) Secured Redeemable Non-Convertible Debentures - Redeemable at par - with Put option

No. of Debentures	Face Value ₹	Balance as at March 31,2021 ₹ in lakhs	Balance as at March 31,2020 ₹ in lakhs	Due date of redemption	Put option date	Rate of interest %
10	10,00,000	100	100	Aug-23	Jul-21	9.06
		100	**100**			

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 20 BORROWINGS (Other than Debt Securities) at amortised cost		
A) Term Loans		
(i) (a) From Banks - Secured		
- Rupee Loans	35,68,218	32,96,247
- Foreign currency Loans	-	11,788
- External Commercial Borrowings	2,39,869	2,47,326
(b) From Banks - Unsecured		
- Short term loans	20,000	-
ii) From Other Parties - Secured		
(a) Financial Institutions - Rupee Loans	1,72,786	1,63,258
(b) External Commercial Borrowings	1,37,230	-
(c) Securitisation - Rupee Loans	4,34,452	4,63,131
B) Loan repayable on demand - Secured from Banks - Rupee Loans (Refer Note 8)	1,45,671	1,45,558
Total	**47,18,226**	**43,27,308**
Borrowings within India	43,41,127	40,79,982
Borrowings Outside India	3,77,099	2,47,326

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 20 BORROWINGS (Contd.)

20.1 Security

(i) Secured term loans from banks and financial institution are secured by way of specific /pari passu charge on assets under hypothecation relating to automobile financing and loans against immovable property.

(ii) Loan repayable on demand is in the nature of Cash Credit 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.

(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 trust by way of cash collateral and Bank guarantee and also refer note 8

20.2 Details of term loans - Contractual principal repayment value

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding March 31,2021	Amount outstanding March 31,2020
Base Rate / MCLR	< 1year	1	86,250	1,05,833
		2	1,25,016	1,38,750
		3	30,000	57,188
		4	1,78,750	53,334
		8	60,395	60,000
		12	20,000	-
	1 - 2 years	1	1,40,000	92,917
		2	1,92,917	96,667
		4	1,92,949	1,92,084
		8	60,395	60,000
		12	20,000	-
	2 - 3 years	1	33,333	1,30,000
		2	1,22,500	2,48,751
		4	1,61,699	79,582
		8	60,395	60,000
		12	20,000	-
	3 - 4 years	1	10,000	8,333
		2	80,000	1,63,334
		4	1,41,699	60,000
		6	7,796	-
		8	-	60,000
		12	20,000	-
	4 - 5 years	1	5,000	21,665
		2	-	90,000
		3	57,441	-
		4	25,111	40,000
		7	-	9,375
		9	15,000	-
	> 5 Years	1	-	5,000
Base Rate/ MCLR + spread (0.05% to 0.92%)	< 1year	1	3,85,000	3,37,500
		2	-	-
		3	50,000	-
		4	-	80,000
	1 - 2 years	1	35,000	4,92,500
		2	30,000	-
		3	50,000	18,750

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

20.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding March 31,2021	Amount outstanding March 31,2020
		4	-	72,500
		6	-	12,500
	2 - 3 years	1	70,000	18,750
		2	30,000	30,000
		3	50,000	-
		4	-	72,500
		6	-	12,500
	3 - 4 years	1	-	12,500
		2	-	30,000
		4	-	72,500
		6	-	12,500
	4- 5 years	1	-	-
		2	-	5,000
	>5 Years	-		-
Rate based on T Bill + Spread	< 1 year	1	48,200	74,400
		2	15,000	32,500
		4	41,667	
	1 - 2 years	1	41,050	29,400
		2	12,500	
		4	66,667	25,000
	2 - 3 years	1	25,000	29,400
		2	-	12,500
		3	12,500	-
		4	50,000	-
	3 - 4 years	1	-	-
	4 - 5 years	3	-	-
Fixed Rate	< 1year	1	51,000	-
		2	16,000	12,200
		4	40,400	28,000
	1 - 2 years	1	20,000	-
		2	10,000	6,000
		4	39,400	40,400
	2 - 3 years	2	43,300	-
		4	24,400	39,400
	3 - 4 years	2	55,400	-
		4	-	24,400
	4 - 5 years	2	43,400	12,100
3Months Repo	< 1year	1	42,500	-
		2	15,000	-
		3	3,333	-
		4	82,976	18,000
		8	36,000	-
		12	83,333	-
	1 - 2 years	1	8,333	30,000
		2	15,000	-
		3	3,333	-
		4	49,643	-
		8	36,000	36,000
		12	83,333	-
		1	8,333	-
	2 - 3 years	2	15,000	-
		3	3,334	-
		4	49,643	-
		6	41,667	-
		8	-	36,000

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

20.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding* March 31,2021	Amount outstanding* March 31,2020
	3 - 4 years	1	10,119	-
		3	3,750	-
		4	37,500	-
Total			**38,50,660**	**35,98,513**
USD 2Y MIBOR + Spread	< 1year	1	-	4,000
	1-2 years	1	7,500	-
USD 3M LIBOR + Spread	< 1year	2	5,202	11,668
	1-2 years	1	-	-
		4	20,807	-
	2-3 years	4	20,807	-
USD 6M LIBOR + Spread	< 1 year	1	-	-
	3 - 4 years	4	20,807	-
	4 - 5 years	4	20,807	-
	>5 Years	9	46,815	-
USD 6M LIBOR + Spread	< 1year	1	36,553	-
	1-2 years	1	1,31,589	37,830
	2-3 years	1	-	1,36,188
	3 - 4 years	1	67,257	-
	4 - 5 years	1	-	69,607
Total			**3,78,144**	**2,59,293**

Details of Securitised loan

Rate of Interest	Maturity	Amount outstanding* March 31,2021	Amount outstanding* March 31,2020
	Less than 1 year	1,75,343	1,58,012
Fixed	1-2 year	1,09,355	1,24,382
(4.9% to 8%)	2-3 year	45,570	54,213
	3-4 year	12,428	15,261
	4-5 year	4,451	5,593
	more than 5 years	12,990	17,222
Total		**3,60,137**	**3,74,683**
	Less than 1 year	6,501	6,753
Floating	1-2 year	6,925	7,928
Base Rate/ MCLR - spread	2-3 year	7,459	8,439
(0.75% to 2.65%)	3-4 year	7,866	9,088
	4-5 year	7,832	9,411
	more than 5 years	37,198	46,706
Total		**73,781**	**88,325**

* 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.

20.3 Loan repayable on demand represents cash credit and overdraft facilities

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 21 SUBORDINATED LIABILITIES (at amortised cost)		
Perpetual Debt - Unsecured	1,48,920	1,49,597
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	40,684	40,677
b) Other Subordinated Debts	2,29,402	2,50,278
Total	**4,19,006**	**4,40,552**

(i) All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.

(ii) The Group has not defaulted in the repayment of dues to its lenders.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

21.1 Details of Subordinated Liabilities - Contractual principal repayment value

(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 31,2021 ₹ in lakhs	March 31,2020 ₹ in lakhs		
400	1,00,00,000	40,000	40,000	Jan-30	9.25
3000	10,00,000	30,000	30,000	Aug-28	9.75
5300	10,00,000	53,000	53,000	Mar-28	9.05
1500	10,00,000	15,000	15,000	Aug-27	8.53
2500	10,00,000	25,000	25,000	Jun-27	8.78 to 8.80
100	10,00,000	1,000	1,000	Nov-26	9.20
150	10,00,000	1,500	1,500	Jun-24	11.00
50	10,00,000	500	500	May-24	11.00
250	10,00,000	2,500	2,500	Apr-24	11.00
250	10,00,000	2,500	2,500	Mar-24	11.00
200	10,00,000	2,000	2,000	Feb-24	11.00
250	10,00,000	2,500	2,500	Jan-24	11.00
2000	10,00,000	20,000	20,000	Nov-23	9.08 to 9.20
500	10,00,000	5,000	5,000	Oct-23	9.08
150	10,00,000	1,500	1,500	Sep-23	11.00
600	10,00,000	6,000	6,000	Dec-22	11.05 to 11.25
3,150	10,00,000	31,500	31,500	Nov-21	10.02
1,000	10,00,000	10,000	10,000	Jun-21	11.30
1,000	10,00,000	10,000	10,000	May-21	11.30
100	10,00,000	-	1,000	Mar-21	11.00
100	10,00,000	-	1,000	Feb-21	11.00
150	10,00,000	-	1,500	Oct-20	11.00
500	10,00,000	-	5,000	Jul-20	10.70
115	10,00,000	-	1,150	May-20	11.00
1,000	10,00,000	-	10,000	Apr-20	11.00
750	10,00,000	-	-	Dec-19	11.50
		2,59,500	**2,79,150**		

(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 31,2021 ₹ in lakhs	March 31,2020 ₹ in lakhs			
150	10,00,000	1,500	1,500	Nov-23	17,57,947	7,57,947
		1,500	**1,500**			

(iii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at		Maturity Date - Perpetual #	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31,2021 ₹ in lakhs	March 31,2020 ₹ in lakhs		
2000	5,00,000	10,000	-	Mar-31	9.25
900	5,00,000	4,500	-	Nov-30	9.30
1000	5,00,000	5,000	5,000	Dec-29	10.75
1120	5,00,000	5,600	5,600	Mar-29	10.83
5000	5,00,000	25,000	25,000	Feb-29	10.88
500	5,00,000	2,500	2,500	Aug-24	12.80
174	10,00,000	1,740	1,740	Jul-24	12.90
500	5,00,000	2,500	2,500	Jun-24	12.90
500	5,00,000	2,500	2,500	Feb-24	12.90
50	10,00,000	500	500	Jan-24	12.60

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

21.1 Details of Subordinated Liabilities - Contractual principal repayment value (Contd.)

No. of Debentures	Face Value ₹	Balance as at 31.03.2021 ₹ in lakhs	Balance as at 31.03.2020 ₹ in lakhs	Maturity Date - Perpetual #	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
1,031	10,00,000	10,310	10,310	Dec-23	12.50 to 12.60
245	10,00,000	2,450	2,450	Oct-23	12.60
1,000	5,00,000	5,000	5,000	Oct-23	12.90
300	10,00,000	3,000	3,000	Feb-23	12.80
1,450	10,00,000	14,500	14,500	Dec-22	12.70 to 12.80
860	5,00,000	4,300	4,300	Sep-22	12.75
2,000	5,00,000	10,000	10,000	Aug-22	12.90
200	5,00,000	1,000	1,000	Mar-22	12.50
700	5,00,000	3,500	3,500	Jan-22	12.50
3,500	5,00,000	17,500	17,500	Dec-21	12.50 to 12.95
320	5,00,000	1,600	1,600	Aug-21	12.50
413	5,00,000	2,065	2,065	Jul-21	12.50
2,021	5,00,000	10,105	10,105	Jun-21	12.50
3,000	5,00,000	-	15,000	Oct-20	12.05
		1,45,170	**1,45,670**		

Company can redeem using Call option on the maturity date with prior approval of RBI.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 22 OTHER FINANCIAL LIABILITIES		
Unpaid dividend	74	73
Advance from customers	5,529	1,999
Security deposits received	80	216
Collections towards derecognised assets pending remittance	18,928	15,955
Lease liability (Refer Note 49)	9,253	12,425
Other liabilities	16,404	8,817
Total	**50,268**	**39,485**

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 23 PROVISIONS		
Provision for Employee Benefits		
Compensated absences	6,594	5,182
	6,594	**5,182**
Other Provisions		
Provision for contingencies and service tax claims (Refer note 41)	4,347	3,838
Provision for expected credit loss towards undrawn commitments (Refer note 41)	104	131
	4,451	**3,969**
Total	**11,045**	**9,151**

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 24 OTHER NON FINANCIAL LIABILITIES		
Income received in advance	1,150	1,712
Statutory liabilities	2,687	2,010
Others	859	955
Total	**4,696**	**4,677**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

₹ in lakhs

Particulars	As at March 31,2021 Nos.	Amount	As at March 31,2020 Nos.	Amount
Note : 25 EQUITY SHARE CAPITAL				
AUTHORISED				
Equity Shares of ₹ 2 each with voting rights	1,20,00,00,000	24,000	1,20,00,00,000	24,000
Preference Shares of ₹ 100 each	5,00,00,000	50,000	5,00,00,000	50,000
		74,000		**74,000**
ISSUED				
Equity Shares of ₹ 2 each with voting rights	82,07,18,899	16,407	82,02,61,529	16,405
		16,407		**16,405**
SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹ 2 each with voting rights	82,00,35,129	16,400	81,95,77,759	16,391
Add : Forfeited Shares	6,54,500	7	6,54,500	7
		16,407		**16,398**

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year/period:

₹ in lakhs

Particulars	As at March 31,2021 Nos.	Amount	As at March 31,2020 Nos.	Amount
Equity Shares				
At the beginning of the period	81,95,77,759	16,391	15,63,59,113	15,636
Additional shares pursuant to share split during the period			62,54,36,452	-
Issued during the year				
a) Qualified institutional Placement	-		2,81,25,000	563
b) Preferential Issue to the Holding Company	-		93,45,794	187
c) Employees Stock Option (ESOP) Scheme	4,57,370	9	3,11,400	5
Outstanding at the end of the period/ year	**82,00,35,129**	**16,400**	**81,95,77,759**	**16,391**
Forfeited shares				
Equity Shares - Amount originally paid up	**6,54,500**	**7**	**6,54,500**	**7**

Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

b) Equity Shares held by Holding Company

Particulars	As at March 31,2021	As at March 31,2020
Cholamandalam Financial Holdings Limited (formerly known as "TI Financial Holdings Limited") - Holding Company	37,28,85,889	37,28,85,889

c) Details of shareholding more than 5% shares in the Company

₹ in lakhs

Particulars	As at March 31,2021 Nos.	% holding in the class	As at March 31,2020 Nos.	% holding in the class
Equity Shares				
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	45.47	37,28,85,889	45.50

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 25 EQUITY SHARE CAPITAL (Contd.)

As per records of the Company, 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.

d) Issue of Shares on preferential basis and Qualified institutional placements

On January 31, 2020 the Company alloted 2,81,25,000 equity shares of ₹ 2 each at a premium of ₹ 318 per share aggregating to ₹ 90,000 lakhs to eligbile investors through Qualified institutional placement.

On March 9, 2020 the Company alloted 93,45,794 equity shares of ₹ 2 each at a premium of ₹ 319 per share aggregating to ₹ 30,000 lakhs to the holding company on preferential basis.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 26 OTHER EQUITY		
Statutory Reserve (Refer Note a)		
Balance at the beginning of the year	1,28,046	1,06,046
Add: Amount transferred from retained earnings	31,000	22,000
Closing balance at the end of the year	**1,59,046**	**1,28,046**
Capital Reserve (Refer Note b)		
Balance at the beginning of the year	4	4
Add: Changes during the year	-	-
Closing balance at the end of the year	**4**	**4**
Capital Redemption Reserve (Refer Note c)		
Balance at the beginning of the year	3,300	3,300
Add: Changes during the year	-	-
Closing balance at the end of the year	**3,300**	**3,300**
Securities Premium Account (Refer Note d)		
Balance at the beginning of the year	2,85,678	1,66,850
Add: Premium on issue of shares on preferential basis (Refer note 25A)	-	29,813
Add: Premium on issue of shares on Qualified Institutional placement) (Refer note 25A)	-	89,437
Add: Premium on ESOPs exercised	927	499
Less: Share issue expenses	-	(921)
Closing balance at the end of the year	**2,86,605**	**2,85,678**
General Reserve (Refer Note e)		
Balance at the beginning of the year	3,00,967	2,50,967
Add: Amount transferred from retained earnings	75,000	50,000
Add: Amount transferred from Share Based Payment Reserve	136	-
Closing balance at the end of the year	**3,76,103**	**3,00,967**
Share Based Payments Reserve (Refer Note f)		
Balance at the beginning of the year	3,017	1,861
Addition during the year	563	1,156
Transfer to General reserve	(136)	-
Closing balance at the end of the year	**3,444**	**3,017**
Retained Earnings (Refer Note g)		
Balance at the beginning of the year	89,808	76,848
Profit for the year	1,52,086	1,05,372
Less:		
Dividend		
Equity - Final	-	(8,798)
Equity - Interim	(10,656)	(7,819)

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Particulars	As at March 31,2021	As at March 31,2020
Distribution tax on Equity Dividend	-	(3,416)
Transfer to Statutory Reserve	(31,000)	(22,000)
Transfer to General Reserve	(75,000)	(50,000)
Re-measurement Gain / (Loss) on Defined Benefit Obligation (Net) transferred to Retained Earnings	(100)	(379)
Closing balance at the end of the year	**1,25,138**	**89,808**
Cashflow hedge reserve (Refer Note h)		
Balance at the beginning of the year	(7,179)	(1,208)
Addition	(3,383)	(5,971)
Closing balance at the end of the year	**(10,562)**	**(7,179)**
FVOCI Reserve (Refer Note i)		
Balance at the beginning of the year	(63)	561
Addition	558	(624)
Deduction	-	-
Closing balance at the end of the year	**495**	**(63)**
Share Application Money pending Allotment at the end of the period /year (Refer note j)	**-**	**10**
Total Other Equity	**9,43,573**	**8,03,588**

a) Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss account, before any dividend is declared.

b) Capital reserve represents the reserve created on account of amalgamation of Chola Factoring Limited in the year 2013-14.

c) 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 limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

d) Securities premium reserve is used to record the premium on issue of shares. The premium received during the period represents the premium received towards allotment of equity shares issued under Qualified institutional placement, Preferential allotment to holding company and ESOP scheme. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the Section 52 of the Companies Act, 2013

e) The general reserve is a free reserve, retained from Group's profits and can be utilized upon fulfilling certain conditions in accordance with specific requirement of Companies Act, 2013.

f) Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting year as employee compensation costs, reflecting the year of receipt of service.

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

h) 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.

i) FVOCI Reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income.

j) Share application money pending allotment as at March 31, 2020 represents amount received towards 5000 equity shares of the Company pursuant to ESOP scheme and have been subsequently allotted.

Proposed Dividend

The Board of Directors of the Company have recommended a final dividend of 35% being ₹ 0.70 per share on the equity shares of the Company, for the year ended March 31, 2021 (₹ nil per share - March 31, 2020) which is subject to approval of shareholders. Consequently the proposed dividend has not been recorded in the books in accordance with IND AS 10.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
REVENUE FROM OPERATIONS		
Note: 27A		
(i) Interest - on financial assets measured at amortised cost		
(a) Loans		
- Bills Discounting	766	721
- Term Loans	8,86,955	7,83,412
(b) Bank Deposits		
- under lien	2,147	3,845
- free of lien	27,009	20,526
(c) Other Deposits		
- Deposits with Financial Institutions	2,299	3,961
- Investment in Government Securities	3,301	-
Total (A)	**9,22,477**	**8,12,465**
Note: 27B		
(i) Fee & Commission income *		
- Term loans	20,685	18,987
- Others	6,254	5,883
Total (B)	**26,939**	**24,870**
*Services are transferred at a point in time		
Note: 27C		
Net gain on fair value changes on FVTPL - Realised		
- Income from mutual funds	487	1,569
Total (C)	**487**	**1,569**
Note: 27D		
(i) Sale of Services (Refer note below)		
(a) Servicing and Collection fee on Assignment	691	485
(b) Other Service Income	7,346	7,085
Total (D)	**8,037**	**7,570**
Note: Timing of revenue recognition		
Services transferred at a point in time	7,437	6,970
Services transferred over a time	600	600
Total	**8,037**	**7,570**

Details related to services transferred over a time

a) Contract balances

₹ in lakhs

Particulars	As at March 31, 2021	As at March 31, 2021
Contract Liabilities	1,041	1,641

Contract liability relates to payments received in advance of performance under the contract. Contract liability is recognised as revenue as (or when) we perform under the contract.

b) Movement in Contract liability during the period as follows

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Contract liability at the beginning of the period	1,641	2,241
Revenue Recognised during the period	600	600
Contract liability at the end of the period	1,041	1,641

c) Total Revenue from contracts with Customer

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Total Revenue from contracts with Customer*	34,976	32,440

*Represents fee income (note 27 B) and sale of services (note 27 D)

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 27 REVENUE FROM OPERATIONS (Contd.)

d) Due to Group's nature of business and the type of contracts entered with the customers, the Group does not have any difference between the amount of revenue recognized in the statement of profit and loss and the contracted price.

e) Impairment recognised for Contract asset is Nil (Nil - March 31, 2020)

f) Performance Obligation:

- Servicing and Collection fee on Assignment: to collect the receivable from the customer and transfer the same to the assignee representative.
- Other Service Income: To provide required details to the customer and enable space for advertising at the branches.

g) There are no significant return / refund / other obligations for any of the above mentioned services.

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 28 OTHER INCOME		
Interest Income		
on Income tax refund	378	-
Dividend Income from long-term investments	13	37
Rent	25	9
Profit on sale of Fixed Assets (Net)	2	-
Miscellaneous Income	20	16
Total	**438**	**62**

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 29 FINANCE COSTS		
Interest on financial liabilities measured at amortised cost		
- Debt Securities	74,325	1,01,821
- Borrowings Other than Debt securities	3,37,890	3,12,236
- Subordinated Liabilities	42,835	42,567
Others		
- Bank charges	1,546	1,363
- Interest on lease liability	958	1,183
Total	**4,57,554**	**4,59,170**

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 30 IMPAIRMENT ON FINANCIAL INSTRUMENTS		
Loss Assets Written Off (Net) / disposal of repossessed assets*	40,066	30,427
Impairment provision- Loans - measured at amortised cost	92,145	59,308
Total	**1,32,211**	**89,735**

* Includes Loss on disposal of repossessed vehicles - Gross - Lakhs for the year ended March 31, 2021 - ₹ 27,211 (₹ 31,314 lakhs - March 31, 2020)

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 31 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Commission	73,482	62,799
Contribution to Provident and Other Funds		
- Employees' Provident Fund	3,006	2,913
- Superannuation Fund	344	333
Share based employee payments	564	1,161
Gratuity Expense (Refer note 37)	1,136	982
Staff Welfare Expenses	652	1,844
Total	**79,184**	**70,032**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 32 OTHER EXPENSES		
Rent and facility charges	625	1,187
Rates and Taxes	2,098	1,197
Energy cost	1,011	1,444
Repairs and Maintenance	360	409
Communication Costs	2,814	3,104
Business development expense	34	27
Brokerage	290	161
Printing and Stationery	1,233	1,456
Advertisement and publicity Expenses	1,267	1,454
Directors Fees, allowances and expenses	110	87
Auditors' Remuneration	99	169
Legal and Professional Charges	4,277	4,527
Insurance	1,647	1,579
Travelling and Conveyance	2,677	5,683
Information Technology Expenses	3,309	2,569
Loss on Sale of Property, Plant and Equipment (Net)	54	13
Change in fair value of financial instruments	-	140
Recovery Charges	26,657	28,959
Corporate Social Responsibility Expenditure((Refer Note 32.1)	3,207	2,888
Outsource cost	22,469	24,017
Miscellaneous Expenses (Refer note 32.2)	293	1,452
	74,531	82,522
Less : Expenses Recovered	(122)	(143)
Total	**74,409**	**82,379**

32.1 Details of CSR expenditure

	Year ended March 31,2021	Year ended March 31,2020
Gross Amount required to be spent towards CSR u/s 135 (5) of Companies Act , 2013 (A)	3,207	2,887
Amount spent during the year (B)		
(a) Construction/ acquisition of asset	-	-
(b) Others	3,207	2,888
Excess/(shortfall) (A-B)	-	-
None of the CSR projects undertaken by the Company has been fall under definition of "On-going Projects"		
There is no amount required to be contributed to specified fund u/s 135(6)		
32.2 Donation to electoral trust	-	500

Note : 33 EARNINGS PER SHARE

Particulars	Year ended March 31,2021	Year ended March 31,2020
Profit After Tax (₹ in lakhs)	**1,52, 086**	**1,05,372**
Preference Dividend Paid (including tax thereon) (₹ in lakhs)	-	-
Profit After Tax Attributable to Equity Shareholders (₹ in lakhs)	**1,52,086**	**1,05,372**
Weighted Average Number of Equity Shares (Basic)	81,96,69,366	78,71,82,549
Add: Dilutive effect relating to ESOP/CCPS	14,30,020	8,80,135
Weighted Average Number of Equity Shares (Diluted)	82,10,99,386	78,80,62,834
Earnings per Share - Basic (₹)	**18.55**	**13.39**
Earnings per Share - Diluted (₹)	**18.52**	**13.37**
Face Value Per Share (₹)	2.00	2.00

Note: Earnings per Share calculations are done in accordance with Ind AS 33 "Earnings per Share".

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 34 INCOME TAX RECONCILIATION

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2021 and March 31, 2020, is as follows

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Accounting profit before tax from continuing operations	2,04,790	1,55,882
Income tax rate of 25.17% (March 31, 2020: 25.17%)	51,546	39,235
Effects of:		
Impact of difference in tax base for Donations & CSR expense	813	324
Share based payment expense – No deduction claimed under tax	141	290
Impact of Deduction u/s 80JJA	(28)	(19)
Other adjustments	179	733
Impact of changes to enacted rate on opening Deferred tax asset	-	12,845
Income tax expense reported in Consolidated statement of Profit and Loss	52,651	53,408

The effective income tax rate for March 31, 2021 is 25.17% (March 31, 2020: 25.17%).

Note : 35 TRANSFER OF FINANCIAL ASSETS

35.1 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.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Securitisations		
Carrying amount of transferred assets measured at amortised cost	4,75,242	4,92,803
Carrying amount of associated liabilities (Borrowings other than Debt securities - measured at amortised cost)	4,63,916	4,63,131
Fair value of assets	4,76,131	4,85,991
Fair value of associated liabilities	4,37,374	4,65,551
Net position at Fair Value	38,757	20,440

B) Direct bilateral assignment

The Group has 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.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Assignment		
Carrying amount of de-recognised financial asset	4,16,042	5,12,585
Carrying amount of Retained Assets at amortised cost	47,502	55,789

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Assignment		
Gain on sale of the de-recognised financial asset	-	24,727

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 35 TRANSFER OF FINANCIAL ASSETS (Contd.)

35.2 Transferred financial assets that are derecognised in their entirety but where the Group has continuing involvement

The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

Note : 36 MICRO, SMALL & MEDIUM 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) and relied upon by the auditors, there are no amounts due to MSME as at March 31, 2021 and as at March 31, 2020

The relevant particulars are furnished below:

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Principal amount due to suppliers under MSMED Act, as at the year end	-	70
Interest accrued and due to suppliers under MSMED Act, 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 under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

Note : 37 RETIREMENT BENEFIT

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the period, the Group recognised ₹ 3,006 lakhs (Previous year - ₹ 2,913 lakhs) to Provident Fund under Defined Contribution Plan, ₹ 344 lakhs (Previous year - ₹ 333 lakhs) for Contributions to Superannuation Fund and ₹ 50 lakhs (Previous year - ₹ 108 lakhs) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

B) Gratuity

The Group's defined benefit gratuity plan 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 Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Change in Defined Benefit Obligation and Fair Value of Plan assets:

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Defined Benefit Obligation at the beginning of the year	**6,118**	**4,586**
Current Service Cost	1,042	908
Interest Cost	395	334
Remeasurement Losses/(Gains)		
a. Effect of changes in financial assumptions	89	174
b. Effect of experience adjustments	37	(4)
c. Changes in demographic assumptions	-	-
Benefits Paid	(230)	(174)
Transfer in/out	-	(18)
Defined Benefit Obligation at the end of the year	**7,451**	**6,118**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 37 RETIREMENT BENEFIT (Contd.)

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Year	4,679	3,555
Expected Returns on Plan Assets	301	260
Employer's Contribution	677	1,062
Benefits Paid	(230)	(174)
Return on plan assets (excluding interest income)	(5)	(24)
Transfer in/out	-	-
Fair Value of Plan Assets at the end of the year	**5,422**	**4,679**
Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the End of the Year	5,422	4,679
Defined benefit obligation at the End of the Year	(7,451)	(6,118)
Amount Recognised in the Balance Sheet under Other Payables	**(2,029)**	**(1,439)**
Cost of the Defined Benefit Plan for the Year		
Current Service Cost	1,042	908
Net interest Expense	395	334
Expected Return on Plan Assets	(301)	(260)
Net Cost recognized in the statement of Profit and Loss	**1,136**	**982**
Remeasurement Losses/(Gains)		
a) Effect of changes in financial assumptions	89	312
b) Effect of experience adjustments	37	174
c) Changes in demographic assumptions	-	(4)
d) Return on plan assets (excluding interest income)	7	24
Net cost recognized in Other Comprehensive Income	**133**	**506**
Assumptions		
Discount Rate	6.25% p.a.	6.45% p.a.
Future salary increase	7.50% p.a.	7.50% p.a.
Attrition Rate		
- Senior management	13% p.a.	13% p.a.
- Middle management	13% p.a.	13% p.a.
- Others	13% p.a.	13% p.a.
Expected rate of return on Plan Assets	6.25% -7.10%p.a.	7.50% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
Maturity profile of Defined Benefit Obligations		
Weighted average duration (Based on discounted cash flows)	6 Years	6 Years
Expected Cash flows over the next (valued on undiscounted basis)		
Within the next 12 months (next annual reporting period)	988	664
Between 2 and 5 years	3,559	3,008
Between 5 and 10 years	3,379	2,874
Beyond 10 Years	3,805	3,363
Total Expected Cash flows	**11,731**	**9,909**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 37 RETIREMENT BENEFIT (Contd.)

Particulars	March 31, 2021		March 31, 2020	
	Increase	Decrease	Increase	Decrease
Sensitivity Analysis:				
Discount Rate (+/- 1%)	6,831	7,946	6,866	7,775
Salary Growth Rate (+/- 1%)	7,884	7,049	7,718	6,901
Attrition Rate (+/- 50% of attrition rates)	7,262	7,731	7,050	7,636
Mortality Rate (+/- 10% of mortality rates)	7,303	7,303	5,987	5,987

Notes:

1. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
2. The Company's best estimate of contribution during the next year is ₹ 3,086 lakhs
3. 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.
4. The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).

C) Compensated Absences

Assumptions	March 31, 2021	March 31, 2020
Discount Rate	6.25% p.a.	6.45% p.a.
Future salary increase	7.50% p.a.	7.50% p.a.
Attrition Rate		
- Senior management	13% p.a.	13% p.a.
- Middle management	13% p.a.	13% p.a.
- Others	13% p.a.	13% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

1. The Group has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2021.
2. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
3. 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 : 38 SEGMENT INFORMATION

The Group is primarily engaged in the business of financing. All the activities of the Group revolve around the main business. Further, the Group does not have any separate geographic segments other than India

During year ended March 31, 2021, for management purposes, the Group has been organised into the following operating segments based on products and services, as follows

- Vehicle Finance Loans - Loans to customers against purchase of new/used vehicles, tractors, construction equipments and loan to automobile dealers.
- Loan against property - Loans to customer against immovable property
- Home Loans - loans given for acquisition of residential property
- Others -Loan against shares, and other unsecured loans & security broking and insurance agency business.

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for 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 an entity as whole basis and are not allocated to operating segments.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 38 SEGMENT REPORTING (Contd.)

₹ in lakhs

Particulars	Year ended March 31, 2021					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
Interest Income	6,93,467	1,44,319	46,679	3,290	34,722	**9,22,477**
Net gain on derecognition of financial instruments under amortised cost category	-	-	-	-	-	-
Fee Income	18,224	2,180	181	6,343	11	**26,939**
- Net gain on Fair value change on financial instrument	-	-		-	487	**487**
Sale of Services	7,096	540	401	-	-	**8,037**
Segment revenue from Operations (I)	**7,18,787**	**1,47,039**	**47,261**	**9,633**	**35,220**	**9,57,940**
Other income (II)	-	-	-	101	337	**438**
Total Segment Income - (I) + (II)	**7,18,787**	**1,47,039**	**47,261**	**9,734**	**35,557**	**9,58,378**
Expenses						
Finance costs	3,50,978	84,871	20,670	2,456	(1,421)	4,57,554
Impairment of Financial Instruments	1,12,792	14,560	5,479	(617)	(3)	1,32,211
Employee benefits expense	61,328	7,692	4,971	4,943	250	79,184
Depreciation and amortisation expense	8,388	1,039	371	432	-	10,230
Other expenses	61,102	4,940	3,591	996	3,780	74,409
Segment Expenses	**5,94,588**	**1,13,102**	**35,082**	**8,210**	**2,606**	**7,53,588**
Segment Profit before taxation	**1,24,199**	**33,937**	**12,179**	**1,524**	**32,951**	**2,04,790**
Tax expense						**52,651**
Share of loss from associate				(53)		**(53)**
Profit for the year						**1,52,086**

₹ in lakhs

Particulars	Year ended March 31, 2020					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
- Interest Income	6,26,829	1,25,291	29,545	2,487	28,313	8,12,465
- Net gain on derecognition of financial instruments under amortised cost category	9,303	6,180	9,244	-	-	24,727
- Fee Income	16,722	2,003	182	5,919	44	24,870
- Net gain on Fair value change on financial instrument	-	-	-	5	1,564	1,569
- Sale of Services	6,560	731	278	1	-	7,570
Segment revenue from Operations (I)	**6,59,414**	**1,34,205**	**39,249**	**8,412**	**29,921**	**8,71,201**
- Other income (II)	-	-	-	36	26	62
Total Segment Income (I) + (II)	**6,59,414**	**1,34,205**	**39,249**	**8,448**	**29,947**	**8,71,263**
Expenses						
- Finance costs	3,47,457	79,477	16,772	1,475	13,989	4,59,170
- Impairment of Financial Instruments	77,581	9,591	2,162	(334)	735	89,735
- Employee benefits expense	54,205	6,916	3,781	4,926	204	70,032
- Depreciation and amortisation expense	9,068	992	271	420	374	11,125
- Other expenses	68,481	5,610	3,068	1,375	3,845	82,379
Segment Expenses	**5,56,792**	**1,02,586**	**26,054**	**7,862**	**19,147**	**7,12,441**
Segment Profit before taxation	**1,02,622**	**31,619**	**13,195**	**586**	**10,800**	**1,58,822**
Tax expense						**53,408**
Share of loss from associate				(42)		(42)
Profit for the year						**1,05,372**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 38 SEGMENT REPORTING (Contd.)

₹ in lakhs

Particulars	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
As on March 31, 2021						
Segment Assets	48,93,657	12,71,552	3,72,558	55,402		65,93,169
Unallocable Assets					8,71,247	8,71,247
Total Assets						**74,64,416**
Segment Liabilities	42,66,080	11,08,484	3,24,780	45,576		57,44,920
Unallocable Liabilities					7,59,516	7,59,516
Total Liabilities						**65,04,436**
As on March 31, 2020						
Segment Assets	42,15,030	10,53,555	2,44,892	31,357		55,44,834
Unallocable Assets					8,61,004	8,61,004
Total Assets						**64,05,838**
Segment Liabilities	36,76,854	9,19,037	2,13,624	25,266		48,34,781
Unallocable Liabilities					7,51,071	7,51,071
Total Liabilities						**55,85,852**

In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon. As the asset are allocated to segment based on certain assumptions, hence additions to the Property, plant and equipment have not disclosed separately for each specific segment.

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 : 39 RELATED PARTY DISCLOSURES

List of Related Parties

- **Holding Company:** Cholamandalam Financial holdings limited (formerly known as TI Financial Holdings Limited)
- **Entity having significant influence over holding Company:** Ambadi Investments Limited
- **Subsidiaries of entity which has significant influence over holding Company:** Parry Enterprises Limited and Parry Agro Limited.
- **Fellow Subsidiaries:** Cholamandalam MS General Insurance Company Limited, Cholamandalam Health Insurance Limited
- **Joint Venture of Holding Company:** Cholamandalam MS Risk services Limited
- **Associates :** White Data Systems India Private Limited Vishvakarma Payments Private Limited (From 30th March 2021)
- **Key Managerial Personnel:**
  a. Mr. Arun Alagappan, Managing Director (upto February 14, 2021)
  b. Mr. D. Arulselvan, Chief Financial Officer
  c. Ms. P. Sujatha, Company Secretary
  d. Mr. Ravindra Kumar Kundu, Executive Director (From January 23, 2020)
- **Non-Executive Directors**
  a) Ms. Bharati Rao (up to July 30, 2019)
  b) Mr. Ashok Kumar Barat
  c) Mr. M. M. Murugappan (upto November 11, 2020)
  d) Mr. N. Ramesh Rajan
  e) Mr. Rohan Verma
  f) Ms. Bhama Krishnamurthy (From July 30, 2019)
  g) Mr. Vellayan Subbiah (From November 11, 2020)
  h) Mr. M. A. M. Arunachalam (From January 29, 2021)
  i) Mr. Anand Kumar (From March16, 2021)
  j) Mr. Bharath Vasudevan (From March16, 2021)

Note:

Related party relationships are as identified by the Management and relied upon by the Auditors

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 39 a) TRANSACTIONS DURING THE PERIOD		
Dividend Payments (Equity Shares)		
a) Cholamandalam Financial Holdings Limited	4,848	7,634
b) Ambadi Investments Limited	438	708
c) Parry Enterprises Limited	0*	0*
Amount received towards reimbursement of expenses		
a) Cholamandalam Financial Holdings Limited	104	100
b) Cholamandalam MS General Insurance Company Limited	5	60
c) Parry Enterprises Limited	1	1
d) Cholamandalam MS Risk Services Limited	0*	0*
Services Received		
a) Cholamandalam MS General Insurance Company Limited	201	164
b) Parry Enterprises Limited	74	714
c) White Data Systems India Private Limited	29	32
Services rendered		
a) Cholamandalam MS General Insurance Company Limited	4,008	3,616
b) Cholamandalam Financial Holdings Limited	0*	0*
c) Ambadi Investments Limited	0*	-
d) Key Managerial Personnel	0*	-
Loans given		
a) White Data Systems India Private Limited	340	340
Loans recovered		
a) White Data Systems India Private Limited	340	340
Interest Expense		
a) Cholamandalam MS General Insurance Company Limited	1,603	1,696
Interest Income		
a) White Data Systems India Private Limited	26	28
Commission and Sitting fees to non-executive Directors	102	80

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 39 b) BALANCES OUTSTANDING AT THE PERIOD END		
Loans - Receivable		
a) White Data Systems India Private Limited	340	340
Debt Securities - Payable		
a) Cholamandalam MS General Insurance Company Limited	(18,527)	(19,070)
Other Receivable / (Payable)		
a) Cholamandalam Financial Holdings Limited	2	-
b) Cholamandalam MS General Insurance Company Limited	340	250
c) White Data Systems India Private Limited	(6)	(7)
d) Parry Enterprises Limited	1	1
e) Cholamandalam MS Risk services Limited	-	0*
f) Key Managerial personnel	-	2

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

₹ in lakhs

Nature of Transaction	Year ended March 31,2021	Year ended March 31,2020
Note : 39 c) REMUNERATION TO KEY MANAGERIAL PERSONNEL		
Short- term employee benefits	794	656
Post - employment pension (defined Contribution)	92	66
Dividend Payments	17	24
Share based payments	27	48
Sale of Vehicle(s)	21	-

* Represents amounts less than ₹ 1 lakh

Note : 40 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contested Claims not provided for:

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Income tax and Interest on Tax issues where the Group has gone on appeal	22,465	23,104
Decided in the Group's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	21,898	21,898
Sales Tax issues pending before Appellate Authorities in respect of which the Group is on appeal.	2,573	2,660
Service Tax & GST issues pending before Appellate Authorities in respect of which the Group is on appeal.	19,992	19,978
Disputed claims against the Group lodged by various parties under litigation (to the extent quantifiable)	10,801	8,526
Order in respect of alleged violations of the Provisions of SEBI Act	-	2
Disputed claims pertaining to Service Tax payable on turnover charges and ineligible Service Tax Input Credit	-	21

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

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Capital commitments	3,678	2,834
Investment commitment to Faering Capital India Evolving Fund	-	-
Disbursements - Undrawn lines	1,24,190	84,535

(c) The Code on Social Security, 2020 (' The Code') relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders, which are under consideration by the Ministry. The Group will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

(d) Bank Guarantee:

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Outstanding bank guarantees given to stock exchanges/stock holding corporation of India limited to meet margin requirements	1,485	1,625

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 41 CHANGES IN PROVISIONS

₹ in lakhs

Particulars	As at March 31,2020	Additional Provision	Utilisation/ Reversal	As at March 31,2021
Provision for Contingencies and Service Tax claims	3,838	508	-	4,346
Provision for Expected credit loss allowance towards Undrawn commitments	131	89	116	104

₹ in lakhs

Particulars	As at March 31,2019	Additional Provision	Utilisation/ Reversal	As at March 31,2020
Provision for Contingencies and Service Tax claims	3,837	1	-	3,838
Provision for Expected credit loss allowance towards Undrawn commitments	51	80	-	131

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. The undrawn commitments amount outstanding as at March 31, 2021 is ₹ 1,24,190 lakhs (₹84,535 lakhs as at March 31, 2020).

The Group creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting period and the related expected credit loss on these commitments as at March 31, 2021 is ₹ 104 lakhs (₹ 131 lakhs as at March 31, 2020).

Note : 42 ESOP DISCLOSURE

ESOP 2007

The Board at its meeting held on June 22, 2007, approved an issue of Stock Options up to a maximum of 5% of the issued Equity Capital of the Company (before Rights Issue) aggregating to 1,904,162 Equity Shares (prior to share split) in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines.

ESOP 2016

The Board at its meeting held on October 7, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 31,25,102 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the board, exercisable into not more than 31,25,102 equity shares of face value of ₹10/- each fully paid-up, on such terms and in such manner as the board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Group has recognised expense amounting to ₹ 564 lakhs for employees services received during the year, shown under Employee Benefit Expenses (Refer Note 31).

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

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding	During the Year				Options outstanding	Options vested but not exercised	Options unvested		
		As at 31.03.2020	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2021	As at 31.03.2021	As at 31.03.2021	Exercise Price	Weighted Average Remaining Contractual Life
GT25 Apr 2008	25 Apr 08	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011A	27 Jan 11	23,120	-	-	-	23,120	-	-	-	38	-
GT27 JAN 2011B	27 Jan 11	-	-	-	-	-	-	-	-	-	
GT30 APR 2011	30 Apr 11	25,240	-	-	-	15,000	10,240	10,240	-	33	-
GT27 OCT 2011	27 Oct 11	29,760	-	-	-	21,180	8,580	8,580	-	31	-
Total		**78,120**	**-**	**-**	**-**	**59,300**	**18,820**	**18,820**	**-**		

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 42 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2020	During the Year: Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2021	Options vested but not exercised As at 31.03.2021	Options unvested As at 31.03.2021	Exercise Price	Weighted Average Remaining Contractual Life
GT25 JAN 2017	25 Jan 17	21,18,600	-	-	1,92,140	2,61,770	16,64,690	16,64,690	-	202	-
GT30 JAN 2018	30 Jan 18	2,38,485	-	-	-	34,400	2,04,085	2,04,085	-	262	-
GT30 JAN2018A	30 Jan 18	89,800	-	-	-	2,500	87,300	60,360	26,940	262	0.84 years
GT23 APR 2018	23 Apr 18	44,900	-	-	-	17,960	26,940	-	26,940	312	0.56 years
GT26 JUL 2018	26 Jul 18	2,74,860	-	-	1,31,500	3,000	1,40,360	86,600	53,760	299	0.32 years
GT30 OCT 2018	30 Oct 18	3,67,300	-	-	44,900	25,000	2,97,400	1,03,960	1,93,440	254	1.08 years
GT19 MAR 2019	19 Mar 19	5,88,460	-	-	-	17,280	5,71,180	2,75,740	2,95,440	278	1.47 years
GT30 JUL 2019	30 Jul 19	31,632	-	-	4,860	-	26,772	13,386	13,386	248	0.33 years
GT05 NOV2019	5 Nov 19	2,75,600	-	-	-	25,560	2,50,040	29,560	2,20,480	316	1.73 years
GT23 JAN2020	23 Jan 20	53,000	-	-	-	10,600	42,400	-	42,400	318	1.94 years
GT03 JUNE2020	3 Jun 20	-	-	2,11,900	-	-	2,11,900	-	2,11,900	158	1.88 years
GT03 JUNE2020A	3 Jun 20	-	-	1,905	-	-	1,905	-	1,905	158	0.18 years
Total		**40,82,637**	**-**	**2,13,805**	**3,73,400**	**3,98,070**	**35,24,972**	**24,38,381**	**10,86,591**		

*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

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

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding As at 31.03.2019	During the Year 2019-20: Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2020	Options vested but not exercised As at 31.03.2020	Options unvested As at 31.03.2020	Exercise Price	Weighted Average Remaining Contractual Life
GT25 Apr 2008	25 Apr 08	-	-	-	-	-	-	-	-	38	-
GT27 JAN 2011A	27 Jan 11	9,163	36,652	-	-	22,695	23,120	23,120	-	38	-
GT27 JAN 2011B	27 Jan 11	5,976	23,904	-	-	29,880	-	-	-	38	-
GT30 APR 2011	30 Apr 11	7,948	31,792	-	-	14,500	25,240	25,240	-	33	-
GT27 OCT 2011	27 Oct 11	7,936	31,744	-	-	9,920	29,760	29,760	-	31	-
Total		**31,023**	**1,24,092**	**-**	**-**	**76,995**	**78,120**	**78,120**	**-**		

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 42 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2019	During the Year 2019-20 Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2020	Options vested but not exercised As at 31.03.2020	Options unvested As at 31.03.2020	Exercise Price	Weighted Average Remaining Contractual Life
GT2525 JAN2017	25 Jan 17	4,72,842	18,91,368	-	17,920	2,27,690	21,18,600	13,76,010	7,42,590	202	0.82 years
GT3030 JAN2018	30 Jan 18	49,040	1,96,160	-	-	6,715	2,38,485	1,46,535	91,950	262	0.84 years
GT30 JAN2018A	30 Jan 18	17,960	71,840	-	-	-	89,800	35,920	53,880	262	1.34 years
GT23 APR2018	23 Apr 18	8,980	35,920	-	-	-	44,900	8,980	35,920	312	1.19 years
GT26 JUL2018	26 Jul 18	54,972	2,19,888	-	-	-	2,74,860	68,715	2,06,145	299	0.82 years
GT30 OCT2018	30 Oct 18	73,460	2,93,840	-	-	-	3,67,300	73,460	2,93,840	254	1.71 years
GT19 MAR2019	19 Mar 19	1,17,692	4,70,768	-	-	-	5,88,460	1,46,060	4,42,400	278	2.09 years
GT30 JUL2019	30 Jul 19	-	-	31,632	-	-	31,632	-	31,632	248	0.83 years
GT05 NOV2019	5 Nov 19	-	-	2,75,600	-	-	2,75,600	-	2,75,600	316	2.30 years
GT23 JAN2020	23 Jan 20	-	-	53,000	-	-	53,000	-	53,000	317	2.52 years
Total		**7,94,946**	**31,79,784**	**3,60,232**	**17,920**	**2,34,405**	**40,82,637**	**18,55,680**	**22,26,957**		

*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

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2021

ESOP 2007

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 (₹)
30-Jul-07	7.10% - 7.56%	3-6 years	40.64% -43.16%	5.65%	193.40	61.42
24-Oct-07	7.87% -7.98%	3-6 years	41.24% -43.84%	5.65%	149.90	44.25
25-Jan-08	6.14% -7.10%	3-6 years	44.58% -47.63%	5.65%	262.20	78.15
25-Apr-08	7.79% - 8.00%	2.5-5.5 years	45.78% - 53.39%	3.97%	191.80	76.74
30-Jul-08	9.14% - 9.27%	2.5-5.5 years	46.52% - 53.14%	3.97%	105.00	39.22
24-Oct-08	7.54% - 7.68%	2.5-5.5 years	48.2% - 55.48%	3.97%	37.70	14.01
27-Jan-11						
- Tranche I	8%	4 years	59.50%	10%	187.60	94.82
- Tranche II	8%	3.4 years	61.63%	10%	187.60	90.62
30-Apr-11	8%	4 years	59.40%	25%	162.55	73.07
28-Jul-11	8%	4 years	58.64%	25%	175.35	79.17
27-Oct-11	8%	4 years	57.52%	25%	154.55	67.26

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 42 ESOP DISCLOSURE (Contd.)

The shareholders of the Company, at the 34th Annual General Meeting held on July 30, 2012, authorised extension of exercise period from 3 years from the date of vesting to 6 years from the date of vesting. Accordingly, the Company has measured the fair value of the options using the Black Scholes model immediately before and after the date of modification to arrive at the incremental fair value arising due to the extension of the exercise period. The incremental fair value so calculated is recognised from the modification date over the vesting period in addition to the amount based on the grant date fair value of the stock options.

The incremental (benefit)/cost due to modification of the exercise period from 3 years to 6 years from the date of vesting for the year ended March 31, 2021 is ₹ Nil (March 31, 2020- ₹ Nil)

The fair value of the options has been calculated using the Black Scholes model on the date of modification.

The assumptions considered for the calculation of the fair value (on the date of modification) are as follows:

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

	Variables					
Date of Grant	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*
3-Jun-20	5%	3.50 years	47.50%	1.33%	157.90	58.27*

* Fair value option of equity shares issued under this grant is post share split with a face value of ₹ 2/- each

Note 43 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ in lakhs

Particulars	April 01, 2020	Cash flows	Exchange Difference	Other	March 31, 2021
Debt Securities	7,32,683	5,00,898	-	2,186	12,35,767
Borrowings other than debt securities	43,27,308	4,04,659	(13,268)	(473)	47,18,226
Subordinated liabilities	4,40,552	(20,150)	-	(1,396)	4,19,006
Total	**55,00,543**	**8,85,407**	**(13,268)**	**317**	**63,72,999**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 43 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (Contd.)

₹ in lakhs

Particulars	April 01, 2019	Cash flows	Exchange Difference	Other	March 31, 2020
Debt Securities	14,18,431	(6,68,840)	-	(16,908)	7,32,683
Borrowings other than debt securities	32,12,375	10,98,059	20,341	(3,467)	43,27,308
Subordinated liabilities	4,25,868	15,500	-	(816)	4,40,552
Total	**50,56,674**	**4,44,719**	**20,341**	**(21,191)**	**55,00,543**

(i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of processing fees etc

(ii) Liabilities represents of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

Note : 44 MATURITY ANALYSIS

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

₹ in lakhs

Particulars	Amount	Maturity Within 12 months	Maturity After 12 months
As on March 31, 2021			
Financial Assets			
Cash and Cash Equivalents	1,59,323	1,59,323	-
Bank balances Other than Cash and Cash Equivalents	3,68,654	3,41,140	27,514
Derivative financial instruments	4,587	-	4,587
Receivables			
i) Trade Receivables	5,660	5,660	-
ii) Other Receivables	4,211	4,211	-
Loans	65,83,934	19,71,863	46,12,071
Investments		-	-
i) Associate	2,424	-	2,424
ii) Others	1,55,925	9,714	1,46,211
Other Financial Assets	59,445	30,006	29,439
Total Financial Assets	**73,44,163**	**25,21,917**	**48,22,246**
Non- Financial Assets			
Current tax assets (Net)	14,767	-	14,767
Deferred tax assets (Net)	76,897	-	76,897
Investment Property	13	-	13
Property, Plant and Equipment	20,826	-	20,826
Intangible assets under development	991	-	991
Other Intangible assets	1,920	-	1,920
Other Non-Financial Assets	4,839	1,894	2,945
Total Non- Financial Assets	**1,20,253**	**1,894**	**1,18,359**
Financial Liabilities			
Derivative financial instruments	12,742	-	12,742
Payables			
i) Trade Payables	27,930	27,930	-
ii) Other Payables	20,531	20,531	-
Debt Securities	12,35,767	6,04,785	6,30,982
Borrowings(Other than Debt Securities)	47,18,226	16,91,807	30,26,419
Subordinated Liabilities	4,19,006	1,01,959	3,17,047
Other Financial Liabilities	50,268	40,260	10,008
Total Financial Liabilities	**64,84,470**	**24,87,272**	**39,97,198**
Non-Financial Liabilities			
Current tax liabilities	4,225	4,225	-
Provisions	11,045	11,044	1
Other Non-Financial Liabilities	4,696	3,422	1,274
Total Non-Financial Liabilities	**19,966**	**18,691**	**1,275**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 44 MATURITY ANALYSIS

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

Particulars	Amount	Maturity Within 12 months	After 12 months
As on March 31, 2020			
Financial Assets			
Cash and Cash Equivalents	3,49,514	3,49,514	-
Bank balances Other than Cash and Cash Equivalents	3,50,560	3,15,590	34,970
Derivative financial instruments	11,420	1,711	9,709
Receivables		-	-
i) Trade Receivables	1,503	1,503	-
ii) Other Receivables	5,052	5,052	-
Loans	55,39,573	12,27,903	43,11,670
Investments			
i) Associate	2,477	-	2,477
ii) Others	793	-	793
Other Financial Assets	43,913	15,470	28,443
Total Financial Assets	**63,04,805**	**19,16,743**	**43,88,062**
Non- Financial Assets			
Current tax assets (Net)	15,947	-	15,947
Deferred tax assets (Net)	52,747	-	52,747
Investment Property	14	-	14
Property, Plant and Equipment	26,236	-	26,236
Intangible assets under development	1,060	-	1,060
Other Intangible assets	2,067	-	2,067
Other Non-Financial Assets	2,962	78	2,884
Total Non- Financial Assets	**1,01,033**	**78**	**1,00,955**
Financial Liabilities			
Derivative financial instruments	-	-	-
Payables			
i) Trade Payables	22,047	22,047	-
ii) Other Payables	9,949	9,949	-
Debt Securities	7,32,683	4,10,141	3,22,542
Borrowings(Other than Debt Securities)	43,27,308	11,89,717	31,37,591
Subordinated Liabilities	4,40,552	52,023	3,88,529
Other Financial Liabilities	39,485	29,374	10,111
Total Financial Liabilities	**55,72,024**	**17,13,251**	**38,58,773**
Non-Financial Liabilities			
Provisions	9,151	9,151	-
Other Non-Financial Liabilities	4,677	2,699	1,978
Total Non-Financial Liabilities	**13,828**	**11,850**	**1,978**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 45 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), 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.

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.

45.1 Risk Management

The Group is committed to create value for its stakeholders through sustainable business growth and with that intent has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business the Group is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining such value as well as in identifying opportunities. Risk management is therefore made an integral part of the Group's effective management practice.

Risk Management Framework:

Group's risk management framework is based on

(a) Clear understanding and identification of various risks

(b) Disciplined risk assessment by evaluating the probability and impact of each risk

(c) Measurement and monitoring of risks by establishing key risk indicators with thresholds for all critical risks and

(d) Adequate review mechanism to monitor and control risks.

Group's risk management division works as a value center by constantly engaging with the business providing reports based on key analysis and insights. The key risks faced by the Group are credit risk, liquidity risk, interest rate risk, operational risk, reputational and regulatory risk, which are broadly classified as credit risk, market risk and operational risk. The Group has a well-established risk reporting and monitoring framework. The in-house developed risk monitoring tool, Chola Composite Risk Index, measures the movement of top critical risks. This provides the level and direction of the risks, which are arrived at based on the two level risk thresholds for the identified key risk indicators and are aligned to the overall Group's risk appetite framework approved by the board. The Group's risk management initiatives and risk MIS are reviewed monthly by the top management. This process enables the Group to reassess the top critical risks in a changing environment that need to be focused on.

Risk Governance structure:

The Group's overall risk governance is handled by three lines of defense to ensure the effectiveness of an organization's risk management framework including monitoring and assurance functions within the organization.

a) Under the first line of defence, risk champions are identified in each functional and business unit to take ownership, responsibility and accountability for directly assessing, controlling and mitigating risks.

b) The risk management team under the guidance of the risk management committee acts as the second line of defense. The risk management division has established a comprehensive risk management framework across the business and provides appropriate reports on risk exposures and analysis in its pursuit of creating awareness across the Group about risk management. The RMC of the board meets minimum of four times a year and reviews the risk management policy, implementation of risk management framework, monitoring of critical risks, and review of various other initiatives with a structured annual plan.

c) Third line of defense constitutes internal auditors, internal external auditors and statutory auditors provide assurance to the audit committee and senior management on the effectiveness of internal governance and risk processes.

45.2 Credit Risk

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes. 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,

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 45 CAPITAL MANAGEMENT (Contd.)

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 has a robust online application underwriting 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 model for the vehicle finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio

Credit risk 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.

45.3 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial 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. 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.

45.4 Concentration of Risk/Exposure

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 72% of the loan book of the Group as of March 31, 2021 (73% as of March 31, 2020). 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 Muti 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 10% and 6% 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 22% of the lending book of the Group as of March 31, 2021 (21% as of March 31, 2020). Portfolio is concentrated in North (38%) with small presence in East (4%). The remaining is evenly distributed between South and Western parts of the country. South has 32% and West contributes 25%.

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, 2021.

45.5 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the Group are managed through comprehensive internal control systems and procedures and key back up processes. In order to further strengthen the control framework and effectiveness, the Group has established risk control self-assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Group also undertakes risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The Group has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 45 CAPITAL MANAGEMENT (Contd.)

natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Group's readiness. The Group is continuously engaged in creating risk awareness and culture across the organisation through training on risk management tools and communication through risk e-newsletters.

45.6 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.

Refer Note No 48 for the summary of maturity profile of undiscounted cash flows of the Group's financial assets and financial liabilities as at reporting period

45.7 Foreign Currency Risk

Foreign Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. 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's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

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.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 45 CAPITAL MANAGEMENT (Contd.)

45.8 Disclosure of Effects of Hedge Accounting

Cash flow Hedge

As at March 31, 2021								
Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in Lakhs)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in lakhs)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in lakhs)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cross Currency Interest rate swap	6	1	1,57,501	65,152	March 18, 2022 to June 03, 2024	(1,720)	(11,025)	Borrowings
Interest rate swaps	1	0	1,42,238	-	June 20, 2028	(1,953)	-	Borrowings
Forward contracts	0	26	-	7,922	March 21, 2022 to June 03, 2024	11,828	5,041	Borrowings

Year ended March 31, 2021				
Cash flow Hedge	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in Lakhs)	Hedge Effectiveness recognised in profit and loss	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	(4,521)	-	-	NA

As at March 31, 2020								
Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in Lakhs)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in lakhs)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in lakhs)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cross Currency Interest rate swap	9	0	2,22,953	-	September 25, 2020 to June 03, 2024	11,420	(21,038)	Borrowings

Year ended March 31, 2020				
Cash flow Hedge	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in Lakhs)	Hedge Effectiveness recognised in profit and loss	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	(9,232)	-	-	NA

45.9 Collateral and Other 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 Home Equity 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 Home equity 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 loans. Security Interest in favour of the Group is created by Mortgage through deposit of title deed which is registered wherever required by law.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 45 CAPITAL MANAGEMENT (Contd.)

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. The Group does not obtain any other form of credit enhancement other than the above. 99% of the Group's term loan are secured by way of tangible Collateral. Any surplus remaining after settlement of outstanding debt by way of sale of collateral is returned to the customer / borrower.

Note 46 : INVESTMENT IN AN ASSOCIATE

The Group had recognised the value of investment in associate - White Data Systems India Private Limited (WDSI) at fair value on the date of loss of control and the same is carried at cost as at reporting date.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Value of Investment in Subsidiary on the date of loss of control	2,554	2,554
Less: Cumulative Share of Loss of from Associate	(130)	(77)
Closing value of Investment	**2,424**	**2,477**

The Group has a 30.87% interest in White Data Systems India Private Limited, which is in the business of providing freight data solutions encompassing technology, certification and finance offering in India. The WDSI has dedicated logistics platform "i-loads", seamlessly connects load providers, logistics agents, brokers and transporters through its disruptive technology. It is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in White Data Systems India Private Limited:

₹ in lakhs

Particulars	March 31,2021	March 31,2020
Current assets	2,483	6,458
Non-current assets	1,713	1,027
Current liabilities	(700)	(3,709)
Non-current liabilities	(47)	(64)
Equity	**3,449**	**3,712**
Proportion of the Group's ownership	30.87%	30.87%
Group's share in the Equity of the associate	1,065	1,146

₹ in lakhs

Particulars	Year ended March 31, 2021
Revenue from contracts with customers	411
Other Income	166
Depreciation & amortization	104
Finance cost	29
Employee benefit	188
Other expense	475
Profit before tax	**(219)**
Income tax expense	(11)
Profit for the year (continuing operations)	(230)
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	-
Total comprehensive income for the year (continuing operations)	**(230)**
Group's share of loss for the year	**(71)**
Adjustment relating to prior periods.	**18**
Group's share of loss considered in the consolidated statement of Profit and loss for the year ended March 31, 2021	**(53)**

The associate has no contingent liabilities or capital commitments as at March 31, 2021 and March 31, 2020.

b) Vishvakarma Payments Private Limited (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 ₹ 1 lakh and its networth as March 31, 2021 is ₹ 1 lakh. It can commence operations only on receipt of license from RBI. The Group holds 21% stake in VPPL.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

NOTE : 47

Note 47.1 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.

₹ in lakhs

Particulars	March 31,2021		March 31,2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	1,59,323	1,59,323	3,49,514	3,49,513
Bank balances Other than Cash and Cash Equivalents	3,68,654	3,68,654	3,50,560	3,50,559
Receivables				
i) Trade Receivables	5,660	5,660	3,019	3,019
ii) Other Receivables	4,211	4,211	3,536	3,536
Loans	65,83,934	68,38,189	55,39,573	54,69,635
Investments other than associates	1,55,925	1,48,239	793	790
Other Financial Assets	59,445	59,445	43,913	43,913
Total Financial Assets	**73,37,152**	**75,83,721**	**62,90,908**	**62,20,965**
Financial Liabilities				
Payables				
i) Trade Payables	27,930	27,930	22,047	22,047
ii) Other Payables	20,531	20,531	9,949	9,949
Debt Securities	12,35,767	12,36,407	7,32,683	7,32,658
Borrowings(Other than Debt Securities)	47,18,226	47,15,550	43,27,308	43,23,357
Subordinated Liabilities	4,19,006	4,20,811	4,40,552	4,40,595
Other Financial Liabilities	50,268	50,268	39,485	39,485
Total Financial Liabilities	**64,71,728**	**64,71,497**	**55,72,024**	**55,68,091**

The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities 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

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 of investment in Government securities are derived from rate near to the reporting date of the comparable product.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 47 (Contd.)

Note : 47.2 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, 2021

₹ in lakhs

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 measured at Fair value				
FVTOCI Equity Instruments	1,046	1,046		-
FVTPL Equity Instruments	288	-	-	288
Derivative financial instruments	4,587	-	4,587	-
Assets for which fair values are disclosed				
Loans	65,83,934	-	68,38,189	-
Investments in Government Securities	1,55,925	-	1,46,905	-
Investment Properties *	13	-	-	304

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, 2021

₹ in lakhs

Particulars	Carrying Value	Fair value measurement using: Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	12,742	-	12,742	-
Liabilities for which fair values are disclosed				
Debt Securities	12,35,767	-	12,36,407	-
Borrowings (Other than Debt Securities)	47,18,226	-	47,15,550	-
Subordinated Liabilities	4,19,006	-	4,20,811	-

There have been no transfers between different levels during the period.

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2020

₹ in lakhs

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 measured at Fair value				
FVTOCI Equity Instruments	1,248	818	430	-
Derivative financial instruments	40	40	-	
Derivative financial instruments	11,420	-	11,420	-
Assets for which fair values are disclosed				
Loans	55,39,573	-	54,69,635	-
Investment Properties *	14	-	-	299

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.

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 47 (Contd.)

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2020

₹ in lakhs

Particulars	Carrying Value	Fair value measurement using		
		Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	-	-	-	-
Liabilities for which fair values are disclosed				
Debt Securities	7,32,683	-	7,32,658	-
Borrowings(Other than Debt Securities)	43,27,308	-	43,23,357	-
Subordinated Liabilities	4,40,552	-	4,40,595	-

There have been no transfers between different levels during the period.

Note 47.3 Summary of Financial assets and liabilities which are recognised at amortised cost

₹ in lakhs

Particulars	As at March 31,2021	As at March 31, 2020
Financial Assets		
Cash and Cash Equivalents	1,59,323	3,49,514
Bank balances other than Cash and Cash Equivalents	3,68,654	3,50,560
Loans	65,82,784	55,39,573
Investments other than associates	1,55,925	793
Other Financial Assets	59,445	43,913
Financial Liabilities		
Debt Securities	12,35,767	7,32,683
Borrowings(Other than Debt Securities)	47,18,226	7,32,683
Subordinated Liabilities	4,19,006	4,40,552
Other Financial liabilities	50,268	39,485

Note : 47.4 Refer Note 15 for sensitivity analysis for investment property, whose fair value is disclosed under the level 3 category.

Note : 48 ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

As at March 31, 2021

₹ in lakhs

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
Financial Assets								
Cash and Cash Equivalents	1,59,322	-	-	-	-	-	-	**1,59,322**
Bank balances other than Cash and Cash Equivalents	96,373	1,02,355	1,36,807	4,033	13,043	10,571	11,444	**3,74,626**
Derivative financial instruments	-	-	-	-	-	-	4,587	**4,587**
Receivables	-	-	-	-	-	-	-	
i) Trade Receivables	5,660	-	-	-	-	-	-	**5,660**
ii) Other Receivables	4,211	-	-	-	-	-	-	**4,211**
Loans	5,02,874	5,38,796	7,04,685	13,47,385	37,59,707	13,26,678	19,71,659	**1,01,51,784**
Investments								
i) Associate	-	-	-	-	-	-	2,424	**2,424**
ii) Others	-	1,135	3,722	4,857	19,716	19,428	1,07,068	**1,55,926**
Other Financial Assets	4,605	12,851	4,368	7,535	18,303	10,630	10,810	**69,102**
Total Undiscounted financial assets	**7,73,045**	**6,55,137**	**8,49,582**	**13,63,810**	**38,10,769**	**13,67,307**	**21,07,992**	**1,09,27,642**
Financial Liabilities								
Derivative financial instruments	-	-	-	-	-	-	12,742	**12,742**
Payables	-	-	-	-	-	-	-	-

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 48 ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES (Contd.)

As at March 31, 2021 ₹ in lakhs

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 and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	27,930	-	-	-	-	-	-	**27,930**
(II) Other Payables	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	20,492	-	-	-	-	-	-	**20,492**
Debt Securities	1,13,137	2,70,683	1,08,618	1,48,066	5,52,907	1,60,428	2,712	**13,56,551**
Borrowings(Other than Debt Securities)	1,59,219	3,08,806	7,48,826	7,09,140	25,22,320	6,94,544	1,10,157	**52,53,012**
Subordinated Liabilities	273	37,967	12,769	78,271	1,66,250	76,319	15,33,381	**19,05,230**
Other Financial Liabilities	41,066	913	1,302	2,069	10,402	583	-	**56,335**
Total Undiscounted financial liabilities	**3,62,117**	**6,18,369**	**8,71,515**	**9,37,546**	**32,51,879**	**9,31,874**	**16,58,992**	**86,32,292**
Total net Undiscounted financial assets/(liabilities)	**4,10,928**	**36,768**	**(21,933)**	**4,26,264**	**5,58,890**	**4,35,433**	**4,49,000**	**22,95,350**

As at March 31, 2020 ₹ in lakhs

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
Financial Assets								
Cash and Cash Equivalents	3,05,807	41,302	-	-	-	-	-	**3,47,109**
Bank balances other than Cash and Cash Equivalents	2,068	13,100	3,02,998	6,613	22,384	4,817	16,264	**3,68,244**
Derivative financial instruments	-	-	1,711	-	7,816	1,893	-	**11,420**
Receivables								
i) Trade Receivables	3,019	-	-	-	-	-	-	**3,019**
ii) Other Receivables	3,536	-	-	-	-	-	-	**3,536**
Loans	1,91,007	1,15,874	2,96,355	11,97,025	34,84,077	13,32,617	15,83,534	**82,00,489**
Investments								
i) Associate	-	-	-	-	-	-	2,477	**2,477**
ii) Others	-	-	-	-	302	-	490	**792**
Other Financial Assets	3,008	585	4,244	7,539	18,952	9,839	11,176	**55,343**
Total Undiscounted financial assets	**5,08,445**	**1,70,861**	**6,05,308**	**12,11,177**	**35,33,531**	**13,49,166**	**16,13,941**	**89,92,429**
Financial Liabilities								
Derivative financial instruments	-	-	-	-	-	-	-	-
Payables	-	-	-	-	-	-	-	
(I) Trade Payables		-	-	-	-	-	-	-
i) Total outstanding dues of micro and small enterprises	70	-	-	-	-	-	-	**70**
ii) Total outstanding dues of creditors other than micro and small enterprises	21,977	-	-	-	-	-	-	**21,977**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 48 ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES (Contd.)

₹ in lakhs

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 Payables	-	-	-	-	-	-	-	
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	9,949	-	-	-	-	-	-	**9,949**
Debt Securities	30,772	1,90,142	9,348	2,05,289	3,07,560	54,811	2,926	**8,00,848**
Borrowings(Other than Debt Securities)	94,591	1,37,690	3,79,465	8,55,975	26,43,106	7,98,703	84,373	**49,93,903**
Subordinated Liabilities	11,370	9,182	14,636	44,321	1,95,966	1,13,415	2,70,774	**6,59,664**
Other Financial Liabilities	24,825	890	1,335	2,665	9,542	2,071	-	**41,328**
Total Undiscounted financial liabilities	**1,93,554**	**3,37,904**	**4,04,784**	**11,08,250**	**31,56,174**	**9,69,000**	**3,58,073**	**65,27,739**
Total net Undiscounted) financial assets/(liabilities)	**3,14,891**	**(1,67,043)**	**2,00,524**	**1,02,927**	**3,77,357**	**3,80,166**	**12,55,868**	**24,64,690**

Note 49: DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES

The Group has taken office premises 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) Movement in the carrying value of the Right to Use Asset

₹ in lakhs

Particulars - Buildings	As at March 31,2021	As at March 31,2020
Opening Balance	11,030	11,591
Depreciation charge for the Period	(4,634)	(4,259)
Additions during the Period	1,563	4,292
Adjustment/Deletion	(37)	(594)
Closing Balance	**7,922**	**11,030**

(ii) Classification of current and non current liabilities of the lease liabilities

₹ in lakhs

Particulars	As at March 31,2021	As at March 31, 2020
Current liablities	4,450	5,158
Non Current Liabilities	4,803	7,267
Total Lease liabilities	**9,253**	**12,425**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note 49: DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)

(iii) Movement in the carrying value of the Lease Liability

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Opening Balance	12,425	12,421
Interest Expense	958	1,183
Lease Payments [Total Cash Outflow]	(5,026)	(4,877)
Short term rent concession	(630)	-
Additions during the year	1,563	4,292
Adjustment/Deletion	(37)	(594)
Closing Balance	**9,253**	**12,425**

(iv) Contractual Maturities of Lease liability outstanding

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Less than one year	4,618	5,410
One to five Years	5,780	8,859
Total	**10,398**	**14,269**

(v) The following are the amount recognised in the Profit or Loss statement

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Depreciation expense of right-of-use assets	4,634	4,259
Interest expense on lease liabilities	958	1,183
Expense relating to short-term leases (included in other expenses)	3	8
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	**5,595**	**5,450**

Lease expenses relating to short term leases aggregated to ₹ 3 Lakhs during the year ended March 31, 2021

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.

Many lessors have provided rent concessions to lessees as a result of the Covid-19 pandemic. Rent concessions represents rent reductions for a period of time. Company has applied practical expedient to Ind AS 116 rent concessions. Pursuant to this, Group has recognised Rs 630 lakhs in Statement of Profit and loss as reversal in the financial statements.

The Group has several lease contracts that includes extension and termination contracts. These options are negotiated by the Management to provide flexibility in managing the leased-asset portfolio and align with Group's business needs. Management exercises significant judgement in determining whether these extension and termination are reasonably certain to be exercised. Also refer note 6B

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

NOTE 50: 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, 2021 AND MARCH 31, 2020

As at March 31, 2021

₹ in lakhs

Name of the entities	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
I. Parent								
Cholamandalam Investment and Finance Company Limited	99%	9,48,743	100%	1,51,410	119%	(3,478)	99%	1,47,932
II. Subsidiaries								
Cholamandalam Securities Limited	0%	3,437	0%	492	-6%	175	0%	667
Cholamandalam Home Finance Limited	1%	5,376	0%	236	-13%	379	0%	615
Minority Interests in all subsidiaries	0%	0	0%	0	0%	0	0%	-
III. Associates (Investment as per equity method)								
White Data Systems India Private Limited	0%	2,424	0%	(53)	0%	0	0%	(53)
Vishvakarma Payments Private Limited	0%	0	0%	0	0%	0	0%	0
	100%	**9,59,980**	**100%**	**1,52,085**	**100%**	**(2,924)**	**100%**	**1,49,161**

As at March 31, 2020

₹ in lakhs

Name of the entities	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
I. Parent								
Cholamandalam Investment and Finance Company Limited	99%	8,09,197	100%	1,05,107	91%	(6,344)	100%	98,763
II. Subsidiaries								
Cholamandalam Securities Limited	0%	3,471	0%	261	3%	(210)	0%	51
Cholamandalam Home Finance Limited	1%	4,841	0%	46	6%	(420)	0%	(374)
Minority Interests in all subsidiaries	0%	-	0%	-	0%	-	0%	-
III. Associates (Investment as per equity method)								
White Data Systems India Private Limited	0%	2,477	0%	(42)	0%	-	0%	(42)
	100%	**8,19,986**	**100%**	**1,05,372**	**100%**	**(6,974)**	**100%**	**98,398**

Notes forming part of the Consolidated Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 51 EVENTS AFTER REPORTING DATE

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

Note : 52 PRIOR PERIOD INFORMATION

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

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Regn No.**101049W/E300004**

per **Aravind K**
Partner
Membership No: 221268

Date : May 7, 2021
Place : Chennai

For and on behalf of the **Board of Directors**

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Independent Auditor's Report

To the Members of Cholamandalam Investment and Finance Company Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of Cholamandalam Investment and Finance Company Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 2.2 of the Standalone Ind AS financial statements, which describes the impact of COVID-19 pandemic, and its possible consequential implications on the Company's operations and financial metrics, including the Company's estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of Financial Assets based on Expected Credit Loss ('ECL') *(as described in Note 3.5 of the Standalone Ind AS Financial Statements)*	
As at March 31, 2021, the Company has made a provision for impairment loss aggregating ₹ 2,44,441 Lakhs against the loans outstanding. Due to the significance of the judgments used in both classification of loans into various stages as well as the computation of expected credit losses on such financial assets as per Ind AS 109, this has been considered as a key audit matter.	• Read and assessed the Company's impairment provision policy and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on 13 March 2020.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
Financial instruments, which include loans to customers, represent a significant portion of the total assets of the Company. The Company has loans aggregating ₹ 68,28,375 lakhs as at March 31, 2021. Estimates regarding the impairment provision against loans are based on the expected credit loss model developed by the Company based on the guiding principles prescribed under Ind AS 109. As stated, in the notes to the financial statements for the year ended March 31, 2021, the impairment provision is based on the expected credit loss model requires the management of the Company to make significant judgments in connection with related computation. These include: (a) Segmentation of the loan portfolio into homogenous pool of borrowers; (b) Identification of exposures where there is a significant increase in credit risk and those that are credit impaired; (c) Determination of the 12 month and life-time probability of default for each of the segments identified; and (d) Loss given default for various exposures based on past trends / experience, management estimates etc., Additionally, the economic and business consequences of the COVID 19 pandemic as described in Note 2.2 to the Standalone Ind AS financial statements, slowdown of economic activity, moratoriums granted to borrowers, the related regulatory directives and also the applicable accounting directions, further affect provisioning under the ECL approach. Note 3.5 to the Standalone Ind AS Financial Statements explains the various matters that the management has considered for developing this expected credit loss model.	• Read and assessed the Company's policy with respect to moratorium and one-time restructuring pursuant to the RBI circular and tested the implementation of such policy on a sample basis. • Understood the Company's key credit processes comprising granting, recording and monitoring of loans as well as impairment provisioning. • Read and assessed the Company's impairment provisioning policy as per Ind AS 109; • Obtained an understanding of the Company's Expected Credit Loss ('ECL') methodology, the underlying assumptions and performed sample tests to assess the staging of outstanding exposures; • Tested the ECL model, including assumptions and underlying computation. • Assessed the Exposure at Default used in the impairment calculations on a test basis; • Obtained an understanding of the basis and methodology adopted by management to determine 12 month and life-time probability of defaults for various homogenous segments and performed test checks; • Obtained an understanding of the basis and methodology adopted by management to determine Loss Given Defaults for various homogenous segments based on past recovery experience, qualitative factors etc., and performed test checks; • Assessed the items of loans, credit related contingent items as at the reporting date which are considered in the impairment computation as at the reporting date; • Assessed and tested the inputs used in the impairment computation (including the data integrity of information extracted from the Company's IT systems); • Enquired with the management regarding significant judgments and estimates involved in the impairment computation and additional management overlay provision arising from the effects of the COVID-19 pandemic, and evaluated the reasonableness thereof; • Performed analytical reviews of disaggregated data to observe any unusual trends warranting additional audit procedures; and • Read the financial statement disclosures in respect of impairment losses on financial assets, including the specific disclosures made with regard to the impact of COVID-19 on the ECL estimation.
Audit in an Information Technology (IT) enabled environment – including considerations on exceptions identified in IT environment	
The Company has information technology applications which are used across various class of transactions in its operations including automated and IT dependent manual controls that are embedded in them.	In assessing the reliability of electronic data processing, we involved our specialized IT auditors in our audit team. Our audit procedures focused on the IT infrastructure and applications relevant to financial reporting:

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
Due to the pervasive nature and complexity of the Company's IT environment, we place significant emphasis on the information systems, the controls, and process around such information systems and the usage of information from such systems for the purpose of financial reporting by the management for our audit. Accordingly, this has been considered as a key audit matter.	• Assessing the information systems and the applications that is available in the Company in two phases: (i) IT General Controls and (ii) Application level embedded controls; • The aspects covered in the IT systems General Control audit were (i) User Access Management (ii) Change Management (iii) Other related ITGCs; - to understand the design and the operating effectiveness of such controls in the system; • Understanding of the changes that were made to the IT landscape during the audit period and assessing changes that have impact on financial reporting; • Performed tests of controls (including over compensatory controls wherever applicable) on the IT Application controls and IT dependent manual controls in the system. • Wherever applicable, we also assessed through direct sample tests, the information produced from these systems which were relied upon for our audit.

Pending litigations with tax authorities *(as described in Note 38(a) of the Standalone Ind AS Financial Statements)*

The Company operates in a complex tax environment and is required to discharge direct and indirect tax obligations under various legislations such as Income Tax Act, 1961, the Finance Act, 1994 Goods and Services Tax Acts and VAT Acts of various states, as may be applicable. The tax authorities under these legislations have raised certain tax demands on the Company in respect of the past periods. The Company has disputed such demands and has appealed against them at appropriate forums. As at March 31, 2021 the Company has an amount of ₹ 66,928 Lakhs pertaining to various pending tax litigations. Ind AS 37 requires the Company to perform an assessment of the probability of economic outflow on account of such disputed tax matters and determine whether any particular obligation needs to be recorded as a provision in the books of account or to be disclosed as a contingent liability. Considering the significant degree of judgement applied by the management in making such assessments and the resultant impact on the financial statements, we have considered it to be a key audit matter.	In assessing the exposure of the Company for the tax litigations, we have performed the following procedures: • Obtained an understanding of the process laid down by the management for performing their assessment taking into consideration past legal precedents, changes in laws and regulations, expert opinions obtained from external tax / legal experts (as applicable); • Assessed the processes and entity level controls established by the Company to ensure completeness of information with respect to tax litigations; • Along with our tax experts, we undertook the following procedures: • Reading communications with relevant tax authorities including notices, demands, orders, etc., relevant to the pending litigations, as made available to us by the management; • Testing the accuracy of disputed amounts from the underlying communications received from tax authorities and responses filed by the Company; • Considered the submissions made to appellate authorities and expert opinions obtained by the Company from external tax / legal experts (wherever applicable) which form the basis for management's assessment; • Assessed the positions taken by the management in the light of the aforesaid information and based on the examination of the matters by our tax experts. Read the disclosures included in the Standalone Ind AS Financial Statements in this regard.

Independent Auditor's Report (Contd.)

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Standalone Ind AS financial statements and our auditor's report thereon

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

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

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report (Contd.)

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 Ind AS financial statements for the financial year ended March 31, 2021 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls with reference to Standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements – Refer Note 38(a) to the Standalone Ind AS financial statements;
      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7 and 9 to the Standalone Ind AS financial statements;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **S.R. BATLIBOI & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm Registration Number: **101049W/E300004**

per Aravind K
Partner
Membership Number: 221268
UDIN: 21221268AAAACQ3684
Place of Signature: Chennai
Date: May 7, 2021

Annexure 1 referred to in our report of even date

Re: Cholamandalam Investment and Finance Company Limited ("the Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company. Immovable properties of land and buildings whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security for the Redeemable Non-convertible Debentures, are held in the name of the Company based on the Trust Deed executed between the Trustees and the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) (a) The Company has granted loans to one subsidiary Company and one associate covered in the register maintained under Section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.

(c) According to the information and explanations given by the management there are no amounts of loans which are overdue for more than ninety days from a Company covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Sections 185 of the Act have not been complied by the Company and in our opinion, provisions of Section 186 of the Act are not applicable to the Company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, goods and services tax, duty of custom, cess and other material statutory dues applicable to it. The provisions relating to wealth tax, and duty of excise are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, goods and services tax, duty of custom, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of Income tax, Sales Tax, Value Added Tax and Service Tax which have not been deposited on account of any dispute are as follows:

₹ in lakhs

Name of the statute	Nature of dues	Amount*	Period to which the amounts relate	Forum where the dispute is pending
Income Tax Act, 1961	Tax and interest	21,898	1990-91, 1991-92, 2009-10 & 2010-11	Income Tax Appellate Tribunal
		1,505	2010-11,2011-12, 2012-13 & 2016-17	ITAT
		6,746	2013-14 to 2015-16 & 2017-18	CIT(Appeal)
Bihar Finance Act, 1981	Sales Tax	2	1992-93 & 1993-94	Sales Tax Appellate Tribunal
Gujarat Sales Tax Act, 1969	Sales Tax	2	1997-98	Sales Tax Appellate Tribunal

Annexure 1 referred to in our report of even date (Contd.)

₹ in lakhs

Name of the statute	Nature of dues	Amount not deposited	Period to which the amounts relate	Forum where the dispute is pending
Rajasthan Sales Tax Act	Sales Tax	14	2012-13, 2016-17 , 2017-18	Tribunal/ Assessing Officer
Karnataka Sales Tax Act	Sales Tax	357	2007-08 to 2013-14	Karnataka High court
Delhi Sales Tax Act, 1975	Sales Tax	8	1991-92	Deputy Commissioner of Sales Tax
Odisha Value Added Tax Act, 2004	Sales Tax	303	2007-08 to 2013-2014	Sales Tax Appellate Tribunal/ Joint Commissioner
Tamil Nadu Value Added Tax Act, 2006	Sales Tax	1,029	2007-08 to 2013-14	Supreme Court
Tamil Nadu General Sales Tax Act, 1959	TNGST & CST	999	1995-96	High Court of Madras
Finance Act, 1994	Service Tax	19,690	2005-06 to 2017-18	CESTAT

*net of tax paid under protest/ refund adjusted

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) According to the information and explanations given by the Management, the Company has not raised any money by way of initial public offer or further public offer. Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilisation were gainfully invested in liquid assets payable on demand.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, we report that the Company has registered as required, under Section 45-IA of the Reserve Bank of India Act, 1934.

For **S.R. BATLIBOI & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm Registration Number: **101049W / E300004**

per Aravind K
Partner
Membership Number: 221268
Place of signature: Chennai
Date: May 7, 2021

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Cholamandalam Investment and Finance Company Limted

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

We have audited the internal financial controls with reference to Standalone Ind AS financial statements of Cholamandalam Investment and Finance Company Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

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

A company's internal financial controls with reference to Standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Cholamandalam Investment and Finance Company Limted (Contd.)

of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Ind AS financial statements and such internal financial controls with reference to Standalone Ind AS financial statements were operating effectively as at March 31, 2021, 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 ICAI.

For **S.R. BATLIBOI & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm Registration Number: **01049W/E300004**

per Aravind K
Partner
Membership Number: 221268
Place of Signature: Chennai
Date: May 7, 2021

Standalone Ind AS Balance Sheet As at March 31, 2021

₹ in lakhs

	Note No.	As at March 31,2021	As at March 31,2020
ASSETS			
Financial Assets			
Cash and Cash Equivalents	5	1,55,370	3,46,188
Bank balances other than Cash and Cash Equivalents	6	3,67,818	3,49,722
Derivative financial instruments	7	4,587	11,420
Receivables	8		
i) Trade Receivables		2,031	2,176
ii) Other Receivables		4,612	3,698
Loans	9	65,83,934	55,40,273
Investments	10	1,61,882	7,292
Other Financial Assets	11	56,278	41,327
		73,36,512	**63,02,096**
Non- Financial Assets			
Current tax assets		14,615	15,208
Deferred tax assets (Net)	12	76,380	52,083
Investment property	13	13	14
Property, Plant and Equipment	14	20,302	25,599
Intangible assets under development		982	1,026
Other Intangible assets	15	1,645	1,747
Other Non-Financial Assets	16	4,393	2,466
		1,18,330	**98,143**
TOTAL ASSETS		**74,54,842**	**64,00,239**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	7	12,742	-
Payables			
(I) Trade payables			
i) Total outstanding dues of micro and small enterprises	33	-	70
ii) Total outstanding dues of creditors other than micro and small enterprises		23,601	20,220
(II) Other payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		20,492	9,949
Debt securities	17	12,35,767	7,32,683
Borrowings(Other than Debt Securities)	18	47,18,226	43,27,308
Subordinated Liabilities	19	4,19,006	4,40,552
Other Financial Liabilities	20	49,217	38,621
		64,79,051	**55,69,403**
Non-Financial Liabilities			
Current tax Liabilities		4,225	-
Provisions	21	10,958	9,076
Other Non-Financial Liabilities	22	4,577	4,576
		19,760	**13,652**
Equity			
Equity share capital	23A	16,407	16,398
Other Equity	23B	9,39,624	8,00,786
		9,56,031	**8,17,184**
TOTAL LIABILITIES AND EQUITY		**74,54,842**	**64,00,239**

The accompanying notes are integral part of the Standalone Ind AS financial statements

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Regn No. 101049W/E300004

per **Aravind K**
Partner
Membership No: 221268

Date : May 7, 2021
Place : Chennai

For and on behalf of the **Board of Directors**

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Standalone Ind AS Statement of Profit and Loss for the year ended March 31, 2021

₹ in lakhs

	Note No.	Year ended March 31,2021	Year ended March 31,2020
Revenue from Operations			
- Interest Income	24A	9,22,416	8,12,416
- Net gain on derecognition of financial instruments under amortised cost category		-	24,727
- Fee Income	24B	20,685	18,987
- Net gain on fair value change on financial instruments	24C	463	1,563
- Sale of Services	24D	8,037	7,570
Total Revenue from operations (I)		**9,51,601**	**8,65,263**
Other Income (II)	25	361	26
Total Income (III) = (I) + (II)		**9,51,962**	**8,65,289**
Expenses			
- Finance costs	26	4,57,591	4,59,223
- Impairment of financial Instruments	27	1,32,183	89,733
- Employee benefits expense	28	74,936	65,500
- Depreciation and amortisation expense	13, 14 & 15	9,830	10,754
- Other expenses	29	73,578	81,506
Total Expenses (IV)		**7,48,118**	**7,06,716**
Profit before tax (V) = (III) - (IV)		**2,03,844**	**1,58,573**
Tax expense/(benefit)			
Current tax		75,086	56,732
- Adjustment of tax relating to earlier periods		394	-
Deferred tax	12	(23,127)	(3,396)
Net tax expense (VI)		**52,353**	**53,336**
Profit for the period - A = (V) - (VI)		**1,51,491**	**1,05,237**
Other Comprehensive income:			
i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans (net)	35	(127)	(499)
Income tax impact		32	125
ii)Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Cashflow Hedge Reserve	42.8	(4,521)	(9,232)
Income tax impact		1,138	3,261
Other comprehensive income/(loss) net of tax for the period (B)		**(3,478)**	**(6,345)**
Total comprehensive income net of tax for the period (A + B)		**1,48,013**	**98,892**
Earnings per equity share of ₹ 2 each	30		
- Basic (₹)		18.48	13.37
- Diluted (₹)		18.45	13.35

The accompanying notes are integral part of the Standalone Ind AS financial statements

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Regn No.101049W/E300004

per **Aravind K**
Partner
Membership No: 221268

Date : May 7, 2021
Place : Chennai

For and on behalf of the **Board of Directors**

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Standalone Ind AS Statement of Changes in Equity for the year ended March 31, 2021

₹ in lakhs

a) Equity Share Capital	
Balances as on April 01, 2019	15,643
Add: Issue of share capital	755
Balances as on March 31, 2020	**16,398**
Add: Issue of share capital	9
Balances as on March 31, 2021	**16,407**

b) Other Equity (Refer Note 23B)

₹ in lakhs

Particulars	Reserve and Surplus							Items of other comprehensive income			
	Share application money pending allotment	Statutory Reserve	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Share based Payments reserve	Equity instruments through other comprehensive income	Effective portion of cashflow hedge	Total
Balance as at March 31, 2020	**10**	**1,28,046**	**4**	**3,300**	**2,85,678**	**2,98,777**	**89,281**	**3,017**	**(129)**	**(7,198)**	**8,00,786**
Profit for the year	-	-	-	-	-	-	1,51,491	-	-	-	**1,51,491**
Remeasurement of defined benefit plans	-	-	-	-	-	-	(95)	-	-	-	**(95)**
Total comprehensive income for the period, net of income tax	-	-	-	-	-	-	-	-	-	(3,383)	**(3,383)**
Dividend including Tax	-	-	-	-	-	-	(10,656)	-	-	-	**(10,656)**
Changes during the year	(10)	-	-	-	927	136	-	428	-	-	**1,481**
Transfer to reserves from retained earnings during the year	-	31,000	-	-	-	75,000	(1,06,000)	-	-	-	-
Balance as at March 31, 2021	**-**	**1,59,046**	**4**	**3,300**	**2,86,605**	**3,73,913**	**1,24,021**	**3,445**	**(129)**	**(10,581)**	**9,39,624**
Balance as at March 31, 2019	**-**	**1,06,046**	**4**	**3,300**	**1,66,849**	**2,48,777**	**76,450**	**1,861**	**(129)**	**(1,227)**	**6,01,931**
Profit for the year	-	-	-	-	-	-	1,05,237	-	-	-	**1,05,237**
Remeasurement of defined benefit plans	-	-	-	-	-	-	(374)	-	-	-	**(374)**
Total comprehensive income for the Period, net of income tax	-	-	-	-	-	-	-	-	-	(5,971)	**(5,971)**
Dividend including Tax	-	-	-	-	-	-	(20,032)		-	-	**(20,032)**
Changes during the year	10	22,000	-	-	1,19,750	50,000	-	1,156	-	-	**1,92,916**
Utilisation of securities premium	-	-	-	-	(921)	-	-	-	-	-	**(921)**
Transfer to reserves from retained earnings during the year	-	-	-	-	-	-	(72,000)	-	-	-	**(72,000)**
Balance as at March 31, 2020	**10**	**1,28,046**	**4**	**3,300**	**2,85,678**	**2,98,777**	**89,281**	**3,017**	**(129)**	**(7,198)**	**8,00,786**

The accompanying notes are integral part of the Standalone Ind AS financial statements

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Regn No.101049W/E300004

per **Aravind K**
Partner
Membership No: 221268

Date : May 7, 2021
Place : Chennai

For and on behalf of the **Board of Directors**

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Standalone Ind AS Cash Flow Statement for the year ended March 31, 2021

₹ in lakhs

Particulars	Year ended March 31, 2021		Year ended March 31,2020	
Cash Flow from Operating Activities				
Profit Before Tax		**2,03,844**		**1,58,573**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	9,830		10,754	
Impairment of financial instruments	1,32,183		89,733	
Finance Costs	4,57,591		4,59,223	
Loss on Sale of Property plant and equipment (Net)	54		13	
Net gain on fair value change in financial instrument	(463)		(1,563)	
Interest Income on bank deposits and other investments	(34,694)		(24,285)	
Interest on Income Tax Refund	(336)		-	
Share based payment expense	561		1,153	
		5,64,726		5,35,028
Operating Profit Before Working Capital Changes		**7,68,570**		**6,93,601**
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(11,75,844)		(8,03,568)	
Trade receivables	(769)		(1,525)	
Other Financial Assets	(14,951)		(27,816)	
Other Non Financial Assets	(1,927)	(11,93,491)	(161)	(8,33,070)
Proceeds from de-recognition of financial assets recognised at amortised cost		-		4,35,789
Increase/(Decrease) in operating liabilities & provisions				
Payables	13,728		(3,895)	
Other Financial liabilities	13,727		5,367	
Provisions	1,882		1,674	
Other Non Financial liabilities	1	29,338	(820)	2,326
Cash Flow used in Operations		**(3,95,583)**		**2,98,646**
Finance Costs paid	(4,54,564)		(4,71,542)	
Interest Received on Bank Deposits and other investments	35,399		21,575	
		(4,19,165)		(4,49,967)
		(8,14,748)		(1,51,321)
Income tax paid (Net of refunds)		(70,326)		(57,301)
Net Cash Used in Operating Activities (A)		**(8,85,074)**		**(2,08,622)**
Cash Flow from Investing Activities				
Purchase of Property, plant and Equipment and Intangible Assets	(3,111)		(6,815)	
Proceeds from Sale of Property, plant and equipment.	150		108	
Movement of Investment (net)	(1,54,127)		1,563	
Net Cash Used in Investing Activities (B)		**(1,57,088)**		**(5,144)**
Cash Flow from Financing Activities				
Proceeds from issue of Share Capital (Including Securities Premium)		936		1,19,584
Payment of Lease liabilities		(5,544)		(4,800)
Proceeds from issue of Debt securities	18,76,079		19,40,525	
Redemption of Debt securities	(13,75,181)		(26,09,365)	
Proceeds from Borrowing other than debt securities	48,56,670		45,16,459	
Repayment of Borrowings other than debt securities	(44,52,011)		(34,18,400)	

Standalone Ind AS Cash Flow Statement for the year ended March 31, 2021 (Contd.)

₹ in lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Proceeds from issue of subordinated liabilities	14,500	45,000
Repayment of subordinated liabilities	(34,650)	(29,500)
	8,85,407	4,44,719
Investment in Bank Fixed Deposits (net of withdrawals)	(18,800)	(2,93,415)
Dividends Paid (Including Distribution Tax)	(10,655)	(20,027)
Net Cash From Financing Activities (C)	**8,51,344**	**2,46,061**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(1,90,818)**	**32,295**
Cash and Cash Equivalents at the Beginning of the Year	3,46,188	3,13,893
Cash and Cash Equivalents at the End of the Year	1,55,370	3,46,188

The accompanying notes are integral part of the Standalone Ind AS financial statements

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Regn No.101049W/E300004

per **Aravind K**
Partner
Membership No: 221268

Date : May 7, 2021
Place : Chennai

For and on behalf of the **Board of Directors**

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Notes forming part of the Standalone Ind AS Financial Statements

For the year ended March 31, 2021

1. Corporate information

Cholamandalam Investment and Finance Company Limited ("the Company") (CIN L65993TN1978PLC007576) is a public limited Company domiciled in India. The Company is listed on Bombay Stock Exchange and National Stock Exchange. The Company is one of the premier diversified non-banking finance companies in India, engaged in providing vehicle finance, home loans and Loan against property.

The standalone financial statements are presented in INR which is also functional currency of the Company.

2.1 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 (FVOCI) 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).

The standalone financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

The regulatory disclosures as required by Master Directions for Non-Banking Financial Company - Systemically Important Non-Deposit taking Company Directions, 2016 issued by the RBI ('RBI Master 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 13, 2020.

2.2 Impact of Covid-19

The Covid-19 pandemic has affected several countries across the world, including India, Consequent lockdowns and varying restrictions imposed by the government across several jurisdictions in which the Company operates has considerably impacted company's business operations during the year ended March 31, 2021.

In accordance with the Reserve bank of India (RBI) guidelines related to "Covid-19 regulatory package" dated March 27, 2020 and subsequent guidelines on EMI moratorium dated April 17, 2020 and May 23, 2020 the Company has offered moratorium to its customers based the eligibility for EMIs falling due between March 1, 2020 to August 31, 2020. Further, the Company offered resolution plans to its customers pursuant to RBI's guideline 'Resolution framework for Covid-19 related stress' dated August 6, 2020.

The impact of COVID-19 pandemic including the ongoing "second wave", on Company's operations and financial metrics, will depend on the future developments, which are highly uncertain. Management continues to monitor the evolving situation on an ongoing basis and management has considered events up to the date of these financial statements, to determine the financial implications including in respect of Expected Credit Loss (ECL) provisioning, as at March 31, 2021, and has made cumulative expected credit loss provision for loans as on March 31, 2021 which aggregates to ₹ 2,44,441 lakhs (₹1,52,297 lakhs for March 31, 2020). The Company holds a management overlay of ₹ 1,10,024 lakhs as at March31, 2021 (₹ 53,445 lakhs - March 31, 2020) as part of its ECL provision. Given the dynamic and evolving nature of pandemic, these estimates are subject to uncertainty caused by the ongoing Covid-19 pandemic and related events.

2.3 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 notes 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:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

3. Significant accounting policies

3.1 Financial instruments – initial recognition

3.1.1 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 Company becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared by the Company (as per the terms of the agreement with the borrowers). The Company recognises debt securities and borrowings when funds reach the Company.

3.1.2 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 FVTPL (Fair value through profit and loss), transaction costs are added to, or subtracted from, this amount.

3.1.3 Measurement categories of financial assets and liabilities

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

- Amortised cost
- FVTPL
- FVOCI

3.2 Financial assets and liabilities

3.2.1 Bank balances, Loans, Trade receivables and financial investments at amortised cost

The Company Measures *Bank balances, Loans,* and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- 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.

3.2.1.1 Business model assessment

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

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

- 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
- 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
- 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)
- 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.

3.2.1.2 The SPPI test

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

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

3.2.2 Equity instruments at FVOCI

The Company subsequently measures all equity investments at fair value through profit or loss, unless the

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Company 's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 *Financial Instruments: Presentation* and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

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

3.2.3 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 into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

3.2.4 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

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 together with the corresponding ECLs are disclosed in notes.

3.3 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in 2019-20 and 2020-21.

3.4 Derecognition of financial assets and liabilities

3.4.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI.

When assessing whether or not to derecognise a loan to a customer, amongst others, the Company considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty

If the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

3.4.2 Derecognition of financial assets other than due to substantial modification of terms and conditions

3.4.2.1 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.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset

  Or

- It retains 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.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities, when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

advances with the right to full recovery of the amount lent plus accrued interest at market rates

- The Company cannot sell or pledge the original asset other than as security to the eventual recipients
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset

  Or

- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

In case where transfer of a part of financial assets qualifies for de-recognition, 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 financial asset previously carried under amortisation cost category. The resulting interest only strip initially is recognised at FVTPL.

3.4.2.2 Financial liabilities

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

3.5 Impairment of financial assets

3.5.1 Overview of the ECL principles

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

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) as outlined in Notes.

The 12mECL is 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.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument'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 Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company 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.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company 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 Company records an allowance for the LTECLs.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

3.5.2 The calculation of ECLs

The Company 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.

The key elements of the ECL are summarised below:

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.

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

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL 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 Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company 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: For loans considered credit-impaired, the Company 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%.

Loan commitment: When estimating LTECLs for undrawn loan commitments, the Company 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.

3.5.3 Forward looking information

The Company 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 macroeconomic factors on the Company'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

3.6 Collateral repossessed

The Company 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. The Company resorts to regular repossession of collateral provided against vehicle loans. Further, in its normal course of business, the Company from time to time, also exercises its right over property through legal procedures which include seizure of the property.

As per the Company's accounting policy, collateral repossessed are not recorded on the balance sheet.

3.7 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference recorded as an expense in the period of write

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

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off. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

3.8 Restructured, rescheduled and modified loans

The Company 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 Company 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 Company also reassesses whether there has been a significant increase in credit risk. The Company 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 - 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.

3.9 Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

3.9.1 Cash flow hedges

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 OCI within equity (cash flow hedge reserve).

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

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 remains 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.

3.10 Recognition of interest income

3.10.1 The effective interest rate method

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 discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

3.10.2 Interest Income

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. For credit-impaired financial assets interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

3.11 Taxes

3.11.1 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 in the countries where the Company operates and generates taxable income.

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.

3.11.2 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:

- 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
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

3.12 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 Company'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.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.13 Property, plant and equipment

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

Depreciation is calculated using the straight–line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated.

Useful life of assets as per Schedule II:

Asset Description	Estimated Useful Life
Buildings	60 years
Computer Equipment	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

*The Company, based on technical assessment made by technical expert and management estimate, depreciates Furniture & Fixtures and vehicles 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

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

3.14 Intangible assets

The Company's other intangible assets mainly include the value of computer software.

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 Company.

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.

3.15 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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

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applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised 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 recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.16 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Employees' State Insurance: The Company 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 Company 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 Company 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.

The Company makes contribution to a Gratuity Fund administered by trustees and managed by LIC. The Company 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.

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the 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

3.17 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 Company 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 Company 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.

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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 Company'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.

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.

3.18 Provisions

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.

3.19 Dividends on ordinary shares

The Company 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 Company. As per the Companies Act, 2013 in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.20 Determination of Fair value

The Company measures financial instruments, such as, derivatives 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:

- In the principal market for the asset or liability, or
- 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 hierarchy of valuation techniques, as summarised below:

- **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.
- **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.
- **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

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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.

3.21 Recognition of Income

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

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 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.

3.21.1 Interest on overdue balances and Other Charges

Overdue interest in respect of loans is recognised upon realisation.

3.21.2 Fee Income & Sale of Service

a) Fee income from loans are recognised upon satisfaction of following:

   i) Completion of service

   ii) and realisation of the fee income.

b) Servicing and collections fees on assignment are recognised upon completion of service.

c) Advertising income is recognised over the contract period as and when related services are rendered.

3.21.3 Contract Balances

Contract assets

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

Contract liabilities

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

3.22 Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company'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 approve the dividend.

3.23 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.

3.24 Foreign Currency transactions

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities 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.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

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Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.25 Earnings Per Share

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

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

3.26 Segment Information

The accounting policies adopted for Segment reporting are in line with the accounting policies of the Company with the following additional policies:

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".

3.27 Equity Investment in Subsidiaries and associates

Investment in Subsidiaries and Joint Ventures are carried at Cost in the Separate Financial Statements as permitted under Ind AS 27.

3.28 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 Company.

3.29 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.

3.30 Leases

The Company's lease asset consists of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-to-use asset ("RTU") 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 Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. RTU 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. Lease liabilities are remeasured with a corresponding adjustment to the related right to use asset if the Company

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

changes its assessment if the whether it will exercise an extension or a termination option.

The Company has opted to present the RTU as a part of the block of asset to which the lease pertains to and consequently, the RTU 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 Company are classified as financing cash flows.

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

3.31 Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

4A. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported 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 Company'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 Company from time to time enters into direct bilateral assignment deals, which qualify for de-recognition under Ind AS 109. Accordingly, the assessment of the Company's business model for managing its financial assets becomes a critical judgment. Further, the Company 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 Company 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. Refer Note 3.2.1.1 for related details.

ii De-recognition of Financial instruments

The Company enters into securitisation transactions where financial assets are transferred to a structured entity for a consideration. The financial assets transferred qualify for derecognition only when substantial risk and rewards are transferred.

This assessment includes judgements reflecting all relevant evidence including the past performance of the assets transferred and credit risk that the Company has been exposed to. Based on this assessment, the Company believes that the credit enhancement provided pursuant to the transfer of financial assets under securitisation are higher than the loss incurred on the similar portfolios of the Company hence it has been concluded that securitisation transactions entered by the Company does not qualify de-recognition since substantial risk and rewards of the ownership has not been transferred. The transactions are treated as financing arrangements and the sale consideration received is treated as borrowings.

iii 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

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

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 value please see Fair value note in Accounting policy.

iv 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 Company'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:

- The Company'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
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs

The Company 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. Also refer note 2.3.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

v Leases

a. Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company 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 Company 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.

vi Provisions and other contingent liabilities

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

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

4B. Amendments to Ind AS 116: Covid-19-Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no significant impact on the consolidated financial statements of the Company.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 5 CASH AND CASH EQUIVALENTS		
Cash on hand	3,179	329
Balances with banks		
- In Current Accounts	1,49,221	61,689
- In Deposit Accounts - Original maturity of 3 months or less	-	2,84,029
Cheques, drafts on hand	2,970	141
Total	**1,55,370**	**3,46,188**

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 6 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
- In Deposit Accounts - Original maturity more than 3 months	2,78,758	3,11,805
- In earmarked accounts		
- In Unpaid Dividend Accounts	74	73
- Deposits with Banks as collateral towards securitisation loan	31,978	37,836
- Deposits with Banks as collateral towards Overdraft facility (Refer note18)	57,000	-
- Other Deposit Account on amalgamation of Cholamandalam Factoring Limited	8	8
Total	**3,67,818**	**3,49,722**

₹ in lakhs

Particulars	As at March 31,2021			As at March 31, 2020		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilites	Notional amounts	Fair Value -Assets	Fair Value -Liabilites
Note : 7 DERIVATIVE FINANCIAL INSTRUMENTS						
Part I						
(i) Other derivatives - Cross Currency Interest Rate Swap	2,24,373	2,634	914	2,34,373	11,420	-
(ii) Interest rate Swaps	1,40,286	1,953	-	-	-	-
(iii) Forward Contracts	1,40,286	-	11,828	-	-	-
Total Derivative financial Instruments	**5,04,945**	**4,587**	**12,742**	**2,34,373**	**11,420**	**-**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cash flow hedging:						
Others - Cross currency interest rate swap	2,24,373	2,634	914	2,34,373	11,420	-
(ii) Interest rate Swaps	1,40,286	1,953	-	-	-	-
(iii) Forward Contracts	1,40,286	-	11,828	-	-	-
Total Derivative financial Instruments	**5,04,945**	**4,587**	**12,742**	**2,34,373**	**11,420**	**-**

The Company has a Board approved policy for entering into derivative transactions. Derivative transaction comprises of Currency, Interest Rate Swaps and Forward Contracts. The Company undertakes such transactions for hedging interest/foreignexchange risk on borrowings. The Asset Liability Management Committee and Business Committee periodically monitors and reviews the risks involved.

The notional amount for interest rate swap represents the foreign currency borrowing on which Company has entered to hedge the variable interest rate.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 8 RECEIVABLES (Unsecured)		
(i) Trade Receivables		
Considered Good*	2,031	2,176
Subtotal (i)	**2,031**	**2,176**
(ii) Other Receivables		
Considered Good*	4,612	3,698
Subtotal (ii)	**4,612**	**3,698**
Total (i)+(ii)	**6,643**	**5,874**

*Includes dues from related parties (Refer note 37)

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 9 LOANS (At amortised cost)		
(A)		
(i) Bills Discounted	13,417	8,598
(ii) Term loans	68,14,958	56,83,972
Total (A) - Gross	**68,28,375**	**56,92,570**
Less: Impairment Allowance for (i) & (ii)	(2,44,441)	(1,52,297)
Total (A) - Net	**65,83,934**	**55,40,273**
(B)		
(i) Secured by tangible assets	67,85,357	56,63,436
(ii) Unsecured	43,018	29,134
Total (B) - Gross	**68,28,375**	**56,92,570**
Less: Impairment Allowance for (i) & (ii)	(2,44,441)	(1,52,297)
Total (B) - Net	**65,83,934**	**55,40,273**

All loans are in India and have been granted to individuals or entities other than public sector

Secured indicates loans secured, wholly or partly, by way of hypothecation of automobile assets and / or pledge of securities and / or equitable mortgage of property and / or equipment.

Term loans includes unsecured short term loans to a subsidiary and associate. These loans have been classified under Stage 1 Category at the various reporting periods and related impairment provision as per the Company's accounting policy has been created. The details of the same are disclosed below:

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Loan - Outstanding Value		
Cholamandalam Securities Limited	-	700
White Data System India Private Limited	340	340
Impairment Allowance		
Cholamandalam Securities Limited	-	1
White Data System India Private Limited*	0	0

* Represents amount less than ₹ 50,000

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 9.1 LOANS

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

₹ in lakhs

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Bills discounted								
Opening as on April 1, 2020	5,142	42	3,414	8,598	31	4	3,173	3,208
New assets originated / Increase in existing assets (Net)	9,678	-	430	10,108	57	-	125	182
Exposure de-recognised / matured / repaid	(5,142)	-	(147)	(5,289)	(31)	-	(103)	(134)
Transfer to Stage 3	-	(42)	42	-	-	(4)	4	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	38	38
Impact of changes on items within the same stage	-	-	-	-	-	-	197	197
Closing as on March 31, 2021	**9,678**	**-**	**3,739**	**13,417**	**57**	**-**	**3,434**	**3,491**
Term loans								
Opening as on April 1, 2020	52,69,032	2,02,024	2,12,916	56,83,972	39,091	23,342	86,656	1,49,089
New assets originated / Increase in existing assets (Net)	24,24,901	15,298	7,604	24,47,803	37,558	6,175	2,704	46,437
Exposure de-recognised / matured / repaid	(11,85,961)	(58,821)	(47,464)	(12,92,246)	(20,163)	(4,486)	(8,028)	(32,677)
Transfer to Stage 1	65,509	(56,814)	(8,695)	-	8,889	(6,055)	(2,834)	-
Transfer to Stage 2	(3,52,885)	3,59,980	(7,095)	-	(8,308)	10,745	(2,437)	-
Transfer to Stage 3	(81,332)	(43,717)	1,25,049	-	(2,120)	(5,357)	7,477	-
Impact on account of exposures transferred during the period between stages	139	10,451	7,862	18,452	112	48,112	34,511	82,735
Impact of changes on items within the same stage	-	-	8,382	8,382	-	-	19,077	19,077
Write off	(14,318)	(5,290)	(31,797)	(51,405)	(1,388)	(1,512)	(20,811)	(23,711)
Closing as on March 31, 2021	**61,25,085**	**4,23,111**	**2,66,762**	**68,14,958**	**53,671**	**70,964**	**1,16,315**	**2,40,950**
Bills Discounted								
Opening as on April 1, 2019	5,367	40	3,453	8,860	13	3	3,157	3,173
New assets originated / Increase in existing assets (Net)	5,123	42	250	5,415	31	4	100	135
Exposure de-recognised / matured / repaid	(5,349)	(39)	(289)	(5,677)	(13)	(3)	(230)	(246)
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on account of exposures transferred during the year between stages (net)	-	-	-	-	-	-	-	-
Impact of changes on items within the same stage (net)	-	-	-	-	-	-	146	146
Closing as on March 31, 2020	**5,141**	**43**	**3,414**	**8,598**	**31**	**4**	**3,173**	**3,208**
Term loans								
Opening as on April 1, 2019	49,98,423	2,07,617	1,40,398	53,46,438	18,690	19,724	51,484	89,898
New assets originated / Increase in existing assets (Net)	25,49,193	25,834	9,514	25,84,541	28,640	3,982	4,031	36,653
Exposure de-recognised / matured / repaid	(20,60,871)	(1,13,388)	(48,497)	(22,22,756)	(13,214)	(5,073)	(7,497)	(25,784)
Transfer to Stage 1	59,640	(55,972)	(3,668)	-	6,161	(5,184)	(977)	-
Transfer to Stage 2	(1,84,591)	1,87,214	(2,623)	-	(811)	1,491	(680)	-
Transfer to Stage 3	(76,058)	(42,931)	1,18,989	-	(348)	(3,981)	4,329	-
Impact on account of exposures transferred during the year between stages	139	682	2,562	3,383	232	14,604	32,867	47,703

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 9.1 LOANS (Contd.)

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impact of changes on items within the same stage	-	-	4,489	4,489	-	-	8,679	8,679
Write off	(16,842)	(7,034)	(8,247)	(32,123)	(259)	(2,221)	(5,580)	(8,060)
Closing as on March 31, 2020	**52,69,033**	**2,02,022**	**2,12,917**	**56,83,972**	**39,091**	**23,342**	**86,656**	**1,49,089**

ECL across stages have been computed on collective basis.
The Company uses Days past due of the customer to determine the credit quality of loans

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 10 INVESTMENTS		
Investment in Equity Instruments*		
a) Subsidiaries at cost		
Cholamandalam Home Finance Limited (Formerly known as Cholamandalam Distribution Services Limited) 42,400,000 Equity shares of ₹ 10 each fully paid up	4,240	4,240
Cholamandalam Securities Limited 22,500,014 Equity shares of ₹ 10 each fully paid up	2,250	2,250
b) Associate at cost		
White Data System India Private Limited 1,275,917 Equity shares of ₹ 10 each fully paid up	800	800
Vishvakarma Payments Private Limited Acquired 2,100 Equity shares of ₹ 10 each fully paid up for Rs 21,000 in March 2021#	0	-
c) Others - Unquoted - FVOCI **		
Amaravathi Sri Venkatesa Paper Mills Limited 293,272 Equity shares of ₹ 10 each fully paid up#	-	-
Saraswat Co-operative Bank Limited 1,000 Equity shares of ₹ 10 each fully paid up#	-	-
The Shamrao Vithal Co-operative Bank Limited 1,000 Equity shares of ₹ 25 each fully paid up#	-	-
Chola Insurance Services Private Ltd. 19,133 Equity shares of ₹10 each fully paid up	2	2
Chennai Willingdon Corporate Foundation 5 shares of ₹ 10 each : Cost ₹ 50 only#	-	-
d) Investment in Indian Government Securities - amortised cost (Issued by Government of India)	1,54,590	-
Total	**1,61,882**	**7,292**

*Investments are made in India
**The Company has designated certain unquoted equity instruments as FVOCI on the basis that these are not held for trading.

Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to Investment at Amortised Cost

₹ in lakhs

Particulars	Gross carrying amount - Stage 1	Impairment allowance - Stage 1
Opening as on April 1, 2020	-	-
New assets originated	1,54,590	-
Exposure matured / repaid	-	-
Closing as on March 31, 2021	1,54,590	-

represents amount less than ₹ 1 lakh.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 11 OTHER FINANCIAL ASSETS		
Unsecured - considered good		
At amortised cost		
Security deposits	2,280	2,409
Other advances	2,945	3,136
Covid Ex-gratia Claim Receivable	9,647	-
Interest only strip receivable	41,406	35,782
Total	**56,278**	**41,327**

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 12 DEFERRED TAX		
Deferred Tax Assets		
Impairment allowance for financial instruments	61,472	37,741
Provision for Contingencies and Undrawn commitments	1,120	999
Provision for Compensated Absences and Gratuity	1,792	1,285
Impact of Effective interest rate adjustment on Financial Assets	6,281	7,815
Contract Liability as per IND AS 115	262	413
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961	1,145	919
Items recognised in OCI	3,932	2,762
Others	637	573
(A)	**76,641**	**52,507**
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	261	424
(B)	**261**	**424**
Net Deferred Tax Assets (A) - (B)	**76,380**	**52,083**

₹ in lakhs

Particulars	Year ended March 31,2021 Income Statement	Year ended March 31,2021 OCI	Year ended March 31,2020 Income Statement	Year ended March 31,2020 OCI
Deferred Tax Assets				
Impairment allowance for financial instruments	(23,731)	-	(5,311)	-
Provision for Contingencies and Undrawn commitments	(121)	-	342	-
Provision for Compensated Absences and Gratuity	(507)	-	(34)	-
Impact of Effective interest rate adjustment on Financial Assets	1,534	-	1,946	-
Contract Liability as per IND AS 115	151	-	582	-
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961.	(226)	-	(282)	-
Others	(64)	-	(207)	-
(A)	**(22,964)**	**-**	**(2,964)**	**-**
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	163	-	432	-
Re-measurement gains / (losses) on defined benefit plans (net)	-	32	-	125
Cashflow Hedge reserve	-	1,138	-	3,261
(B)	**163**	**1,170**	**432**	**3,386**
Net deferred tax charge / (reversal) (A) - (B)	**(23,127)**	**(1,170)**	**(3,396)**	**(3,386)**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 12 DEFERRED TAX (Contd.)

Pursuant to the Taxation Laws (Amendment) Bill 2019, passed on 25th November, 2019, the company had exercised the option permitted u/s 115BAA of the Income Tax Act, 1961, to compute income tax at revised rate (i.e., 25.17%) from financial year 2019-20 and accordingly, had re-measured deferred tax as at April 1, 2019. The re-measurement has resulted in additional tax expense of ₹ 12,845 lakhs in the statement of profit and loss and additional tax benefit of ₹ 172 lakhs in other Comprehensive income for the previous year.

₹ in lakhs

Particulars	Total
Note : 13 INVESTMENT PROPERTY	
Gross carrying amount as at April 1, 2019	**14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2020	**14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2021	**14**
Accumulated depreciation and impairment	
Balance as at April 1, 2019	**0**
Depreciation for the year	0
Depreciation on disposals	-
Balance as at March 31, 2020**	**0**
Depreciation for the year	1
Depreciation on disposals	0
Balance as at March 31, 2021**	**1**
Net Carrying amount	
As at March 31, 2020	**14**
As at March 31, 2021	**13**
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

The Company's investment property consists of 4 properties and has let out one property as at March 31, 2021.

** represents amount less than ₹ 1,00,000

Income earned and expense incurred in connection with investment property

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Rental Income	4	4
Direct Operating expense from property that generated rental income	1	1
Direct Operating expense from property that did not generate the 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.

₹ in lakhs

	As at March 31,2021	As at March 31,2020
iv) Fair Value		
Investment Property	304	299

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair value (₹ in lakhs)	Sensitivity (₹ in lakhs)
Note : 13 INVESTMENT PROPERTY (Contd.)						
v) Sensitivity analysis						
Investment Property As at March 31, 2021	Professional valuer	Price per Sq. feet	₹ 7,000 - 13,000 per Sq. feet	5%	304	15
Investment Property As at March 31, 2020	Professional valuer	Price per Sq. feet	₹ 7,000 - 13,000 per Sq. feet	5%	299	15

₹ in lakhs

Particulars	Freehold Land	Computer Equipment	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicles	Buildings (Refer Note below)		Total
							Owned Assets	Right of Use Assets	
Note : 14 PROPERTY, PLANT AND EQUIPMENT									
Gross carrying amount as at April 1, 2019	**3,956**	**5,776**	**2,131**	**1,823**	**3,655**	**1,595**	**2,566**	**-**	**21,502**
Additions	-	2,406	709	655	1,280	572	137	14,860	20,619
Disposals	-	8	56	85	40	194	398	-	781
Gross carrying amount as at March 31, 2020	**3,956**	**8,174**	**2,784**	**2,393**	**4,895**	**1,973**	**2,305**	**14,860**	**41,340**
Additions	-	1,444	164	77	132	205	-	1,504	3,526
Disposals	-	25	24	6	14	398	-	22	489
Gross carrying amount as at March 31, 2021	**3,956**	**9,593**	**2,924**	**2,464**	**5,013**	**1,780**	**2,305**	**16,342**	**44,377**
Accumulated depreciation / amortisation and impairment									
Balance as at April 1, 2019	**-**	**3,206**	**918**	**1,115**	**1,467**	**414**	**96**	**-**	**7,216**
Depreciation for the year	-	2,013	555	635	998	367	425	4,190	9,183
Depreciation on disposals	-	8	42	67	30	113	398	-	658
Balance as at March 31, 2020	**-**	**5,211**	**1,431**	**1,683**	**2,435**	**668**	**123**	**4,190**	**15,741**
Depreciation for the period	-	1,923	527	288	885	387	43	4,553	8,606
Depreciation on disposals	-	18	13	5	11	214	-	11	272
Balance as at March 31, 2021	**-**	**7,116**	**1,945**	**1,966**	**3,309**	**841**	**166**	**8,732**	**24,075**
Net Carrying amount									
As at March 31, 2020	**3,956**	**2,963**	**1,353**	**710**	**2,460**	**1,305**	**2,182**	**10,670**	**25,599**
As at March 31, 2021	**3,956**	**2,477**	**979**	**498**	**1,704**	**939**	**2,139**	**7,610**	**20,302**
Useful Life of the asset (In Years)	-	3	5	5	5	5	60	upto 5	-
Method of depreciation	Straight-line method								

Note

1. Details of Immovable properties of land and buildings (Owned Assets), whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security, has been explained in Note 17.1
2. The Company 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.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

₹ in lakhs

Particulars	Computer Software
Note : 15 INTANGIBLE ASSETS	
Gross carrying amount as at April 1, 2019	**5,082**
Additions	1,340
Disposals	202
Gross carrying amount as at March 31, 2020	**6,220**
Additions	1,133
Disposals	-
Gross carrying amount as at March 31, 2021	**7,353**
Accumulated Amortization and impairment	
Balance as at April 1, 2019	**3,106**
Amortization for the year	1,571
Amortization on disposals	204
Balance as at March 31, 2020	**4,473**
Amortization for the period	1,235
Amortization on disposals	-
Balance as at March 31, 2021	**5,708**
Net Carrying amount	
As at March 31, 2020	**1,747**
As at March 31, 2021	**1,645**
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 16 OTHER NON FINANCIAL ASSETS		
Prepaid expenses	1,495	1,422
Capital advances	1,006	109
GST Input Credit	1,816	935
Others	76	-
Total	**4,393**	**2,466**

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 17 DEBT SECURITIES (at amortised cost)		
Redeemable Non-Convertible Debentures		
Medium-Term - Secured	9,34,263	5,74,418
Commercial Papers - Unsecured	3,01,504	1,58,265
Total	**12,35,767**	**7,32,683**

All debt securities have been contracted in India

17.1 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 which are owned assets of the Company situated at Chennai.

(ii) The Company has not defaulted in the repayment of dues to its lenders.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 17 DEBT SECURITIES (at amortised cost) (Contd.)

17.2 Details of Debentures - Contractual principal repayment value

(i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31,2021 ₹ in lakhs	Balance as at March 31,2020 ₹ in lakhs	Due date of redemption	Rate of interest %
250	10,00,000	2,500	2,500	Nov-26	8.55
5,000	10,00,000	50,000	-	Jul-25	7.92
1,500	10,00,000	15,000	-	Oct-24	6.80
3,000	10,00,000	30,000	-	Jul-24	7.38
1,500	10,00,000	15,000	15,000	Apr-24	8.62
5,850	10,00,000	58,500	-	Feb-24	6.45
5,500	10,00,000	55,000	-	Dec-23	6.10
3,523	10,00,000	35,230	35,230	Sep-23	8.80
1,500	10,00,000	15,000	-	May-23	7.50
3,250	10,00,000	32,500	-	Apr-23	6.26
8,000	10,00,000	80,000	-	Mar-23	5.85 to 5.68
3,350	10,00,000	33,500	13,500	Feb-23	5.70 to 7.41
5,900	10,00,000	59,000	10,000	Dec-22	5.48 to 7.98
6,150	10,00,000	61,500	15,000	Nov-22	5.45 to 8.00
3,523	10,00,000	35,230	35,230	Sep-22	8.70
2,000	10,00,000	20,000	-	Jun-22	7.20
1,050	10,00,000	10,500	10,500	Mar-22	8.35 to 9.06
2,000	10,00,000	20,000	-	Dec-21	6.93
3,523	10,00,000	35,230	35,230	Sep-21	8.45
3,250	10,00,000	32,500	12,500	Aug-21	6.74 to 8
2,550	10,00,000	25,500	25,500	Jul-21	8.98
4,010	10,00,000	40,100	40,100	Jun-21	8.49 to 8.52
4,100	10,00,000	41,000	-	May-21	6.90
4,770	10,00,000	47,700	47,700	Apr-21	8.09
1,500	10,00,000	-	15,000	Mar-21	8.85
600	10,00,000	-	6,000	Feb-21	9.09
1,350	10,00,000	-	13,500	Jan-21	8.11
3,500	10,00,000	-	35,000	Dec-20	8.00 to 8.98
1,750	10,00,000	-	17,500	Oct-20	7.75
2,200	10,00,000	-	22,000	Jun-20	8.10 to 9.10
4,800	10,00,000	-	48,000	May-20	8.12 to 8.90
800	10,00,000	-	8,000	Apr-20	8.10 to 9.02
		8,50,490	**4,62,990**		

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

17.2 Details of Debentures - Contractual principal repayment value (Contd.)

(ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31,2021 ₹ in lakhs	Balance as at March 31,2020 ₹ in lakhs	Due date of redemption	Redemption price ₹	Premium ₹
1250	10,00,000	12,500	-	Jul-25	14,61,481	4,61,481
850	10,00,000	8,500	-	Jul-25	13,53,045	3,53,045
500	10,00,000	5,000	5,000	Jan-23	12,54,470	2,54,470
250	10,00,000	2,500	-	Dec-24	12,93,960	2,93,960
350	10,00,000	3,500	-	Oct-24	13,01,025	3,01,025
1100	10,00,000	11,000	11,000	May-21	12,94,211	2,94,211
1000	10,00,000	-	10,000	Mar-21	12,76,583	2,76,583
1150	10,00,000	-	11,500	Dec-20	11,92,230	1,92,230
2050	10,00,000	-	20,500	May-20	12,63,916	2,63,916
190	10,00,000	-	1,900	Apr-20	12,56,100	2,56,100
500	10,00,000	-	5,000	Apr-20	13,54,976	3,54,976
800	10,00,000	-	8,000	Apr-20	12,74,682	2,74,682
		43,000	**72,900**			

(iii) Secured Redeemable Non-Convertible Debentures - Redeemable at par - with Put option

No. of Debentures	Face Value ₹	Balance as at March 31,2021 ₹ in lakhs	Balance as at March 31,2020 ₹ in lakhs	Due date of redemption	Put option date	Rate of interest %
10	10,00,000	100	100	Aug-23	Jul-21	9.06
		100	**100**			

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 18 BORROWINGS (Other than Debt Securities) at amortised cost		
A) Term Loans		
i) a) From Banks - Secured		
Rupee Loans	35,68,218	32,96,247
Foreign currency Loans	-	11,788
External Commercial Borrowings	2,39,869	2,47,326
b) From Banks - Unsecured		
Short term loans	20,000	-
ii) From Other Parties - Secured		
Financial Institutions - Rupee Loans		
- Rupee Loans	1,72,786	1,63,258
- External Commercial Borrowings	1,37,230	-
Securitisation - Rupee Loans	4,34,452	4,63,131
B) Loan repayable on demand - Secured from Banks - Rupee Loans (Refer Note 6)	1,45,671	1,45,558
Total	**47,18,226**	**43,27,308**
Borrowings within India	43,41,127	40,79,982
Borrowings Outside India	3,77,099	2,47,326

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 18 BORROWINGS (Contd.)

18.1 Security

(i) Secured term loans from banks and financial institution are secured by way of specific /*pari passu* charge on assets under hypothecation relating to automobile financing and loans against immovable property.

(ii) Loan repayable on demand is in the nature of Cash Credit from banks and is secured by way of floating charge on assets under hypothecation and other assets.

(iii) The Company has not defaulted in the repayment of dues to its lenders.

(iv) Securitisation rupee loan represents the net outstanding value (Net of Investment in Pass-through Certificates) of the proceeds received by the Company from securitisation trust in respect of loan assets transferred by the Company pursuant to Deed of Assignment. The Company has provided Credit enhancement to the trust by way of cash collateral and Bank guarantee.

18.2 Details of term loans - Contractual principal repayment value

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding March 31,2021	Amount outstanding March 31,2020
Base Rate / MCLR	< 1year	1	86,250	1,05,833
		2	1,25,016	1,38,750
		3	30,000	57,188
		4	1,78,750	53,334
		8	60,395	60,000
		12	20,000	-
	1 - 2 years	1	1,40,000	92,917
		2	1,92,917	96,667
		4	1,92,949	1,92,084
		8	60,395	60,000
		12	20,000	-
	2 - 3 years	1	33,333	1,30,000
		2	1,22,500	2,48,751
		4	1,61,699	79,582
		8	60,395	60,000
		12	20,000	-
	3 - 4 years	1	10,000	8,333
		2	80,000	1,63,334
		4	1,41,699	60,000
		6	7,796	-
		8	-	60,000
		12	20,000	-
	4 - 5 years	1	5,000	21,665
		2	-	90,000
		3	57,441	-
		4	25,111	40,000
		7	-	9,375
		9	15,000	-
	> 5 Years	1	-	5,000
Base Rate/ MCLR + spread (0.05% to 0.92%)	< 1year	1	3,85,000	3,37,500
		2	-	-
		3	50,000	-
		4	-	80,000
	1 - 2 years	1	35,000	4,92,500
		2	30,000	-
		3	50,000	18,750
		4	-	72,500
		6	-	12,500
	2 - 3 years	1	70,000	18,750

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

18.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding March 31,2021	Amount outstanding March 31,2020
		2	30,000	30,000
		3	50,000	-
		4	-	72,500
		6	-	12,500
	3 - 4 years	1	-	12,500
		2	-	30,000
		4	-	72,500
		6	-	12,500
	4- 5 years	1	-	-
		2	-	5,000
Rate based on T Bill + Spread	< 1 year	1	48,200	74,400
		2	15,000	32,500
		4	41,667	-
	1 - 2 years	1	41,050	29,400
		2	12,500	-
		4	66,667	25,000
	2 - 3 years	1	25,000	29,400
		2	-	12,500
		3	12,500	-
		4	50,000	-
	3 - 4 years	1	-	-
	4 - 5 years	3	-	-
Fixed Rate	< 1year	1	51,000	-
		2	16,000	12,200
		4	40,400	28,000
		1	20,000	-
	1 - 2 years	2	10,000	6,000
		4	39,400	40,400
		2	43,300	-
	2 - 3 years	4	24,400	39,400
	3 - 4 years	2	55,400	-
		4	-	24,400
	4 - 5 years	2	43,400	12,100
3Months Repo	< 1year	1	42,500	-
		2	15,000	-
		3	3,333	-
		4	82,976	18,000
		8	36,000	-
		12	83,333	-
	1 - 2 years	1	8,333	30,000
		2	15,000	-
		3	3,333	-
		4	49,643	-
		8	36,000	36,000
		12	83,333	-
		1	8,333	-
	2 - 3 years	2	15,000	-
		3	3,334	-

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

18.2 Details of term loans - Contractual principal repayment value (Contd.)

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding March 31,2021	Amount outstanding March 31,2020
		4	49,643	-
		6	41,667	-
		8	-	36,000
	3 - 4 years	1	10,119	-
		3	3,750	-
		4	37,500	-
Total			**38,50,660**	**35,98,513**
USD 2Y MIBOR + Spread	< 1year	1	-	4,000
	1-2 years	1	7,500	-
USD 3M LIBOR + Spread	< 1year	2	5,202	11,668
	1-2 years	1	-	-
		4	20,807	-
	2-3 years	4	20,807	-
USD 6M LIBOR + Spread	< 1 year	1	-	-
	3 - 4 years	4	20,807	-
	4 - 5 years	4	20,807	-
	>5 Years	9	46,815	-
USD 6M LIBOR + Spread	< 1year	1	36,553	-
	1-2 years	1	1,31,589	37,830
	2-3 years	1	-	1,36,188
	3 - 4 years	1	67,257	-
	4 - 5 years	1	-	69,607
Total			**3,78,144**	**2,59,293**

Details of Securitised loan

₹ in lakhs

Rate of Interest	Maturity	Instalments	Amount outstanding* March 31,2021	Amount outstanding* March 31,2020
	Less than 1 year		1,75,343	1,58,012
Fixed	1-2 year		1,09,355	1,24,382
(4.9% to 8%)	2-3 year		45,570	54,213
	3-4 year		12,428	15,261
	4-5 year		4,451	5,593
	more than 5 years		12,990	17,222
Total			**3,60,137**	**3,74,683**
	Less than 1 year		6,501	6,753
Floating	1-2 year		6,925	7,928
Base Rate/ MCLR - spread	2-3 year		7,459	8,439
(0.75% to 2.65%)	3-4 year		7,866	9,088
	4-5 year		7,832	9,411
	more than 5 years		37,198	46,706
Total			**73,781**	**88,325**

* 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.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

18.3 Loan repayable on demand represents cash credit and overdraft facilities

₹ in lakhs

Particulars	As at March 31,2021	As at March 31, 2020
Note : 19 SUBORDINATED LIABILITIES (at amortised cost)		
Perpetual Debt - Unsecured	1,48,920	1,49,597
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	40,684	40,677
b) Other Subordinated Debts	2,29,402	2,50,278
Total	**4,19,006**	**4,40,552**

i) All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.
ii) The Company has not defaulted in the repayment of dues to its lenders.

19.1 Details of Subordinated Liabilities - Contractual principal repayment value

(i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31,2021 ₹ in lakhs	Balance as at March 31,2020 ₹ in lakhs	Due date of redemption	Rate of interest %
400	1,00,00,000	40,000	40,000	Jan-30	9.25
3000	10,00,000	30,000	30,000	Aug-28	9.75
5300	10,00,000	53,000	53,000	Mar-28	9.05
1500	10,00,000	15,000	15,000	Aug-27	8.53
2500	10,00,000	25,000	25,000	Jun-27	8.78 to 8.80
100	10,00,000	1,000	1,000	Nov-26	9.20
150	10,00,000	1,500	1,500	Jun-24	11.00
50	10,00,000	500	500	May-24	11.00
250	10,00,000	2,500	2,500	Apr-24	11.00
250	10,00,000	2,500	2,500	Mar-24	11.00
200	10,00,000	2,000	2,000	Feb-24	11.00
250	10,00,000	2,500	2,500	Jan-24	11.00
2000	10,00,000	20,000	20,000	Nov-23	9.08 to 9.20
500	10,00,000	5,000	5,000	Oct-23	9.08
150	10,00,000	1,500	1,500	Sep-23	11.00
600	10,00,000	6,000	6,000	Dec-22	11.05 to 11.25
3,150	10,00,000	31,500	31,500	Nov-21	10.02
1,000	10,00,000	10,000	10,000	Jun-21	11.30
1,000	10,00,000	10,000	10,000	May-21	11.30
100	10,00,000	-	1,000	Mar-21	11.00
100	10,00,000	-	1,000	Feb-21	11.00
150	10,00,000	-	1,500	Oct-20	11.00
500	10,00,000	-	5,000	Jul-20	10.70
115	10,00,000	-	1,150	May-20	11.00
1,000	10,00,000	-	10,000	Apr-20	11.00
750	10,00,000	-	-	Dec-19	11.50
		2,59,500	**2,79,150**		

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

19.1 Details of Subordinated Liabilities - Contractual principal repayment value (Contd.)

(ii) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt -Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at March 31,2021 ₹ in lakhs	Balance as at March 31,2020 ₹ in lakhs	Due date of redemption	Redemption price ₹	Premium ₹
150	10,00,000	1,500	1,500	Nov-23	17,57,947	7,57,947
		1,500	**1,500**			

(iii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at March 31,2021 ₹ in lakhs	Balance as at March 31,2020 ₹ in lakhs	Maturity Date - Perpetual#	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
2000	5,00,000	10,000	-	Mar-31	9.25
900	5,00,000	4,500	-	Nov-30	9.30
1000	5,00,000	5,000	5,000	Dec-29	10.75
1120	5,00,000	5,600	5,600	Mar-29	10.83
5000	5,00,000	25,000	25,000	Feb-29	10.88
500	5,00,000	2,500	2,500	Aug-24	12.80
174	10,00,000	1,740	1,740	Jul-24	12.90
500	5,00,000	2,500	2,500	Jun-24	12.90
500	5,00,000	2,500	2,500	Feb-24	12.90
50	10,00,000	500	500	Jan-24	12.60
1,031	10,00,000	10,310	10,310	Dec-23	12.50 to 12.60
245	10,00,000	2,450	2,450	Oct-23	12.60
1,000	5,00,000	5,000	5,000	Oct-23	12.90
300	10,00,000	3,000	3,000	Feb-23	12.80
1,450	10,00,000	14,500	14,500	Dec-22	12.70 to 12.80
860	5,00,000	4,300	4,300	Sep-22	12.75
2,000	5,00,000	10,000	10,000	Aug-22	12.90
200	5,00,000	1,000	1,000	Mar-22	12.50
700	5,00,000	3,500	3,500	Jan-22	12.50
3,500	5,00,000	17,500	17,500	Dec-21	12.50 to 12.95
320	5,00,000	1,600	1,600	Aug-21	12.50
413	5,00,000	2,065	2,065	Jul-21	12.50
2,021	5,00,000	10,105	10,105	Jun-21	12.50
3,000	5,00,000	-	15,000	Oct-20	12.05
		1,45,170	**1,45,670**		

Company can redeem using Call option on the maturity date with prior approval of RBI.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 20 OTHER FINANCIAL LIABILITIES		
Unpaid dividend	74	73
Advance from customers	5,239	1,758
Security deposits received	80	216
Collections towards derecognised assets pending remittance	18,928	15,955
Lease liability (Refer note 48)	8,905	12,042
Other liabilities	15,991	8,577
Total	**49,217**	**38,621**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 21 PROVISIONS		
Provision for Employee Benefits		
- Compensated Absences	6,508	5,107
	6,508	**5,107**
Other Provisions		
Provision for contingencies and service tax claims (Refer note 39)	4,346	3,838
Provision for expected credit loss towards undrawn commitments (Refer Note 39)	104	131
	4,450	**3,969**
Total	**10,958**	**9,076**

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 22 OTHER NON FINANCIAL LIABILITIES		
Income received in advance	1,150	1,712
Statutory liabilities	2,568	1,909
Others	859	955
Total	**4,577**	**4,576**

₹ in lakhs

Particulars	As at March 31,2021		As at March 31,2020	
	Nos.	Amount	Nos.	Amount
Note : 23 A) EQUITY SHARE CAPITAL				
AUTHORISED				
Equity Shares of ₹ 2 each with voting rights	1,20,00,00,000	24,000	1,20,00,00,000	24,000
Preference Shares of ₹ 100 each	5,00,00,000	50,000	5,00,00,000	50,000
		74,000		**74,000**
ISSUED				
Equity Shares of ₹ 2 each with voting rights	82,07,18,899	16,414	82,02,61,529	16,405
		16,414		**16,405**
SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹ 2 each with voting rights	82,00,35,129	16,400	81,95,77,759	16,391
Add : Forfeited Shares	6,54,500	7	6,54,500	7
		16,407		**16,398**

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

₹ in lakhs

	As at March 31,2021		As at March 31,2020	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the period/year (₹10/- each)	81,95,77,759	16,391	15,63,59,113	15,636
Additional shares pursuant to share split	-	-	62,54,36,452	-
Issued during the year				
a) Qualified institutional Placement	-	-	2,81,25,000	563
b) Preferential Issue to Holding Company	-	-	93,45,794	187
c) Employees Stock Option (ESOP) Scheme	4,57,370	9	3,11,400	5
Outstanding at the end of the period/ year - ₹2/- each	**82,00,35,129**	**16,400**	**81,95,77,759**	**16,391**
Forfeited shares				
Equity Shares - Amount originally paid up	**6,54,500**	**7**	**6,54,500**	**7**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

a) Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 2 (March 2019 -₹10)per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

b) Equity Shares held by Holding Company

	As at March 31,2021	As at March 31,2020
Cholamandalam Financial Holdings Limited (formerly known as "TI Financial Holdings Limited")- Holding Company	37,28,85,889	37,28,85,889

c) Details of shareholding more than 5% shares in the Company

₹ in lakhs

Equity Shares	As at March 31,2021 Nos.	% holding in the class	As at March 31,2020 Nos.	% holding in the class
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	45.47	37,28,85,889	45.50

As per records of the Company, 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.

d) Issue of Shares on preferential basis and Qualified institutional placements

On January 31, 2020 the Company alloted 2,81,25,000 equity shares of ₹ 2 each at a premium of ₹ 318 per share agregating to ₹ 90,000 lakhs to eligbile investors through Qualified institutional placement.

On March 9, 2020 the Company alloted 93,45,794 equity shares of ₹ 2 each at a premium of ₹ 319 per share agregating to ₹ 30,000 lakhs to the holding company under on a preferential basis.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Note : 23 B) OTHER EQUITY		
Statutory Reserve (Refer Note a)		
Balance at the beginning of the year	1,28,046	1,06,046
Add: Amount transferred from retained earnings	31,000	22,000
Closing balance at the end of the year	**1,59,046**	**1,28,046**
Capital Reserve (Refer Note b)		
Balance at the beginning of the year	4	4
Add: Changes during the year	-	-
Closing balance at the end of the year	**4**	**4**
Capital Redemption Reserve (Refer Note c)		
Balance at the beginning of the year	3,300	3,300
Add: Changes during the year	-	-
Closing balance at the end of the year	**3,300**	**3,300**
Securities Premium Account (Refer Note d)		
Balance at the beginning of the year	2,85,678	1,66,849
Add: Premium on issue of shares on preferential basis (Refer note 23A)	-	29,813
Add: Premium on issue of shares on Qualified Institutional placement) (Refer note 23A)	-	89,438
Add: Premium on ESOPs exercised	927	499
Less: Share issue expenses	-	(921)
Closing balance at the end of the year	**2,86,605**	**2,85,678**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 23 B) OTHER EQUITY (Contd.)

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
General Reserve (Refer Note e)		
Balance at the beginning of the year	2,98,777	2,48,777
Add: Amount transferred from Share Based Payment Reserve	136	-
Add: Amount transferred from retained earnings	75,000	50,000
Closing balance at the end of the year	**3,73,913**	**2,98,777**
Share Based Payments Reserve (Refer Note f)		
Balance at the beginning of the year	3,017	1,861
Addition during the year	564	1,156
Transfer to General reserve	(136)	-
Closing balance at the end of the year	**3,445**	**3,017**
Retained Earnings (Refer Note g)		
Balance at the beginning of the year	89,281	76,450
Profit for the year	1,51,491	1,05,237
Less:		
Dividend		
Equity - Final	-	(8,798)
Equity - Interim	(10,656)	(7,819)
Distribution tax on Equity Dividend	-	(3,415)
Transfer to Statutory Reserve	(31,000)	(22,000)
Transfer to General Reserve	(75,000)	(50,000)
Re-measurement Gain / (Loss) on Defined Benefit Obligations (Net) transferred to Retained Earnings	(95)	(374)
Closing balance at the end of the year	**1,24,021**	**89,281**
Cash flow hedge reserve (Refer Note h)		
Balance at the beginning of the year	(7,198)	(1,227)
Addition	(3,383)	(5,971)
Closing balance at the end of the year	**(10,581)**	**(7,198)**
FVOCI Reserve (Refer Note i)		
Balance at the beginning of the year	(129)	(129)
Addition	-	-
Closing balance at the end of the year	**(129)**	**(129)**
Share Application Money pending Allotment at the end of the year (Refer Note j)	**-**	**10**
Total Other Equity	**9,39,624**	**8,00,786**

a) Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit annually as disclosed in the Statement of Profit and Loss account, before any dividend is declared.

b) Capital reserve represents the reserve created on account of amalgamation of Chola Factoring Limited in the year 2013-14.

c) 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 limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

d) Securities premium reserve is used to record the premium on issue of shares. The premium received during the period represents the premium received towards allotment of 4,57,370 shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the provisions of the Companies Act, 2013.

e) The general reserve is a free reserve, retained from Company's profits and can be utilized upon fulfilling certain conditions in accordance with specific requirement of Companies Act, 2013.

f) Under IND AS 102, 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.

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

h) 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 Company accounting policies.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 23 B) OTHER EQUITY (Contd.)

i) FVOCI Reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income.

j) Share application money pending allotment as at March 31, 2020 represents amount received towards 5,000 equity shares of the Company pursuant to ESOP scheme and have been subsequently allotted.

Proposed dividend

The Board of Directors of the Company have recommended a final dividend of 35% being ₹ 0.70 per share on the equity shares of the Company, for the year ended March 31, 2021 (₹ Nil per share - March 31, 2020) which is subject to approval of shareholders. Consequently the proposed dividend has not been recognised in the books in accordance with IND AS 10.

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
REVENUE FROM OPERATIONS		
Note : 24A		
(i) Interest - on financial assets measured at amortised cost		
(a) Loans		
- Bills Discounting	766	721
- Term loans	8,86,956	7,83,449
(b) Bank Deposits		
- under lien	2,147	3,845
- free of lien	26,947	20,440
(C) Others		
- Deposits with Financial Institutions	2,299	3,961
- Investment in Government Securities	3,301	-
Total (A)	**9,22,416**	**8,12,416**
Note : 24B		
(i) Fee Income*		
-Term loans	20,685	18,987
Total (B)	**20,685**	**18,987**
***Services are rendered at a point in time**		
Note : 24C		
Net gain on fair value changes on FVTPL - Realised		
Investment in mutual funds	463	1,563
Total (C)	**463**	**1,563**
Note : 24D		
(i)Sale of Services		
(a) Servicing and Collection fee on Assignment	691	485
(b) Other Service Income	7,346	7,085
Total (D)	**8,037**	**7,570**
Note: Timing of revenue recognition		
Services rendered at a point in time	7,437	6,970
Services rendered over a time	600	600
Total	**8,037**	**7,570**

Details related to services rendered over a time

a) Contract balances

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Contract Liability	1,041	1,641

Contract liability relates to payments received in advance of performance under the contract. Contract liability is recognised as revenue as (or when) we perform under the contract.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 24 REVENUE FROM OPERATIONS (Contd.)

b) Movement in Contract liability during the period as follows

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Contract liability at the beginning of the period	1,641	2,241
Revenue Recognised during the period	600	600
Contract liability at the end of the period	1,041	1,641

c) Total Revenue from Customer

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Total Revenue from contracts with Customer*	28,722	26,557

*Represents fee income (note 24B) and sale of services (note 24D)

d) Due to Company's nature of business and the type of contracts entered with the customers, there is no difference between the amount of revenue recognized in the statement of profit and loss and the contracted price.

e) Impairment recognised for Contract asset is Nil (Nil - March 31, 2020)

f) Performance Obligation:

- Servicing and Collection fee on Assignment: to collect the receivable from the customer and transfer the same to the assignee representative.
- Other Service Income: To enable space for advertising at the branches and other related services.

g) There are no significant return / refund / other obligations for any of the above mentioned services.

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 25 OTHER INCOME		
Interest on Income tax refund	336	-
Rent	25	17
Miscellaneous Income	-	9
Total	**361**	**26**

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 26 FINANCE COST		
Interest on financial liabilities measured at amortised cost		
- Debt securities	74,325	1,01,821
- Borrowings other than debt securities	3,37,970	3,12,331
- Subordinated liabilities	42,835	42,567
Others		
- Bank charges	1,537	1,351
- Interest on lease liability	924	1,153
Total	**4,57,591**	**4,59,223**

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 27 IMPAIRMENT OF FINANCIAL INSTRUMENTS		
Loss Assets Written Off (Net) / disposal of re-possessed assets*	40,066	30,427
Impairment provision- Loans - measured at amortised cost	92,117	59,306
Total	**1,32,183**	**89,733**

* Includes Loss on disposal of repossessed vehicles - ₹ 27,211 lakhs for the year ended March 31, 2021 (₹ 31,314 lakhs - March 31, 2020)

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 28 EMPLOYEE BENEFITS EXPENSE		
Salaries, bonus and commission	69,341	58,419
Contribution to provident and other funds		
-Employees' provident fund	2,953	2,849
-Superannuation fund	337	333
Share based payment Expense	561	1,153
Gratuity expense (Refer note 35)	1,117	962
Staff welfare expenses	627	1,784
Total	**74,936**	**65,500**

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 29 OTHER EXPENSES		
Rent and facility charges	734	1,262
Rates and taxes	2,047	1,114
Energy cost	1,011	1,421
Repairs and maintenance	400	426
Communication costs	2,772	3,050
Printing and stationery	1,233	1,456
Advertisement and publicity expenses	1,267	1,454
Directors fees, allowances and expenses	109	86
Auditors' remuneration (Refer note 32)	80	151
Legal and professional charges	4,083	4,457
Insurance	1,591	1,534
Travelling and conveyance	2,641	5,625
Information technology expenses	3,243	2,424
Loss on sale of property, plant and equipment(Net)	54	13
Recovery charges	26,657	28,959
Corporate social responsibility expenditure (Refer note 29.1)	3,207	2,888
Outsource cost	22,417	23,976
Miscellaneous expenses (Refer note 29.2)	289	1,443
	73,835	81,739
Less : Expenses recovered	(257)	(233)
Total	**73,578**	**81,506**

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
29.1 Details of CSR expenditure		
Gross Amount required to be spent towards CSR u/s 135 (5) of Companies Act , 2013 (A)	3,207	2,887
Amount spent during the year (B)		
(a) Construction/ acquisition of asset	-	-
(b) Others	3,207	2,888
Excess/(shortfall) (A-B)	-	-
None of the CSR projects undertaken by the Company has been fall under definition of "On-going Projects"		
There is no amount required to be contributed to specified fund u/s 135(6)		
29.2 Donation to Electoral Trust	-	500

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 30

a) Earnings per share

Particulars	Year ended March 31,2021	Year ended March 31,2020
Profit After Tax (₹ in lakhs)	**1,51,491**	**1,05,237**
Preference Dividend Paid (including tax thereon) (₹ in lakhs)	-	-
Profit After Tax Attributable to Equity Shareholders (₹ in lakhs)	**1,51,491**	**1,05,237**
Weighted Average Number of Equity Shares (Basic)	81,96,69,366	78,71,82,549
Add: Dilutive effect relating to ESOP	14,30,020	8,80,135
Weighted Average Number of Equity Shares (Diluted)	82,10,99,386	78,80,62,834
Earnings per Share - Basic (₹)	**18.48**	**13.37**
Earnings per Share - Diluted (₹)	**18.45**	**13.35**
Face Value Per Share (₹)	**2.00**	**2.00**

Note:

Earnings per Share calculations are done in accordance with Ind AS 33 "Earnings per Share".

b) Income tax reconciliation

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March 2021 and 2020 is, as follows:

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Accounting profit before tax from continuing operations	2,03,844	1,58,573
Income tax rate of 25.17% (31 March 2020: 25.17%)	51,308	39,913
Effects of:		
Impact of difference in tax base for Donations and CSR Expense	813	324
Share based payment expense – No deduction claimed under tax	141	290
Impact Deduction u/s 80JJA	(28)	(19)
Other Adjustments	119	(17)
Impact of changes to the enacted rate on opening Deferred tax asset	-	12,845
Income tax expense reported in statement of profit and loss	52,353	53,336

The effective income tax rate for 31 March, 2021 is 25.17% (31 March, 2020: 25.17%)

Note : 31 TRANSFER OF FINANCIAL ASSETS

31.1 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 Company has Securitised certain loans, however the Company has not transferred substantially all risks and rewards, hence these assets have not been de-recognised in its entirety.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Securitisations		
Carrying amount of transferred assets measured at amortised cost	4,75,242	4,92,803
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	4,63,916	4,63,131
Fair value of assets	4,76,131	4,85,991
Fair value of associated liabilities	4,37,374	4,65,551
Net position at Fair Value	38,757	20,440

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

B) Direct bilateral assignment

The Company has 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 Company'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.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Assignment		
Carrying amount of de-recognised financial asset	4,16,042	5,12,585
Carrying amount of Retained Assets at amortised cost	47,502	55,789

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Assignment		
Gain on sale of the de-recognised financial asset	-	24,727

31.2 Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Note : 32 AUDITORS' REMUNERATION		
Statutory Audit	47	47
Audit of Interim financial statements	-	40
Limited Review	16	10
Tax Audit	5	4
Other Services	5	34
Reimbursement of Expenses(incl. input tax credit expensed)	7	16
Total	**80**	**151**
Other services not covered in auditor remuneration in the statement of Profit and Loss		
Fees paid for services in connection with Qualified institutional placement and preferential allotment	**-**	**160**
Reimbursement of Expenses	**-**	**14**

Note : 33 MICRO, SMALL & MEDIUM ENTERPRISES

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, there are no amounts due to MSME as at 31 March 2021 and as at 31 March 2020.

The relevant particulars are furnished below:

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Principal amount due to suppliers under MSMED Act, as at the year end	-	70
Interest accrued and due to suppliers under MSMED Act, 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 under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note: 34 a) EXPENDITURE IN FOREIGN CURRENCIES

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Travel	-	3
Membership fees	3	3
Interest on borrowings	12,166	9,837
License fees	173	53
Professional charges	547	349

34 b) REMITTANCES IN FOREIGN CURRENCIES

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Purchase of Computer Equipment	265	1,112
Borrowing origination costs	1,468	2,695

c) There is no dividend paid in foreign currency.

Note : 35 RETIREMENT BENEFIT

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Company recognised ₹ 2,953 lakhs (Previous Year - ₹ 2,849 lakhs) to Provident Fund under Defined Contribution Plan, ₹ 337 lakhs (Previous Year - ₹ 333 lakhs) for Contributions to Superannuation Fund and ₹ 49 lakhs (Previous Year - ₹ 106 lakhs) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

B) Gratuity

The Company's defined benefit gratuity plan 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 Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans :

Change in Defined Benefit Obligation and Fair value of Plan assets:

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Defined Benefit Obligation at the beginning of the year	**5,989**	**4,457**
Current Service Cost	1,026	891
Interest Cost	386	326
Remeasurement Losses/(Gains)		
a. Effect of changes in financial assumptions	90	312
b. Effect of experience adjustments	36	165
c. Changes in demographic assumptions	-	-
Benefits Paid	(224)	(162)
Transfer in/out	-	-
Defined Benefit Obligation at the end of the year	**7,303**	**5,989**
Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Year	4,575	3,481
Expected Returns on Plan Assets	295	255
Employer's Contribution	664	1,023
Benefits Paid	(224)	(162)
Return on plan assets (excluding interest income)	-	(22)
Transfer in/out	-	-
Fair Value of Plan Assets at the end of the year	**5,310**	**4,575**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 35 RETIREMENT BENEFIT (Contd.)

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the End of the Year	5,310	4,575
Defined benefit obligation at the End of the Year	(7,303)	(5,989)
Amount Recognised in the Balance Sheet under Other Payables	**(1,993)**	**(1,414)**
Cost of the Defined Benefit Plan for the Year		
Current Service Cost	1,026	891
Net interest Expense	386	326
Expected Return on Plan Assets	(295)	(255)
Net Cost recognized in the statement of Profit and Loss	**1,117**	**962**
Remeasurement Losses/(Gains)		
a) Effect of changes in financial assumptions	90	312
b) Effect of experience adjustments	36	165
c) Changes in demographic assumptions	-	-
d) Return on plan assets (excluding interest income)	-	22
Net cost recognized in Other Comprehensive Income	**126**	**499**
Assumptions		
Discount Rate	6.25% p.a.	6.45% p.a.
Future salary increase	7.50% p.a.	7.50% p.a.
Attrition Rate		
- Senior management	13% p.a.	13% p.a.
- Middle management	13% p.a.	13% p.a.
- Others	13% p.a.	13% p.a.
Expected rate of return on Plan Assets	7.50% p.a.	7.50% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
Maturity profile of Defined Benefit Obligations		
Weighted average duration (Based on discounted cash flows)	6 years	6 years
Expected Cash flows over the next (valued on undiscounted basis)		
Within the next 12 months (next annual reporting period)	964	643
Between 2 and 5 years	3,478	2,937
Between 5 and 10 years	3,277	2,782
Beyond 10 Years	3,805	3,363
Total Expected Cash flows	**11,524**	**9,725**

Sensitivity Analysis:

₹ in lakhs

Particulars	March 31,2021		March 31,2020	
	Increase	Decrease	Increase	Decrease
Sensitivity Analysis:				
Discount Rate (+/- 1%)	6,869	7,787	5,623	6,394
Salary Growth Rate (+/- 1%)	7,728	6,906	6,347	5,652
Attrition Rate (+/- 50% of attrition rates)	7,117	7,576	5,787	6,253
Mortality Rate (+/- 10% of mortality rates)	7,303	7,303	5,988	5,988

Notes:

1. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
2. The Company's best estimate of contribution during the next year is ₹ 3,034 lakhs.
3. 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.
4. The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note: 35 RETIREMENT BENEFIT (Contd.)

C) Compensated Absences

Assumptions	March 31,2021	March 31,2020
Discount Rate	6.25% p.a.	6.45% p.a.
Future salary increase	7.50% p.a.	7.50% p.a.
Attrition Rate		
- Senior management	13% p.a.	13% p.a.
- Middle management	13% p.a.	13% p.a.
- Others	13% p.a.	13% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

1. The Company has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2021.
2. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
3. 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 : 36 SEGMENT INFORMATION

The Company is primarily engaged in the business of financing. All the activities of the Company revolve around the main business. Further, the Company does not have any separate geographic segments other than India

During year ending 31 March 2021, For management purposes, the Company has been organised into three operating segments based on products and services, as follows

Vehicle Finance Loans - Loans to customers against purchase of new/used vehicles, tractors, construction equipment and loan to automobile dealers.

Loan against property - Loans to customer against immovable property

Home Loans - loans given for acquisition of residential property

Other loans - This includes, loan against shares and other unsecured loans

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for 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 entity as whole basis and are not allocated to operating segments.

₹ in lakhs

Particulars	Year ended March 31, 2021					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
- Interest Income	6,93,467	1,44,319	46,679	3,229	34,722	**9,22,416**
- Net gain on derecognition of financial instruments under amortised cost category	-	-	-	-	-	**-**
- Fee Income	18,224	2,180	181	89	11	**20,685**
- Net gain on Fair value change on financial instrument	-	-		-	463	**463**
- Sale of Services	7,096	540	401	-	-	**8,037**
- Others	-	-	-	-	-	-
Segment revenue from Operations (I)	**7,18,787**	**1,47,039**	**47,261**	**3,318**	**35,196**	**9,51,601**
Other income (II)	-	-	-	-	361	**361**
Total Segment Income - (I) + (II)	**7,18,787**	**1,47,039**	**47,261**	**3,318**	**35,557**	**9,51,962**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 36 SEGMENT INFORMATION (Contd.)

₹ in lakhs

Particulars	Year ended March 31, 2021					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Expenses						
- Finance costs	3,50,978	84,871	20,670	2,493	(1,421)	**4,57,591**
- Impairment of financial Instruments	1,12,792	14,560	5,479	(645)	(3)	**1,32,183**
- Employee benefits expense	61,328	7,692	4,971	695	250	**74,936**
- Depreciation and amortisation expense	8,388	1,039	371	32	-	**9,830**
- Other expenses	61,102	4,940	3,591	165	3,780	**73,578**
Segment Expenses	**5,94,588**	**1,13,102**	**35,082**	**2,740**	**2,606**	**7,48,118**
Segment Profit / (loss) before taxation	**1,24,199**	**33,937**	**12,179**	**578**	**32,951**	**2,03,844**
- Tax expense						**52,353**
Profit for the year						**1,51,491**

₹ in lakhs

Particulars	Year ended March 31, 2020					
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
- Interest Income	6,26,829	1,25,291	29,545	2,438	28,313	**8,12,416**
- Net gain on derecognition of financial instruments under amortised cost category	9,303	6,180	9,244	-	-	**24,727**
- Fee Income	16,722	2,003	182	35	44	**18,986**
- Net gain on Fair value change on financial instrument	-	-	-	-	1,564	**1,564**
- Sale of Services	6,560	731	278	1	-	**7,570**
Segment revenue from Operations (I)	**6,59,414**	**1,34,205**	**39,249**	**2,474**	**29,921**	**8,65,263**
- Other income (II)	-	-	-	-	26	**26**
Total Segment Income - (I) + (II)	**6,59,414**	**1,34,205**	**39,249**	**2,474**	**29,947**	**8,65,289**
Expenses						
- Finance costs	3,47,457	79,477	16,772	1,528	13,989	**4,59,223**
- Impairment of Financial Instruments	77,581	9,591	2,162	(336)	735	**89,733**
- Employee benefits expense	54,205	6,916	3,781	394	204	**65,500**
- Depreciation and amortisation expense	9,068	992	271	49	374	**10,754**
- Other expenses	68,481	5,610	3,068	502	3,845	**81,506**
Segment Expenses	**5,56,792**	**1,02,586**	**26,054**	**2,137**	**19,147**	**7,06,716**
Segment Profit / (loss) before taxation	**1,02,622**	**31,619**	**13,195**	**337**	**10,800**	**1,58,573**
Tax expense						**53,336**
Profit for the year						**1,05,237**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 36 SEGMENT INFORMATION (Contd.)

₹ in lakhs

Particulars	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
As on March 31, 2021						
Segment Assets	48,93,657	12,71,552	3,72,558	45,828		**65,83,595**
Unallocable Assets					8,71,247	**8,71,247**
Total Assets						**74,54,842**
Segment Liabilities	42,66,080	11,08,484	3,24,780	39,951		**57,39,295**
Unallocable Liabilities					7,59,516	**7,59,516**
Total Liabilities						**64,98,811**
As on March 31, 2020						
Segment Assets	42,15,030	10,53,555	2,44,892	25,758		**55,39,235**
Unallocable Assets					8,61,004	**8,61,004**
Total Assets						**64,00,239**
Segment Liabilities	36,76,874	9,19,037	2,13,624	22,469		**48,31,984**
Unallocable Liabilities					7,51,071	**7,51,071**
Total Liabilities						**55,83,055**

In computing the segment information, certain estimates and assumptions have been made by the Management, which have been relied upon.

As the assets are allocated to segment based on certain assumptions, hence additions to the Property, plant and equipment have not been disclosed separately for each specific segment.

There are no revenue from transactions with a single external customer or counter party which amounted to 10% or more of the Company's total revenue in the Current year and Previous year.

Note : 37 RELATED PARTY DISCLOSURES

List of Related Parties:

- **Holding Company:** Cholamandalam Financial Holdings Limited (formerly known as TI Financial Holdings Limited)
- **Entity having significant influence over holding Company:** Ambadi Investments Limited
- **Subsidiaries of the entity which has significant influence over holding Company:** Parry Enterprises Limited and Parry Agro Limited.
- **Fellow Subsidiaries:** Cholamandalam MS General Insurance Company Limited, Cholamandalam Health Insurance Limited
- **Joint Venture of Holding Company:** Cholamandalam MS Risk services Limited
- **Subsidiaries:** Cholamandalam Securities Limited, Cholamandalam Home Finance Limited
- **Associate :** White Data Systems India Private Limited, Vishvakarma Payments Private Limited (From 30 March, 2021)
- **Key Managerial Personnel:**
  a. Mr. Arun Alagappan, Managing Director (upto February 14, 2021)
  b. Mr. D. Arul Selvan, Chief Financial Officer
  c. Ms. P. Sujatha, Company Secretary
  d. Mr. Ravindra Kumar Kundu, Executive Director (From January 23, 2020)
- **Non-Executive Directors**
  a) Ms. Bharati Rao (up to July 30, 2019)
  b) Mr. Ashok Kumar Barat
  c) Mr. M.M. Murugappan (upto November 11, 2020)
  d) Mr. N. Ramesh Rajan
  e) Mr. Rohan Verma
  f) Ms. Bhama Krishnamurthy (From July 30, 2019)
  g) Mr. Vellayan Subbiah (From November 11, 2020)
  h) Mr. M.A.M. Arunachalam (From January 29,2021)
  i) Mr. Anand Kumar (From March 16, 2021)
  j) Mr. Bharath Vasudevan (From March 16, 2021)

Note: Related party relationships are as identified by the Management and relied upon by the Auditors

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

a) Transactions during the year

₹ in lakhs

Particulars	Year ended March 31,2021	Year ended March 31,2020
Dividend Payments (Equity Shares)		
a) Cholamandalam Financial Holdings Limited	4,848	7,634
b) Ambadi Investments Limited	438	708
c) Parry Enterprises Limited	0*	0*
Amount received towards reimbursement of expenses		
a) Cholamandalam Financial Holdings Limited	104	100
b) Cholamandalam Securities Limited	213	162
c) Cholamandalam Home Finance Limited	3,544	3,898
d) Cholamandalam MS General Insurance Company Limited	5	60
e) Parry Enterprises Limited	1	1
f) Cholamandalam MS Risk Services Limited	0*	0*
Expenses – Reimbursed		
a) Cholamandalam Securities Limited	-	15
b) Cholamandalam MS General Insurance Company Limited	-	2
c) Cholamandalam Home Finance Limited	157	77
Services Received		
a) Cholamandalam Securities Limited	15	3
b) White Data Systems India Private Limited	29	32
c) Parry Enterprises Limited	72	714
d) Cholamandalam MS General Insurance Company Limited	196	164
Amount received towards other Reimbursements		
a) Cholamandalam Securities Limited	1	-
Rental Income		
a) Cholamandalam Securities Limited	8	9
Rental Expense		
a) Cholamandalam Home Finance Limited	126	90
Loans given		
a) Cholamandalam Securities Limited	1,600	17,650
b) White Data Systems India Private Limited	340	340
Loans recovered		
a) Cholamandalam Securities Limited	2,300	18,100
b) White Data Systems India Private Limited	340	340
Interest Income Received		
a) Cholamandalam Securities Limited	1	37
b) White Data Systems India Private Limited	26	28
Loans availed		
a) Cholamandalam Home Finance Limited	22,820	25,050
Loans repaid		
a) Cholamandalam Home Finance Limited	22,820	25,050
Interest Expense		
a) Cholamandalam Home Finance Limited	80	95
b) Cholamandalam MS General Insurance Company Limited	1,603	1,696
Commission and Sitting fees to non-executive Directors	100	80

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

e) Balances Outstanding at the year end.

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Loans - Receivable		
a) Cholamandalam Securities Limited	-	700
b) White Data Systems India Private Limited	340	340
Debt Securities – Payable		
a) Cholamandalam MS General Insurance Company Limited	(18,527)	(19,070)
Other Receivable / (Payable)		
a) Cholamandalam Financial Holdings Limited	2	-
b) Cholamandalam Securities Limited	(5)	1
c) Cholamandalam Home Finance Limited	272	140
d) Cholamandalam MS General Insurance Company Limited	1	16
e) White Data Systems India Private Limited	(6)	(7)
f) Parry Enterprises Limited	0*	1
g) Cholamandalam MS Risk Services Limited	-	0*
h) Key Managerial Personnel	-	2

f) Remuneration to Key Managerial Personnel

₹ in lakhs

Nature of Transaction	Year ended March 31,2021	Year ended March 31,2020
Short- term employee benefits	794	656
Post - employment pension (defined Contribution)	92	66
Dividend Payments	17	24
Share based payments	27	48
Sale of Vehicle(s)	21	-

* Represents amounts less than ₹ 1 lakh

Disclosure pursuant to Schedule V of Clause A.2 of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. Disclosures relating Loans and Advances /Investments

₹ in lakhs

Sl. No.	Loans and Advances in the nature of Loans	Maximum Amount Outstanding during year March 2021	Maximum Amount Outstanding during year March 2020
A)	To Subsidiaries		
	- Cholamandalam Securities Limited	700	2,500
	- Cholamandalam Home Finance Limited	2,870	2,200
B)	To Associates		
	- White Data Systems India Private Limited	340	340

II. Cholamandalam Financial Holdings Limited (CFHL), promoter-group company holds 46% of equity shares of the company. Disclosure relating to transactions with CFHL is given above.

Note : 38 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contested Claims not provided for:

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Income tax and Interest on Tax issues where the Company has gone on appeal	22,465	23,104
Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	21,898	21,898
Sales Tax issues pending before Appellate Authorities in respect of which the Company is on appeal.	2,573	2,660
Service Tax & GST issues pending before Appellate Authorities in respect of which the Company is on appeal.	19,992	19,978
Disputed claims against the Company lodged by various parties under litigation (to the extent quantifiable)	10,801	8,526

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 38 CONTINGENT LIABILITIES AND COMMITMENTS (Contd.)

i) The Company 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 Company to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings.
iii) The Company 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

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Capital commitments	3,650	2,766
Disbursements - Undrawn lines	1,24,190	84,535

(c) The Code on Social Security, 2020 (' The Code') relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders, which are under consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

Note : 39 CHANGES IN PROVISIONS

₹ in lakhs

Particulars	As at March 31,2020	Additional Provision	Utilisation/ Reversal	As at March 31,2021
Provision for Contingencies and Service Tax claims	3,838	508	-	4,346
Provision for Undrawn commitments	131	89	116	104

₹ in lakhs

Particulars	As at March 31,2019	Additional Provision	Utilisation/ Reversal	As at March 31,2020
Provision for Contingencies and Service Tax claims	3,837	1	-	3,838
Provision for Undrawn commitments	51	80	-	131

Undrawn loan commitments are commitments under which the Company is required to provide a loan under pre-sanctioned terms to the customer.

The undrawn commitments provided by the Company 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. The undrawn commitments amount outstanding as at March 31, 2021 is ₹ 1,24,190 lakhs (₹ 84,535 lakhs as at March 31, 2020).

The Company creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting period and the related expected credit loss on these commitments as at March 31, 2021 is ₹ 104 lakhs (₹ 131 lakhs as at March 31, 2020).

Note : 40 ESOP DISCLOSURE

ESOP 2007

The Board at its meeting held on June 22, 2007, approved an issue of Stock Options up to a maximum of 5% of the issued Equity Capital of the Company (before Rights Issue) aggregating to 1,904,162 Equity Shares (prior to share split) in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines.

ESOP 2016

The Board at its meeting held on October 7, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 31,25,102 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the Board, exercisable into not more than 31,25,102 equity shares of Face value of ₹ 10 each fully paid-up, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Company has recognised expense amounting to ₹ 561 lakhs for employees services received during the year, shown under Employee Benefit Expenses (Refer Note 28).

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 40 ESOP DISCLOSURE (Contd.)

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

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding As at 31.03.2020	During the Year: Addition in number of options on account of share split*	During the Year: Options Granted	During the Year: Options Forfeited / Expired	During the Year: Options Exercised and allotted	Options outstanding As at 31.03.2021	Options vested but not exercised As at 31.03.2021	Options unvested As at 31.03.2021	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 Apr 2008	25 Apr 08	-	-	-	-	-	-	-	-	-	-
GT27 JAN 2011A	27 Jan 11	23,120	-	-	-	23,120	-	-	-	38	-
GT27 JAN 2011B	27 Jan 11	-	-	-	-	-	-	-	-	-	-
GT30 APR 2011	30 Apr 11	25,240	-	-	-	15,000	10,240	10,240	-	33	-
GT27 OCT 2011	27 Oct 11	29,760	-	-	-	21,180	8,580	8,580	-	31	-
Total		**78,120**	**-**	**-**	**-**	**59,300**	**18,820**	**18,820**	**-**	**-**	**-**

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2020	During the Year 2019-20: Addition in number of options on account of share split*	During the Year 2019-20: Options Granted	During the Year 2019-20: Options Forfeited / Expired	During the Year 2019-20: Options Exercised and allotted	Options outstanding As at 31.03.2021	Options vested but not exercised As at 31.03.2021	Options unvested As at 31.03.2021	Exercise Price	Weighted Average Remaining Contractual Life
GT25 JAN 2017	25 Jan 17	21,18,600	-	-	1,92,140	2,61,770	16,64,690	16,64,690	-	202	-
GT30 JAN 2018	30 Jan 18	2,38,485	-	-	-	34,400	2,04,085	2,04,085	-	262	-
GT30 JAN 2018A	30 Jan 18	89,800	-	-	-	2,500	87,300	60,360	26,940	262	0.84 years
GT23 APR 2018	23 Apr 18	44,900	-	-	-	17,960	26,940	-	26,940	312	0.56 years
GT26 JUL 2018	26 Jul 18	2,74,860	-	-	1,31,500	3,000	1,40,360	86,600	53,760	299	0.32 years
GT30 OCT 2018	30 Oct 18	3,67,300	-	-	44,900	25,000	2,97,400	1,03,960	1,93,440	254	1.08 years
GT19 MAR 2019	19 Mar 19	5,88,460	-	-	-	17,280	5,71,180	2,75,740	2,95,440	278	1.47 years
GT30 JUL 2019	30 Jul 19	31,632	-	-	4,860	-	26,772	13,386	13,386	248	0.33 years
GT05 NOV 2019	05 Nov 19	2,75,600	-	-	-	25,560	2,50,040	29,560	2,20,480	316	1.73 years
GT23 JAN 2020	23 Jan 20	53,000	-	-	-	10,600	42,400	-	42,400	318	1.94 years

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2020	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2021	Options vested but not exercised As at 31.03.2021	Options unvested As at 31.03.2021	Exercise Price	Weighted Average Remaining Contractual Life
GT03 JUNE 2020	3 Jun 20	-	-	2,11,900	-	-	2,11,900	-	2,11,900	158	1.88 years
GT03 JUNE 2020A	3 Jun 20	-	-	1,905	-	-	1,905	-	1,905	158	0.18 years
Total		**40,82,637**	**-**	**2,13,805**	**3,73,400**	**3,98,070**	**35,24,972**	**24,38,381**	**10,86,591**		

Note: Includes options (vested and unvested) issued employees of subsidiary as at March 31, 2021 - 11,276 options prior to share split (March 31, 2020 - 11,276 options).

*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.

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

Employee Stock Option Plan 2007

Particulars	Date of Grant	Options outstanding As at 31.03.2019	During the Year 2019-20 Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2020	Options vested but not exercised As at 31.03.2020	Options unvested As at 31.03.2020	Exercise Price	Weighted Average Remaining Contractual Life
GT25 Apr 2008	25 Apr 08	-	-	-	-	-	-	-	-	38	-
GT27 JAN 2011A	27 Jan 11	9,163	36,652	-	-	22,695	23,120	23,120	-	38	-
GT27 JAN 2011B	27 Jan 11	5,976	23,904	-	-	29,880	-	-	-	38	-
GT30 APR 2011	30 Apr 11	7,948	31,792	-	-	14,500	25,240	25,240	-	33	-
GT27 OCT 2011	27 Oct 11	7,936	31,744	-	-	9,920	29,760	29,760	-	31	-
Total		**31,023**	**1,24,092**	**-**	**-**	**76,995**	**78,120**	**78,120**	**-**		

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding	During the Year 2019-20				Options outstanding	Options vested but not exercised	Options unvested	Exercise Price	Weighted Average Remaining Contractual Life
		As at 31.03.2019	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2020	As at 31.03.2020	As at 31.03.2020		
GT25 JAN 2017	25 Jan 17	4,72,842	18,91,368	-	17,920	2,27,690	21,18,600	13,76,010	7,42,590	202	0.82 years
GT30 JAN 2018	30 Jan 18	49,040	1,96,160	-	-	6,715	2,38,485	1,46,535	91,950	262	0.84 years
GT30 JAN 2018A	30 Jan 18	17,960	71,840	-	-	-	89,800	35,920	53,880	262	1.34 years
GT23 APR 2018	23 Apr 18	8,980	35,920	-	-	-	44,900	8,980	35,920	312	1.19 years
GT26 JUL 2018	26 Jul 18	54,972	2,19,888	-	-	-	2,74,860	68,715	2,06,145	299	0.82 years
GT30 OCT 2018	30 Oct 18	73,460	2,93,840	-	-	-	3,67,300	73,460	2,93,840	254	1.71 years
GT19 MAR 2019	19 Mar 19	1,17,692	4,70,768	-	-	-	5,88,460	1,46,060	4,42,400	278	2.09 years
GT30 JUL 2019	30 Jul 19	-	-	31,632	-	-	31,632	-	31,632	248	0.83 years
GT05 NOV 2019	5 Nov 19	-	-	2,75,600	-	-	2,75,600	-	2,75,600	316	2.30 years
GT23 JAN 2020	23 Jan 20	-	-	53,000	-	-	53,000	-	53,000	317	2.52 years
Total		**7,94,946**	**31,79,784**	**3,60,232**	**17,920**	**2,34,405**	**40,82,637**	**18,55,680**	**22,26,957**		

Note: Includes options (vested and unvested) issued employees of subsidiary as at March 31, 2020 - 11,276 options prior to share split (March 31, 2019 - 11,276 options)

*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.

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2021:

ESOP 2007

	Variables					
Date of Grant	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 (₹)
30 Jul 07	7.10% - 7.56%	3 - 6 years	40.64% - 43.16%	5.65%	193.40	61.42
24 Oct 07	7.87% - 7.98%	3 - 6 years	41.24% - 43.84%	5.65%	149.90	44.25
25 Jan 08	6.14% - 7.10%	3 - 6 years	44.58% - 47.63%	5.65%	262.20	78.15
25 Apr 08	7.79% - 8.00%	2.5 - 5.5 years	45.78% - 53.39%	3.97%	191.80	76.74
30 Jul 08	9.14% - 9.27%	2.5 - 5.5 years	46.52% - 53.14%	3.97%	105.00	39.22
24 Oct 08	7.54% - 7.68%	2.5 - 5.5 years	48.2% - 55.48%	3.97%	37.70	14.01

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note: ESOP 2007 (Contd.)

Variables						
Date of Grant	**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 (₹)**
27 Jan 11						
- Tranche I	8%	4 years	59.50%	10%	187.60	94.82
- Tranche II	8%	3.4 years	61.63%	10%	187.60	90.62
30 Apr 11	8%	4 years	59.40%	25%	162.55	73.07
28 Jul 11	8%	4 years	58.64%	25%	175.35	79.17
27 Oct 11	8%	4 years	57.52%	25%	154.55	67.26

The shareholders of the Company, at the 34th Annual General Meeting held on July 30, 2012, authorised extension of exercise period from 3 years from the date of vesting to 6 years from the date of vesting. Accordingly, the Company has measured the fair value of the options using the Black Scholes model immediately before and after the date of modification to arrive at the incremental fair value arising due to the extension of the exercise period. The incremental fair value so calculated is recognised from the modification date over the vesting period in addition to the amount based on the grant date fair value of the stock options.

The incremental (benefit)/cost due to modification of the exercise period from 3 years to 6 years from the date of vesting for the year ended March 31, 2021 is ₹ Nil (March 31, 2020 - ₹ Nil)

The fair value of the options has been calculated using the Black Scholes model on the date of modification.

The assumptions considered for the calculation of the fair value (on the date of modification) are as follows:

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

Variables						
Date of Grant	**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*
5 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*
3 Jun 20	5%	3.50 years	47.50%	1.33%	157.90	58.27*

* Fair value option of equity shares issued under this grant is post share split with a face value of ₹ 2/- each

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 41 SHARING OF COSTS

The Company shares certain costs / service charges with other companies. These costs have been allocated between the Companies on a basis mutually agreed between them, which has been relied upon by the Auditors.

Note : 42 CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business, meeting the capital adequacy requirements of Reserve Bank of India (RBI), maintain strong credit rating and healthy capital ratios in order to support business and maximise shareholder value. The adequacy of the Company's capital is monitored by the Board using, among other measures, the regulations issued by RBI.

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.

The Company has complied in full with the capital requirements prescribed by RBI over the reported period. Refer Note 51A(i) for disclosure of capital adequacy as per applicable RBI regulations.

42.1 RISK MANAGEMENT

The company is committed to create value for its stakeholders through sustainable business growth and with that intent has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business the company is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining such value as well as in identifying opportunities. Risk management is therefore made an integral part of the company's effective management practice.

Risk Management Framework:

Company's risk management framework is based on

(a) Clear understanding and identification of various risks

(b) Disciplined risk assessment by evaluating the probability and impact of each risk

(c) Measurement and monitoring of risks by establishing key risk indicators with thresholds for all critical risks and

(d) Adequate review mechanism to monitor and control risks.

Company's risk management division works as a value center by constantly engaging with the business providing reports based on key analysis and insights. The key risks faced by the company are credit risk, liquidity risk, interest rate risk, operational risk, reputational and regulatory risk, which are broadly classified as credit risk, market risk and operational risk. The company has a well-established risk reporting and monitoring framework. The in-house developed risk monitoring tool, Chola Composite Risk Index, measures the movement of top critical risks. This provides the level and direction of the risks, which are arrived at based on the two level risk thresholds for the identified key risk indicators and are aligned to the overall company's risk appetite framework approved by the board. The company's risk management initiatives and risk MIS are reviewed monthly by the top management. This process enables the company to reassess the top critical risks in a changing environment that need to be focused on.

Risk Governance structure:

The company's overall risk governance is handled by three lines of defense to ensure the effectiveness of an organization's risk management framework including monitoring and assurance functions within the organization.

a) Under the first line of defence, risk champions are identified in each functional and business unit to take ownership, responsibility and accountability for directly assessing, controlling and mitigating risks.

b) The risk management team under the guidance of the risk management committee acts as the second line of defense. The risk management division has established a comprehensive risk management framework across the business and provides appropriate reports on risk exposures and analysis in its pursuit of creating awareness across the company about risk management. The RMC of the board meets minimum of four times a year and reviews the risk management policy, implementation of risk management framework, monitoring of critical risks, and review of various other initiatives with a structured annual plan.

c) Third line of defense constitutes internal auditors, internal external auditors and statutory auditors provide assurance to the audit committee and senior management on the effectiveness of internal governance and risk processes.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2 CREDIT RISK

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes. The company 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 company 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 company's lending is covered by adequate collaterals from the borrowers. The company has a robust online application underwriting model to assess the credit worthiness of the borrower for underwriting decisions for its vehicle finance, Loan Against Property and home loan business. The company also has a well-developed model for the vehicle finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

42.3 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. The company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The company 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 company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee. In addition, the company has put in an Asset Liability Management (ALM) support group which meets frequently to review the liquidity position of the company.

42.4 CONCENTRATION OF RISK/EXPOSURE

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 Company 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 72% of the loan book of the Company as of March 31, 2021 (73% as of March 31, 2020). Hypothecation endorsement is made in favour of the Company 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 10% and 6% 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 22% of the lending book of the Company as of March 31, 2021 (21% as of March 31, 2020). Portfolio is concentrated in North 38% with small presence in East (4%). The remaining is evenly distributed between South and Western parts of the country. South has 32% and West contributes 25%.

The Concentration of risk is managed by Company for each product by its region and its sub-segments. Company did not overly depend on few regions or sub-segments as of March 31, 2021.

42.5 OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the company are managed through comprehensive internal control systems and procedures and key back up processes. In order to further strengthen the control framework and effectiveness, the company has established risk control self-assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The company also undertakes risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 42 CAPITAL MANAGEMENT (Contd.)

The company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the company's readiness. The company is continuously engaged in creating risk awareness and culture across the organisation through training on risk management tools and communication through risk e-newsletters.

42.6 LIQUIDITY RISK

PUBLIC DISCLOSURE ON LIQUIDITY RISK -MARCH 31, 2021

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Sr. No	No. of Significant Counterparties	Amount (₹ In lakhs)	% of Total Deposits	% of Total Liabilities
1	17	45,94,703	NA	70.70%

(ii) Top 20 large deposits (amount in ₹ Crore and % of total deposits)

Not Applicable

(iii) Top 10 borrowings (amount in ₹ Crore and % of total borrowings)

Amount (₹ In Lakhs)	% of Total Borrowings
14,64,828	23.17%

(iv) Funding concentration based on significant instrument / product

Sr. No	Name of the instrument / product	Amount (₹ In Lakhs)	% of Total Liabilities
1	Rupee Term Loans	39,06,532	60.11%
2	NCDs (including PDI & Sub Debt)	12,59,760	19.38%
3	CPs	3,06,500	4.72%
4	ECB Loans	3,70,642	5.70%
5	Securitisation	4,63,916	7.14%
6	Rupee Denominated Bonds	40,000	0.62%
	TOTAL	**63,47,350**	**97.67%**

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets :

Commercial Papers as a % of total public funds	4.83%
Commercial Papers as a % of total liabilities	4.72%
Commercial Papers as a % of total assets	4.11%

(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%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0%

(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	1.34%
Other Short-term liabilities as a % of total liabilities	1.31%
Other Short-term liabilities as a % of total assets	1.14%

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 42 CAPITAL MANAGEMENT (Contd.)

(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. 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 Company 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 Company 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 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.

Notes:

1) A "Significant Counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of NBFC-NDSI's, NBFC- D's total liabilities and 10% for other non deposit taking NBFCs.
2) A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC- NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
3) Total Borrowing has been computed as Gross Total Debt basis extant regulatory ALM guidelines.
4) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.
5) Commercial Paper for stock ratio is the Gross outstanding (i.e. Maturity amount).
6) Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial paper less Non-convertible debentures (Original maturity of less than one year), basis extant regulatory ALM guidelines.
7) Public Funds = Total Liabilities as computed above.

Refer Note No 47 for the summary of maturity profile of undiscounted cash flows of the Company's financial assets and financial liabilities as at reporting period.

Refer Note no 56 for Liquidity Coverage Ratio

42.7 FOREIGN CURRENCY RISK

Foreign Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arise majorly on account of foreign currency borrowings. The Company 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 Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Company 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.

42.8 Disclosure of Effects of Hedge Accounting

Cash flow Hedge

As at March 31, 2021								
Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in Lakhs)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in Lakhs)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in Lakhs)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cross Currency Interest rate swap	6	1	1,57,501	65,152	March 18, 2022 to June 03, 2024	(1,720)	(11,025)	Borrowings
Interest rate swaps	1	0	1,42,238	-	June 20, 2028	(1,953)	-	Borrowings
Forward contracts	0	26	-	7,922	March 21, 2022 to June 03, 2024	11,828	5,041	Borrowings

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 42 CAPITAL MANAGEMENT (Contd.)

Cash flow Hedge	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in Lakhs)	Hedge Effectiveness recognised in profit and loss (₹ in Lakhs)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in Lakhs)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	(4,521)	-	-	NA

As at March 31, 2020								
Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in Lakhs)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in Lakhs)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in Lakhs)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cross Currency Interest rate swap	9	-	2,22,953	-	September 25, 2020 to June 03, 2024	11,420	(21,038)	Borrowings

Cash flow Hedge	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in Lakhs)	Hedge Effectiveness recognised in profit and loss (₹ in Lakhs)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in Lakhs)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	(9,232)	-	-	NA

42.9 Collateral and other Credit Enhancements

Although collateral can be an important mitigation of credit risk, it is the Company'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 Company obtains first and exclusive charge on all collateral that it obtains for the loans given. Vehicle Finance and Loan Against Property loans are secured by collateral at the time of origination. In case of Vehicle loans, Company 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 Company's empanelled valuers.

Hypothecation endorsement is obtained in favour of the Company in the Registration Certificate of the Vehicle/ Tractor / Equipment funded under the vehicle finance category.

Immovable Property is the collateral for Loan Against Property loans. Security Interest in favour of the Company 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 Company for loan against securities.

The Company does not obtain any other form of credit enhancement other than the above. 99% of the Company's term loan are secured by way of tangible Collateral.

Any surplus remaining after settlement of outstanding debt by way of sale of collateral is returned to the customer / borrower.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 43 EVENTS AFTER REPORTING DATE

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

Note : 44

44.1 - Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company 's financial instruments that are not carried at fair value in the balance sheet. This table does not include the fair values of non–financial assets and non–financial liabilities.

₹ in lakhs

	March 31,2021		March 31,2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	1,55,370	1,55,370	3,46,188	3,46,188
Bank balances Other than Cash and Cash Equivalents	3,67,818	3,67,818	3,49,722	3,49,722
Receivables				
i) Trade Receivables	2,031	2,031	2,176	2,176
ii) Other Receivables	4,612	4,612	3,698	3,698
Loans	65,83,934	68,38,189	55,40,273	54,70,335
Investments in Government securities	1,54,590	1,46,905	-	-
Other Financial Assets	56,278	56,278	41,327	41,327
Total Financial Assets	**73,24,633**	**75,71,203**	**62,83,384**	**62,13,446**
Financial Liabilities				
Payables				
i) Trade Payables	23,601	23,601	20,290	20,290
ii) Other Payables	20,492	20,492	9,949	9,949
Debt Securities	12,35,767	12,36,407	7,32,683	7,32,658
Borrowings(Other than Debt Securities)	47,18,226	47,15,550	43,27,308	43,23,357
Subordinated Liabilities	4,19,006	4,20,811	4,40,552	4,40,595
Other Financial Liabilities	49,217	49,217	38,621	38,621
Total Financial Liabilities	**64,66,309**	**64,66,078**	**55,69,403**	**55,65,470**

The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments. The fair value of the investments have been considered as the carrying value of these investments since these investments have been made in the subsidiaries of the Company.

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) 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.

ii) The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rates.

iii) Derivatives are fair valued using observable inputs / rates.

iv) The fair value of investment in Government securities are derived from rate equal to the rate near to the reporting date of the comparable product.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 44.2 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2021

₹ in lakhs

		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				
FVOCI Equity Instruments	-	-	-	-
Derivative financial instruments	4,587	-	4,587	-
Assets for which fair values are disclosed				
Loans	65,83,934	-	68,38,189	-
Investments in Government securities	1,54,590		1,46,905	-
Investment Properties *	13	-	-	304

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, 2021

₹ in lakhs

		Fair value measurement using		
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	12,742	-	12,742	-
Liabilities for which fair values are disclosed				
Debt Securities	12,35,767	-	12,36,407	-
Borrowings(Other than Debt Securities)	47,18,226	-	47,15,550	-
Subordinated Liabilities	4,19,006	-	4,20,811	-

There have been no transfers between the level 1 and level 2 during the period.

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2020

₹ in lakhs

		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				
FVOCI Equity Instruments	-	-	-	-
Derivative financial instruments	11,420	-	11,420	-
Assets for which fair values are disclosed				
Loans	55,40,273	-	54,70,335	
Investment Properties *	14	-	-	299

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.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 44.2 Fair value hierarchy (Contd.)

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2020

₹ in lakhs

		Fair value measurement using		
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	-	-		-
Liabilities for which fair values are disclosed				
Debt Securities	7,32,683	-	7,32,658	-
Borrowings(Other than Debt Securities)	43,27,308	-	43,23,357	-
Subordinated Liabilities	4,40,552	-	4,40,595	-

There have been no transfers between different levels during the period.

Note : 44.3 Summary of Financial assets and liabilities which are recognised at amortised cost

₹ in lakhs

Particulars	As at March 31, 2021	As at March 31,2020
Financial Assets		
Cash and Cash Equivalents	1,55,370	3,46,188
Bank balances other than Cash and Cash Equivalents	3,67,818	3,49,722
Loans	65,83,934	55,40,273
Other Financial Assets	56,278	41,327
Investments in Government Securities	1,54,590	-
Financial Liabilities		
Debt Securities	12,35,767	7,32,683
Borrowings(Other than Debt Securities)	47,18,226	43,27,308
Subordinated Liabilities	4,19,006	4,40,552
Other Financial liabilities	49,217	38,621

Note: 44.4 Refer Note 13 for sensitivity analysis for investment property, whose fair value is disclosed under the level 3 category.

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.

₹ in lakhs

	Amount	Maturity	
		Within 12 months	After 12 months
As on March 31, 2021			
Financial Assets			
Cash and Cash Equivalents	1,55,370	1,55,370	-
Bank balances Other than Cash and Cash Equivalents	3,67,818	3,40,303	27,515
Derivative financial instruments	4,587	-	4,587
Receivables			
i) Trade Receivables	2,031	2,031	-
ii) Other Receivables	4,612	4,612	-
Loans	65,83,934	19,71,863	46,12,071
Investments	1,61,882	9,714	1,52,168
Other Financial Assets	56,278	26,982	29,296
Total Financial Assets	**73,36,512**	**25,10,875**	**48,25,637**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 45 MATURITY ANALYSIS (Contd.)

₹ in lakhs

	Amount	Maturity	
		Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	14,615	-	14,615
Deferred tax assets (Net)	76,380	-	76,380
Investment Property	13	-	13
Property, Plant and Equipment	20,302	-	20,302
Intangible assets under development	982	-	982
Other Intangible assets	1,645	-	1,645
Other Non-Financial Assets	4,393	1,816	2,577
Total Non- Financial Assets	**1,18,330**	**1,816**	**1,16,514**
Financial Liabilities			
Derivative financial instruments	12,742	-	12,742
Payables			
i) Trade Payables	23,601	23,601	-
ii) Other Payables	20,492	20,492	-
Debt Securities	12,35,767	6,04,785	6,30,982
Borrowings(Other than Debt Securities)	47,18,226	16,91,807	30,26,419
Subordinated Liabilities	4,19,006	1,01,959	3,17,047
Other Financial Liabilities	49,217	39,718	9,499
Total Financial Liabilities	**64,79,051**	**24,82,362**	**39,96,689**
Non-Financial Liabilities			
Current tax liabilities	4,225	4,225	-
Provisions	10,958	10,958	-
Other Non-Financial Liabilities	4,577	3,303	1,274
Total Non-Financial Liabilities	**15,535**	**18,486**	**1,274**

₹ in lakhs

	Amount	Maturity	
		Within 12 months	After 12 months
As on March 31, 2020			
Financial Assets			
Cash and Cash Equivalents	3,46,188	3,46,188	-
Bank balances Other than Cash and Cash Equivalents	3,49,722	3,14,752	34,970
Derivative financial instruments	11,420	1,711	9,709
Receivables			
i) Trade Receivables	2,176	2,176	-
ii) Other Receivables	3,698	3,698	-
Loans	55,40,273	12,28,603	43,11,670
Investments	7,292	-	7,292
Other Financial Assets	41,327	13,023	28,304
Total Financial Assets	**63,02,096**	**19,10,151**	**43,91,945**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 45 MATURITY ANALYSIS (Contd.)

₹ in lakhs

	Amount	Maturity Within 12 months	Maturity After 12 months
Non- Financial Assets			
Current tax assets (Net)	15,208	-	15,208
Deferred tax assets (Net)	52,083	-	52,083
Investment Property	14	-	14
Property, Plant and Equipment	25,599	-	25,599
Intangible assets under development	1,026	-	1,026
Other Intangible assets	1,747	-	1,747
Other Non-Financial Assets	2,466	935	1,531
Total Non- Financial Assets	**98,143**	**935**	**97,208**
Financial Liabilities			
Derivative financial instruments	-	-	-
Payables			
i) Trade Payables	20,290	20,290	-
ii) Other Payables	9,949	9,949	-
Debt Securities	7,32,683	4,10,141	3,22,542
Borrowings(Other than Debt Securities)	43,27,308	11,89,717	31,37,591
Subordinated Liabilities	4,40,552	52,023	3,88,529
Other Financial Liabilities	38,621	29,023	9,598
Total Financial Liabilities	**55,69,403**	**17,11,143**	**38,58,260**
Non-Financial Liabilities			
Provisions	9,076	9,076	-
Other Non-Financial Liabilities	4,576	2,598	1,978
Total Non-Financial Liabilities	**13,652**	**11,674**	**1,978**

Note : 46 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ in lakhs

Particulars	April 01, 2020	Cash flows	Exchange Difference	Other	March 31, 2021
Debt Securities	7,32,683	5,00,898	-	2,186	12,35,767
Borrowings other than debt securities	43,27,308	4,04,659	(13,268)	(473)	47,18,226
Subordinated liabilities	4,40,552	(20,150)	-	(1,396)	4,19,006
Total	55,00,543	8,85,407	(13,268)	317	63,72,999

₹ in lakhs

Particulars	April 01, 2019	Cash flows	Exchange Difference	Other	March 31, 2020
Debt Securities	14,18,431	(6,68,840)	-	(16,908)	7,32,683
Borrowings other than debt securities	32,12,375	10,98,059	20,341	(3,467)	43,27,308
Subordinated liabilities	4,25,868	15,500	-	(816)	4,40,552
Total	50,56,674	4,44,719	20,341	(21,191)	55,00,543

(i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of processing fees etc

(ii) Liabilities represents of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 47 ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

As at March 31, 2021 ₹ in lakhs

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
Financial Assets								
Cash and Cash Equivalents	1,55,370	-	-	-	-	-	-	**1,55,370**
Bank Balances other than Cash and Cash Equivalents	96,303	1,02,196	1,36,657	3,577	13,043	10,571	11,444	**3,73,791**
Derivative financial instruments	-	-	-	-	-	-	4,587	**4,587**
Receivables								
i) Trade Receivables	2,031	-	-	-	-	-	-	**2,031**
ii) Other Receivables	4,612	-	-	-	-	-	-	**4,612**
Loans	5,02,874	5,38,796	7,04,685	13,47,385	37,59,707	13,26,678	19,71,659	**1,01,51,784**
Investments	-	1,135	3,722	4,857	19,428	19,428	1,13,312	**1,61,882**
Other Financial Assets	1,641	12,851	4,368	7,475	18,298	10,630	10,672	**65,935**
Total Undiscounted financial assets	**7,62,831**	**6,54,978**	**8,49,432**	**13,63,294**	**38,10,476**	**13,67,307**	**21,11,674**	**1,09,19,992**
Financial Liabilities								
Derivative financial instruments	-	-	-	-	-	-	12,742	**12,742**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	23,601	-	-	-	-	-	-	**23,601**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	20,492	-	-	-	-	-	-	**20,492**
Debt Securities	1,13,137	2,70,683	1,08,618	1,48,066	5,52,907	1,60,428	2,712	**13,56,551**
Borrowings (Other than Debt Securities)	1,59,219	3,08,806	7,48,826	7,09,140	25,22,320	6,94,544	1,10,157	**52,53,012**
Subordinated Liabilities	273	37,967	12,769	78,271	1,66,250	76,319	15,33,381	**19,05,230**
Other Financial Liabilities	40,771	884	1,159	1,994	9,838	583	-	**55,229**
Total Undiscounted financial liabilities	**3,57,493**	**6,18,340**	**8,71,372**	**9,37,471**	**32,51,315**	**9,31,874**	**16,58,992**	**86,26,857**
Total net Undiscounted financial assets/(liabilities)	**4,05,338**	**36,638**	**(21,940)**	**4,25,823**	**5,59,161**	**4,35,433**	**4,52,682**	**22,93,135**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 47 ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES (Contd.)

As at March 31, 2020 ₹ in lakhs

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
Financial Assets								
Cash and Cash Equivalents	3,02,482	41,302	-	-	-	-	-	**3,43,784**
Bank Balances other than Cash and Cash Equivalents	1,966	13,029	3,02,688	6,259	22,384	4,817	16,264	**3,67,407**
Derivative financial instruments	-	-	1,711	-	7,816	1,893	-	**11,420**
Receivables								
i) Trade Receivables	2,176	-	-	-	-	-	-	**2,176**
ii) Other Receivables	3,698	-	-	-	-	-	-	**3,698**
Loans	1,91,707	1,15,874	2,96,355	11,97,025	34,84,077	13,32,617	15,83,534	**82,01,189**
Investments	-	-	-	-	-	-	7,292	**7,292**
Other Financial Assets	615	585	4,244	7,539	18,952	9,839	11,038	**52,812**
Total Undiscounted financial assets	**5,02,644**	**1,70,790**	**6,04,998**	**12,10,823**	**35,33,229**	**13,49,166**	**16,18,128**	**89,89,778**
Financial Liabilities								
Derivative financial instruments	-	-	-	-	-	-	-	**-**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	70	-	-	-	-	-	-	**70**
ii) Total outstanding dues of creditors other than micro and small enterprises	20,220	-	-	-	-	-	-	**20,220**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	9,949	-	-	-	-	-	-	**9,949**
Debt Securities	30,772	1,90,142	9,348	2,05,289	3,07,560	54,811	2,926	**8,00,848**
Borrowings (Other than Debt Securities)	94,591	1,37,690	3,79,465	8,55,975	26,43,106	7,98,703	84,373	**49,93,903**
Subordinated Liabilities	11,370	9,182	14,636	44,321	1,95,966	1,13,415	2,70,774	**6,59,664**
Other Financial Liabilities	24,573	864	1,309	2,614	8,983	2,044	-	**40,387**
Total Undiscounted financial liabilities	**1,91,545**	**3,37,878**	**4,04,758**	**11,08,199**	**31,55,615**	**9,68,973**	**3,58,073**	**65,25,041**
Total net Undiscounted financial assets/(liabilities)	**3,11,099**	**(1,67,088)**	**2,00,240**	**1,02,624**	**3,77,614**	**3,80,193**	**12,60,055**	**24,64,737**

Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES

The Company has taken office premises on lease for its operations.

The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company 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 Company also has certain leases of machinery with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)

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:

(i) Movement in the carrying value of the Right to Use Asset

₹ in lakhs

Particulars - Buildings	As on March 31, 2021	As on March 31, 2020
Opening Balance	10,670	11,370
Depreciation charge for the Period	(4,542)	(4,190)
Additions during the Period	1,504	4,084
Adjustment/Deletion	(22)	(594)
Closing Balance	**7,610**	**10,670**

(ii) Classification of current and non current liabilities of the lease liabilities

₹ in lakhs

Particulars	As on March 31, 2021	As on March 31, 2020
Current liabilities	4,330	5,057
Non Current Liabilities	4,575	6,985
Total Lease liabilities	**8,905**	**12,042**

(iii) Movement in the carrying value of the Lease Liability

₹ in lakhs

Particulars	As on March 31, 2021	As on March 31, 2020
Opening Balance	12,042	12,199
Interest Expense	924	1,153
Lease Payments [Total Cash Outflow]	(4,914)	(4,800)
Short term rent concession	(630)	-
Additions during the year	1,504	4,084
Adjustment/Deletion	(21)	(594)
Closing Balance	**8,905**	**12,042**

(iv) Contractual Maturities of Lease liability outstanding

₹ in lakhs

Particulars	As on March 31, 2021	As on March 31, 2020
Less than one year	4,497	5,304
One to five Years	5,497	8,505
More than Five years	-	-
Total	**9,994**	**13,809**

(v) The following are the amount recognised in the Profit or Loss statement

₹ in lakhs

Particulars	March 31, 2021	March 31, 2020
Depreciation expense of right-of-use assets	4,542	4,190
Interest expense on lease liabilities	924	1,153
Expense relating to short-term leases (included in other expenses)	109	82
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	**5,575**	**5,425**

Lease expenses relating to short term leases aggregated to ₹ 109 lakhs (₹ 82.39 lakhs - March 31, 2020) during the year ended March 31, 2021.

Many lessors have provided rent concessions to lessees as a result of the COVID-19 pandemic. Rent concessions represents rent reductions for a period of time. Company has applied practical expedient to Ind AS 116 rent concessions. Pursuant to this, Company has recognised ₹ 630 lakhs in Statement of Profit and loss as reversal in the financial statements.

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8% to 12%.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)

The Company 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 Company has several lease contracts that includes extension and termination contracts. These options are negotiated by the Management to provide flexibility in managing the leased-asset portfolio and align with Company's business needs. Management exercises significant judgement in determining whether these extension and termination are reasonably certain to be exercised.

RBI DISCLOSURES

The regulatory disclosures provided in these financial statements are in accordance with the requirements of the RBI's notification on implementation of Ind AS dated March 13, 2020 (wherever applicable).

Note : 49 PURSUANT TO REVISION IN GUIDELINES ISSUED ON SECURITISATION/ ASSIGNMENT DATED MAY 7, 2012

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
ASSETS DE-RECOGNISED		
a) On Securitisation		
Number of Special Purpose Vehicle (SPV) sponsored for Securitisation transactions	30	29
Outstanding securitised Assets in books of SPV	4,63,916	4,93,815
Total amount of exposure to comply with Minimum Retention Ratio (MRR)		
a) Off Balance Sheet Exposure		
• First Loss	-	-
• Others	51,136	47,553
b) On Balance Sheet Exposure		
• First Loss – Cash collateral	31,857	37,636
• Others		
i) Second Loss – Cash Collateral	-	-
ii) Investment in PTC	29,996	30,806
Amount of Exposures to Securitisation transactions Other than MRR	Nil	Nil
Book value of Assets sold	9,64,026	9,53,016

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
ASSETS DE-RECOGNISED		
b) On Bilateral assignment		
Number of Assignment Transactions	24	24
Outstanding Assigned Assets in books of Assignee	4,29,157	5,24,803
Less: Collections not yet due to be remitted to Assignee#	13,115	12,218
Outstanding Assigned Assets as per books	4,16,042	5,12,585
Total amount of exposure		
a) Off Balance Sheet Exposure		
• First Loss	-	-
• Others	-	-
b) On Balance Sheet Exposure		
• First Loss - Cash collateral	-	-
• Others	47,502	58,364
Book value of Assets sold	7,34,031	7,34,047

excludes interest collected from customers on assigned assets

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 50 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION DNBS.193DG (VL) - 2007 DATED FEBRUARY 22, 2007:

₹ in lakhs

SL No.	Particulars	Amount Outstanding As at March 31,2021	Amount Overdue
	Liabilities:		
(1)	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**		
(a)	Debentures		
	- Secured	9,34,263	-
	- Unsecured (other than falling within the meaning of public deposits)	2,70,086	-
	- Perpetual Debt Instrument	1,48,920	-
(b)	Deferred Credits	-	-
(c)	Term Loans	45,52,555	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Paper	3,01,504	-
	Other Loans	1,65,671	-
	(Represents Working Capital Demand Loans and Cash Credit from Banks along with Interest Accrued but Not Due on above)		

₹ in lakhs

SL No.	Particulars	Amount Outstanding As at March 31,2020	Amount Overdue
	Liabilities:		
(1)	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**		
(a)	Debentures		
	- Secured	5,74,418	-
	- Unsecured (other than falling within the meaning of public deposits)	2,90,955	-
	- Perpetual Debt Instrument	1,49,597	-
(b)	Deferred Credits	-	-
(c)	Term Loans	41,81,750	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Paper	1,58,265	-
	Other Loans	1,45,559	-
	(Represents Working Capital Demand Loans & Cash Credit from Banks along with Interest Accrued but Not Due on above)		

₹ in lakhs

SL No.	Particulars	Amount Outstanding As at March 31, 2021	Amount Outstanding As at March 31,2020
(2)	**Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below]: (including interest accrued)**		
(a)	Secured	16,80,011	13,18,806
(b)	Unsecured	37,084	20,982
(3)	**Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities**		
(i)	Lease Assets including Lease Rentals Accrued and Due:	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
(iii)	Other Loans counting towards AFC Activities		
	(a) Loans where assets have been repossessed (Net)	-	-
	(b) Loans other than (a) above	48,66,838	42,00,485

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 50 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION DNBS.193DG (VL) - 2007 DATED FEBRUARY 22, 2007: (Contd.)

₹ in lakhs

SL No.	Particulars	Amount Outstanding As at March 31,2021	Amount Overdue As at March 31,2020
(4) Break-up of Investments (net of provision for diminution in value):			
Current Investments:			
I	**Quoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities (Net of amortisation)	-	-
(v)	Others	-	-
II	**Unquoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
Long-term Investments:			
I	**Quoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities (Net of amortisation)	-	-
(v)	Others	-	-
II	**Unquoted:**		
(i)	Shares: (a) Equity (Net of Provision for Diminution in Value of Investment)	7,292	7,292
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	1,54,590	-
(v)	Others		
- Investment in Pass Through Certificates		-	-
- Investment property		13	14

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 50 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION DNBS.193DG (VL) - 2007 DATED FEBRUARY 22, 2007: (Contd.)

₹ in lakhs

Category	Amount (Net of provision for Non-performing assets)		
	Secured	Unsecured	Total
(5) Borrower Group-wise Classification of Assets Financed as in (2) and (3) above			
As at March 31, 2021			
1. Related Parties *			
(a) Subsidiaries	-	340	340
(b) Companies in the same Group	-	-	-
(c) Other Related Parties	-	-	-
2. Other than Related Parties	65,46,850	36,744	65,83,594
Total	**65,46,850**	**37,084**	**65,83,934**
As at March 31, 2020			
1. Related Parties *			
(a) Subsidiaries	-	700	700
(b) Companies in the same Group	-	340	340
(c) Other Related Parties	-	-	-
2. Other than Related Parties	55,19,291	19,942	55,39,233
Total	**55,19,291**	**20,982**	**55,40,273**

* Related Parties are as identified in Note 37 above.

₹ in lakhs

Category	Market value / Break - up Value or Fair Value or Net Asset Value	Book Value (Net of Provisioning)
(6) Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted) :		
As at March 31, 2021		
1. Related Parties *		
(a) Subsidiaries	6,490	6,490
(b) Companies in the Same Group	-	-
(c) Other Related Parties	800	800
2. Other than Related Parties	1,54,592	1,54,592
Total	**1,61,882**	**1,61,882**
As at March 31, 2020		
1. Related Parties *		
(a) Subsidiaries	6,490	6,490
(b) Companies in the Same Group	-	-
(c) Other Related Parties	800	800
2. Other than Related Parties	2	2
Total	**7,292**	**7,292**

₹ in lakhs

Category	Amount Outstanding As at March 31,2021	As at March 31,2020
(7) Other Information		
(i) Gross Non-Performing Assets		
a) With Related Parties *	-	-
b) With Others	2,70,501	2,16,331
(ii) Net Non-Performing Assets		
a) With Related Parties *	-	-
b) With Others	1,50,752	1,26,502
(iii) Assets Acquired in Satisfaction of Debt		
a) With Related Parties *	-	-
b) With Others	-	-

* Related Parties are as identified in Note 37 above.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 51. A. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/2014-15/299 DNBR (PD) CC.NO.002/03.10.001/2014-15 DATED NOVEMBER 10, 2014:

i. Capital Adequacy Ratio

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Tier I Capital	9,39,023	8,05,516
Tier II Capital	2,44,044	2,85,020
Total Capital	**11,83,067**	**10,90,536**
Total Risk Weighted Assets	61,93,249	52,72,792
Capital Ratios		
Tier I Capital as a Percentage of Total Risk Weighted Assets (%)	15.16%	15.28%
Tier II Capital as a Percentage of Total Risk Weighted Assets (%)	3.94%	5.41%
Total (%)	**19.10%**	**20.69%**
Amount of Subordinated Debt raised as Tier – II capital during the year	**-**	**40,000**
Amount raised by issue of Perpetual Debt instruments during the year	**14,500**	**5,000**

ii. Investments

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	1,62,024	7,435
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	(129)	(129)
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	1,61,895	7,306
(b) Outside India	-	-
(2) Movement of provisions held towards depreciation on investments.		
(i) Opening balance	129	129
(ii) Add:Provisions made during the year	-	-
(iii) Less:Reversal of provision during the year	-	-
(iv) Closing balance	129	129

iii. Asset Liability Management

Maturity pattern of certain items of assets and liabilities - As at March 31, 2021

₹ in lakhs

Particulars	1-7 days	8-14 days	15-30 days	1 to 2 months	2 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
Liabilities											
Borrowing from Banks	49,041	6,295	81,993	90,975	1,83,820	6,78,690	5,98,952	22,75,340	6,52,340	94,795	**47,12,241**
Market Borrowings	-	62,676	50,363	1,37,029	1,65,477	1,09,063	1,82,136	5,85,067	1,49,388	2,13,575	**16,54,774**
Total	**49,041**	**68,971**	**1,32,356**	**2,28,004**	**3,49,297**	**7,87,753**	**7,81,088**	**28,60,407**	**8,01,728**	**3,08,370**	**63,67,015**
Assets											
Advances (Net of Provision for Non Performing Assets)	37,947	36,598	89,998	1,10,950	1,21,854	6,09,041	9,65,475	26,34,376	9,18,458	10,59,237	**65,83,934**
Investment (Net of Provision for Diminution in Value of Investments)	-	-	-	-	1,135	3,722	4,857	19,428	19,428	1,13,312	**1,61,882**
Total	**37,947**	**36,598**	**89,998**	**1,10,950**	**1,22,989**	**6,12,763**	**9,70,332**	**26,53,804**	**9,37,886**	**11,72,549**	**67,45,816**

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 51 A. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/2014-15/299 DNBR (PD) CC.NO.002/03.10.001/2014-15 DATED NOVEMBER 10, 2014: (Contd.)

As at March 31, 2020

₹ in lakhs

Particulars	1-7 days	8-14 days	15-30 days	1 to 2 months	2 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
Liabilities											
Borrowing from Banks	27,178	4,780	40,245	22,412	73,890	2,69,063	7,22,468	23,66,850	7,33,032	67,390	**43,27,308**
Market Borrowings	1,202	1,254	39,416	79,621	1,14,958	14,050	2,09,589	3,97,641	1,17,230	1,98,274	**11,73,235**
Total	**28,380**	**6,034**	**79,661**	**1,02,033**	**1,88,848**	**2,83,113**	**9,32,057**	**27,64,491**	**8,50,262**	**2,65,664**	**55,00,543**
Assets											
Advances (Net of Provision for Non Performing Assets)	10,229	4,506	29,448	28,751	41,202	2,29,955	8,84,512	25,52,100	8,78,563	8,81,007	**55,40,273**
Investment (Net of Provision for Diminution in Value of Investments)	-	-	-	-	-	-	-	-	-	7,306	**7,306**
Total	**10,229**	**4,506**	**29,448**	**28,751**	**41,202**	**2,29,955**	**8,84,512**	**25,52,100**	**8,78,563**	**8,88,313**	**55,47,579**

iv. Exposure to the Real Estate Sector, both Direct and Indirect

₹ in lakhs

Category	As at March 31,2021	As at March 31,2020
(a) Direct Exposure (Net of Advances from Customers)		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:		
- individual housing loans upto ₹ 15 lakhs	3,11,572	1,71,278
- individual housing loans more than ₹ 15 lakhs	12,96,770	10,41,566
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retails space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc.).		
- Fund Based	1,57,662	1,44,062
- Non Fund based	-	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
(b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-
Total Exposure	**17,66,004**	**13,56,906**

Note:

The above summary is prepared based on the information available with the Company.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 51 A. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/2014-15/299 DNBR (PD) CC.NO.002/03.10.001/2014-15 DATED NOVEMBER 10, 2014: (Contd.)

v. Exposure to the Capital Market

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
(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;	-	-
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	3,052	741
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds /convertible debentures / units of equity oriented mutual funds' does not fully cover the advances;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stock brokers and market makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares/bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expected equity flows/issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Pending Disbursements	4,802	5,020
Total Exposure	**7,854**	**5,761**

vi. Other Regulator Registration

S. No.	Regulator	Registration no.
1	Ministry of Corporate Affairs	CIN: L65993TN1978PLC007576
2	Reserve Bank of India	Certificate of Registration dt. 09/06/2011 No. 07-00306

vii. Penalties levied by the above Regulators - Nil

viii. Ratings assigned by Credit Rating Agencies

Particulars	As at March 31,2021	As at March 31,2020
Commercial paper & Non- convertible Debentures – Short Term	ICRA A1+, CRISIL A1+	ICRA A1+, CRISIL A1+
Working Capital Demand Loans	ICRA A1+	ICRA A1+
Cash Credit	ICRA AA+	ICRA AA+
Bank Term Loans	ICRA AA+	ICRA AA+
Non-Convertible Debentures – Long term	ICRA AA+, IND AA+	ICRA AA+, IND AA+
Subordinated Debt	ICRA AA+, CARE AA+, CRISIL AA+, IND AA+	ICRA AA+, CARE AA+, CRISIL AA+, IND AA+
Perpetual Debt	ICRA AA, CARE AA, IND AA	ICRA AA, CARE AA, IND AA

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 51A. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/2014-15/299 DNBR (PD) CC.NO.002/03.10.001/2014-15 DATED NOVEMBER 10, 2014: (Contd.)

ix. Concentration of Advances

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Total Advances to twenty largest borrowers	37,166	29,582
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.54%	0.52%

x. Concentration of Exposures

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Total Exposure to twenty largest borrowers/customers	37,802	29,582
Percentage of Exposures to twenty largest borrowers /Customers to Total Exposure of the NBFC on borrowers/customers.	0.54%	0.52%

xi. Concentration of NPAs

₹ in lakhs

Particulars	As at March 31,2021	As at March 31,2020
Total Exposure to top four NPA accounts	3,625	3,145

xii. Sector-wise NPAs

Sl. No	Sector	Percentage of NPAs to Total Advances in that sector as on March 31,2021	Percentage of NPAs to Total Advances in that sector as on March 31,2020
1.	Agriculture & allied activities	-	100%
2.	MSME	-	-
3.	Corporate borrowers	-	-
4.	Services	-	-
5.	Unsecured personal loans	-	-
6.	Auto loans	3.08%	2.91%
7.	Other loans	6.51%	6.39%

xiii. Movement of NPAs

₹ in lakhs

Particulars	March 31, 2021	March 31,2020
(i) Net NPAs to Net Advances(%)	2.25%	2.26%
(ii) Movement of Gross NPA		
(a) Opening balance	2,16,331	1,43,851
(b) Additions during the year	1,49,369	1,35,806
(c) Reductions during the year	95,199	63,326
(d) Closing balance	2,70,501	2,16,331
(iii) Movement of Net NPA		
(a) Opening balance	1,26,501	89,210
(b) Additions during the year	85,237	85,654
(c) Reductions during the year	60,986	48,362
(d) Closing balance	1,50,752	1,26,502

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 51 A. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/2014-15/299 DNBR (PD) CC.NO.002/03.10.001/2014-15 DATED NOVEMBER 10, 2014: (Contd.)

₹ in lakhs

Particulars	March 31,2021	March 31,2020
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	89,829	54,641
(b) Provisions made during the year	64,133	50,152
(c) Write-off / write-back of excess provisions	34,213	14,964
(d) Closing balance	1,19,749	89,829

xiv. Disclosure on Restructured Accounts

₹ in lakhs

Type of Restructuring asset classification details		Standard Advances	Sub-standard Advances	Doubtful Advances	Loss Advances
Restructured loans as on April 1, 2020	Number of borrowers	-	158	18	-
	Amount Outstanding	-	2,415	357	-
	Provision thereon	-	697	128	-
Fresh Restructured during the year	Number of borrowers	13,541	966	3	-
	Amount Outstanding	1,31,039	8,839	30	-
	Provision thereon	16,206	1,336	0	-
Upgradations to restructured category	Number of borrowers	804	3	-	-
	Amount Outstanding	6,919	29	-	-
	Provision thereon	901	11	-	-
Restructured loans ceases to attract higher provision or additional risk weight at the end of year	Number of borrowers	-	-	-	
	Amount Outstanding	-	-	-	
	Provision thereon	-	-	-	
Downgrade of restructured accounts during the year	Number of borrowers	-	356	7	-
	Amount Outstanding	-	3,567	101	-
	Provision thereon	-	828	46	-
Write-off of restructured accounts during the year	Number of borrowers	16	29	-	-
	Amount Outstanding	180	488	-	-
	Provision thereon	31	177	-	-
Restructured loans as on March 31, 2021	Number of borrowers	13,702	641	-	-
	Amount Outstanding	1,32,153	7,052	-	-
	Provision thereon	18,700	1,999	-	-

xv. Customer Complaints

No. of Complaints

Particulars	March 31,2021	March 31,2020
(a) Pending as at beginning of the year	8	11
(b) Received during the year	1,169	1,331
(c) Redressed during the year	1,177	1,334
(d) Pending as at end of the year	0	8

Note: The above summary is prepared based on the information available with the Company and relied upon by the Auditors.

Note : 52. DISCLOSURE OF FRAUDS REPORTED DURING THE YEAR ENDED MARCH 31, 2021 VIDE DNBS. PD. CC NO. 256/ 03.10.042/ 2011-12 DATED MARCH 02, 2012

There were 66 cases (March 31, 2020 - 115 cases) of frauds amounting to ₹ 731 lakhs (March 31, 2020 - ₹ 668 lakhs) reported during the year. The Company has recovered an amount of ₹ 45 lakhs (March 31, 2020 - ₹ 48 lakhs). The un-recovered amounts are either pending settlement with the insurance companies or have been fully provided/ written off.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note: 53. DISCLOSURE OF COMPARISON OF PROVISION AS PER IRAC NORMS AND ECL PURSUANT TO RBI CIRCULAR, VIDE DNBS.D.CC.NO.109/22.10.106/2019-20 DATED MARCH 13, 2020 FOR THE YEAR ENDED MARCH 31, 2021

₹ in lakhs

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind As	Loss allowance (provision) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	61,34,764	53,730	60,81,034	22,910	30,820
	Stage 2	4,23,110	70,962	3,52,148	38,244	32,718
Non Performing Assets (NPA)						
Substandard	Stage 3	1,35,840	47,002	88,838	13,140	33,862
Doubtful - upto 1 year	Stage 3	57,540	25,787	31,753	10,028	15,759
1 - 3 years	Stage 3	46,231	26,427	19,804	13,933	12,494
More than 3 years	Stage 3	27,578	17,397	10,181	15,425	1,972
Loss	Stage 3	3,312	3,136	176	2,939	197
Subtotal for NPA		**2,70,501**	**1,19,749**	**1,50,752**	**55,465**	**64,284**
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	1,24,191	104	1,24,087	-	104
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**1,24,191**	**104**	**1,24,087**	**-**	**104**
Total	Stage 1	62,58,955	53,834	62,05,121	22,910	30,924
	Stage 2	4,23,110	70,962	3,52,148	38,244	32,718
	Stage 3	2,70,501	1,19,749	1,50,752	55,465	64,284
	Total	**69,52,566**	**2,44,545**	**67,08,021**	**1,16,619**	**1,27,926**

As required by the RBI Notification dated March 31, 2020, the Company has complied with the requirements of Ind AS and the Guidelines and Policies approved by the Board in recognition of impairment of financial instruments. The overall impairment provision made under Ind AS is higher than the prudential floor (including the provision requirement specified in the notification referred to in Note 9 of this statement) prescribed by RBI

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 54. DISCLOSURE ON MORATORIUM – COVID 19 REGULATORY PACKAGE – ASSET CLASSIFICATION AND PROVISIONING FOR THE YEAR ENDED MARCH 31, 2021 IN PURSUANT TO THE NOTIFICATION VIDE: DOR.NO.BP.BC.63/21.04.048/2019-20 DATED APRIL 17, 2020.

₹ in lakhs

Particulars	March 31,2021	March 31,2020
Amount in SMA/overdue categories as of February 29, 2020	13,20,164	13,20,164
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 (as of February 29, 2020)	11,67,712	11,73,298
Respective amount where asset classification benefits is extended (net of accounts which have moved out of SMA/overdue category during the moratorium period)*	Nil	1,01,716
Provisions made during the period (As per para 4, Applicable to NBFC's covered under Ind AS)**	Nil	12,377
Provisions adjusted against slippages in terms of paragraph 6 of the circular	Nil	-
Residual provision	Nil	12,377

*there are nil accounts where asset classification benefit has been extended as on March 31, 2021. Post the moratorium period, the movement of aging has been at actuals.

** The above provision does not include management overlay provision of ₹ 1,967 lakhs as of March 31, 2020.

Note : 55 DISCLOSURE ON ONE-TIME RESTRUCTURING FOR THE YEAR ENDED MARCH 31, 2021 PURSUANT TO RBI NOTIFICATION RBI/2020-21/16/DOR.NO.BP.BC/3/ 21.04.048/2020-21 DATED AUGUST 6, 2020.

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

As defined in section 3(7) of Insolvency and Bankruptcy Code 2016.

b) enterprises (MSME) sector – Restructuring of advances having exposure less than or equal to ₹ 25 crores

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

Exposure means principal outstanding and overdues.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 56 LIQUIDITY COVERAGE RATIO

The Liquidity Coverage Ratio (LCR) is a key reform recommended by the Basel Committee for a resilient and stable financial sector.

In order to complement the "Sound Principles of Liquidity Risk Management and Supervision" introduced in 2008 by the Committee, the Committee has further strengthened its liquidity framework by developing two minimum standards for funding liquidity. One of these standards is the Liquidity Coverage Ratio and has as its objective the promotion of short-term resilience of the liquidity risk profile of financial institutions by ensuring that it has sufficient High Quality Liquid Assets (HQLA) to survive a significant stress scenario lasting for one month. The Liquidity Coverage Ratio is expected to improve the financial sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spillover from the financial sector to the real economy.

Compliance with the prescribed Liquidity Coverage Ratio ensures that Non-Banking Financial Companies have an adequate stock of unencumbered High-quality liquid assets (HQLA) that can be converted easily and immediately into cash to meet their liquidity needs for a 30 calendar day liquidity stress scenario. The cash outflows and inflows have been stressed by 115% and 75% of their respective original values. The key drivers on the inflow side are the expected collections from the performing assets of the company and on the outflow side the scheduled maturities.

The RBI notified the Liquidity Coverage Ratio as applicable for Non-Banking Financial Companies with effect from December 1, 2020 (vide circular dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies). The company has been monitoring liquidity from the Liquidity Coverage Ratio standpoint from Q1 of the financial year, for the purpose of disclosure, the company has reported Liquidity Coverage Ratio from December 1, 2020, the date on which the regulation came into force. The disclosures on Liquidity coverage ratio are made for Q3 (comprising only December 2020) and Q4 (comprising January, February and March 2021). The movements in the drivers of Liquidity Coverage Ratio outlined in the following paragraphs have to be read in this context.

The Liquidity Coverage Ratio maintained by the company for the quarters ended December 31, 2020 and March 31, 2021 stand at 168% and 99% respectively. The quarterly Liquidity Coverage Ratio is based on the simple average of monthly observations for each quarter and are well above the minimum regulatory requirement of 50%.

The average High quality liquid assets held in Q3 and Q4 20-21 was ₹ 1,52,770 lakhs and ₹ 1,48,093 lakhs respectively and was entirely held in Government Securities which are classified as Level 1 assets with no haircut.

The net cash outflow position has gone up from ₹ 3,64,789 lakhs in Q3 to ₹ 5,98,662 lakhs in Q4. This increase of ₹ 2,33,873 lakhs is on account of Q4 being a heavy month in terms of loan maturities. The net cash inflow position reduced marginally from ₹ 5,77,852 lakhs in Q3 to ₹ 5,40,941 lakhs in Q4 driven mainly by investment surpluses in the form of term deposits and current account balances. Contracted undrawn commitments with customers constitute 18% of the stressed cash outflows. Contingent liabilities which are likely to materialize in 30 days constitute 2% of the stressed cash outflow. The company has fully hedged all its foreign currency borrowings at the time of drawal of each loan. Hence there is no risk to the company on account of derivatives or collateral calls thereof or mismatch in currency.

Liquidity Management of the company is supervised by the Asset Liability Committee. The management is of the view that the company has in place robust processes to monitor and manage liquidity risks and sufficient liquidity cover to meet its likely future short term requirements.

The company has a diversified mix of borrowings with respect to the source, type of instrument, tenor and nature of security. The Asset Liability Committee constantly reviews and monitors the funding mix and ensures the optimum mix of funds based on the cash flow requirements, market conditions and keeping the interest rate view in consideration. Additionally, the Company 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 Asset Liability Committee provides strategic direction and guidance on liquidity risk management. A sub-committee of the Asset Liability Committee, comprising members from the 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 Asset Liability Management perspective. This sets the boundaries for daily cash flow management.

Notes forming part of the Standalone Ind AS Financial Statements (Contd.)

For the year ended March 31, 2021

Note : 56 LIQUIDITY COVERAGE RATIO

₹ in lakhs

Particulars	Q3 FY21-Avg	Q4 FY21-Avg
High Quality Liquid Assets	1,52,770	1,48,093
Cash Outflows:		
Deposits	-	-
Un-Secured Borrowing	92,000	1,03,450
Secured Borrowing (Incl. Securitisation Payout)	89,685	2,78,579
Additional Requirements, of which		
(i) Outflows related to derivatives exposures and other collateral requirements.	-	-
(ii) Outflows related to loss of funding on debt products	-	-
(iii) Credit and Liquidity facilities	-	-
Other Contractual funding obligations	1,73,299	2,05,635
Other Contingent funding obligations	9,805	10,999
Total Cash outflows	**3,64,789**	**5,98,662**
Cash Inflows		
Secured Lending	-	-
Inflows from fully performing exposures	2,16,065	2,18,462
Other cash inflows	3,61,787	3,22,479
Total Cash Inflows	**5,77,852**	**5,40,941**
TOTAL HIGH QUALITY LIQUID ASSETS	1,52,770	1,48,093
TOTAL NET CASH FLOWS	91,197	1,49,666
LIQUIDITY COVERAGE RATIO (%)	**168%**	**99%**

Note: 57 PRIOR PERIOD INFORMATION

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

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Regn No.**101049W/E300004**

per **Aravind K**
Partner
Membership No: 221268

Date : May 7, 2021
Place : Chennai

For and on behalf of the **Board of Directors**

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

M/s. Sundaram & Srinivasan
Chartered Accountants
23, C. P. Ramaswamy Iyer Road,
Alwarpet, Chennai – 600 018

Price Waterhouse LLP
Chartered Accountants
7th and 10th Floor, Menon Eternity,
165, St. Mary's Road, Alwarpet,
Chennai - 600 018

Independent Auditors' Review Report on quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Cholamandalam Investment and Finance Company Limited, Chennai

1. We have reviewed the accompanying unaudited standalone financial results of Cholamandalam Investment and Finance Company Limited (the "Company") for the quarter ended September 30, 2023 and the year to date results for the period April 1, 2023 to September 30, 2023, which are included in the accompanying 'Statement of Standalone Un-audited Financial Results for the Quarter and Six months ended September 30, 2023, the Statement of Standalone Assets and Liabilities as on that date and the Statement of Standalone Cash Flows for the half-year ended on that date' (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), including relevant circulars issued by the SEBI from time to time. We have initialled the Statement for identification purposes only.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with the relevant Rules issued thereunder, other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of the Listing Regulations, 2015, as amended, including relevant circulars issued by the SEBI from time to time and that it has been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India ("RBI") in respect of Income recognition, asset classification, provisioning and other related matters, to the extent those are not inconsistent with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

M/s. Sundaram & Srinivasan
Chartered Accountants
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Price Waterhouse LLP
Chartered Accountants
7th and 10th Floor, Menon Eternity,
165, St. Mary's Road, Alwarpet,
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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, read with the relevant Rules issued thereunder, other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in accordance with the requirements of the Listing Regulations, 2015, as amended, including relevant circulars issued by the SEBI from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of Income recognition, asset classification, provisioning and other related matters, to the extent those are not inconsistent with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

For Sundaram and Srinivasan
Chartered Accountants
Firm Registration Number – 004207S

For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number – 3001112E/E300264

S. Usha
Partner
Membership Number: 211785
UDIN: 23211785BGWDFE4426
Place: Chennai
Date: November 2, 2023

A. J. Shaikh
Partner
Membership Number: 203637
UDIN: 23203637BGXPDD6569
Place: Chennai
Date: November 2, 2023

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED
CIN - L65993TN1978PLC007576
Registered Office : Chola Crest, C54, C55,Super B -4 Thiru Vi Ka Industrial Estate, Guindy ,Chennai -600032
Statement of Standalone Un-audited Financial Results for the Quarter and Six months ended September 30, 2023

₹ crores

	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2023 Un-audited (Refer Note-7)	30.06.2023 Un-audited	30.09.2022 Un-audited (Refer Note-7)	30.09.2023 Un-audited	30.09.2022 Un-audited	31.03.2023 Audited
1.	**Revenue from operations**						
	-Interest Income	4,220.52	3,849.17	2,829.26	8,069.69	5,441.54	12,082.18
	-Fee Income	170.76	141.81	123.03	312.57	226.57	524.37
	-Net gain on fair value change on financial instruments	33.46	29.15	15.00	62.61	23.47	69.40
	-Sale of Services	10.21	10.19	20.72	20.40	41.53	81.09
	Total Revenue from Operations	**4,434.95**	**4,030.32**	**2,988.01**	**8,465.27**	**5,733.11**	**12,757.04**
2.	**Other income**	**136.94**	**103.30**	**49.77**	**240.24**	**75.60**	**220.94**
3.	**Total Income (1+2)**	**4,571.89**	**4,133.62**	**3,037.78**	**8,705.51**	**5,808.71**	**12,977.98**
4.	**Expenses**						
	a) Finance costs	2,205.20	2,007.09	1,340.42	4,212.29	2,471.29	5,748.75
	b) Impairment of financial instruments	399.81	372.34	278.19	772.15	576.81	849.68
	c) Employee benefits expense	570.24	327.86	290.95	898.10	537.04	1,265.68
	d) Depreciation and amortisation expense	37.97	38.01	27.47	75.98	54.44	118.88
	e) Other expenses	337.92	420.79	342.69	758.71	649.34	1,395.30
	Total expenses	**3,551.14**	**3,166.09**	**2,279.72**	**6,717.23**	**4,288.92**	**9,378.29**
5.	**Profit before tax (3-4)**	**1,020.75**	**967.53**	**758.06**	**1,988.28**	**1,519.79**	**3,599.69**
6.	**Tax expense**						
	a) Current tax	290.93	272.85	161.76	563.78	406.12	881.93
	b) Deferred tax	(32.67)	(31.33)	32.89	(64.00)	(15.40)	51.56
	Total Tax expense	**258.26**	**241.52**	**194.65**	**499.78**	**390.72**	**933.49**
7.	**Profit for the period/year (5-6)**	**762.49**	**726.01**	**563.41**	**1,488.50**	**1,129.07**	**2,666.20**
8.	**Other Comprehensive Income**						
	a. (i) Items that will not be reclassified to Profit or Loss	(4.14)	(0.45)	(1.97)	(4.59)	1.94	(0.46)
	(ii) Income tax impact	1.04	0.11	0.49	1.15	(0.49)	0.12
	b. (i) Items that will be reclassified to Profit or Loss	26.04	(17.01)	25.98	9.03	56.34	45.64
	(ii) Income tax impact	(6.55)	4.28	(6.54)	(2.27)	(14.18)	(11.49)
9.	**Other Comprehensive Income for the period/ year**	**16.39**	**(13.07)**	**17.96**	**3.32**	**43.61**	**33.81**
10.	**Total Comprehensive Income for the period /year (7+9)**	**778.88**	**712.94**	**581.37**	**1,491.82**	**1,172.68**	**2,700.01**
11.	**Paid-up equity share capital (₹ 2/- per share)**	164.57	164.51	164.39	164.57	164.39	164.48
12.	**Net worth (Equity share capital + Other Equity)**	15,773.42	15,026.77	12,848.68	15,773.42	12,848.68	14,296.05
13.	**Earnings per Share (EPS) - (₹ of Rs.2/- per share) (not annualised for interim period)**						
	a) Basic	9.27	8.83	6.86	18.10	13.75	32.45
	b) Diluted	9.25	8.81	6.85	18.05	13.72	32.40

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED
Statement of Standalone Assets and Liabilities

₹' crores

	As at 30.09.2023 Un-audited	As at 31.03.2023 Audited
ASSETS		
Financial Assets		
(a) Cash and Cash equivalents	4,953.62	910.29
(b) Bank Balance other than (a) above	2,898.17	2,051.13
(c) Derivative financial instruments	287.55	272.86
(d) Receivables		
i)Trade receivables	43.08	77.18
ii)Other receivables	208.70	113.88
(e) Loans	1,22,889.03	1,04,748.32
(f) Investments	3,558.52	3,620.02
(g) Other Financial Assets	235.61	273.77
Total Financial Assets	**1,35,074.28**	**1,12,067.45**
Non-Financial Assets		
(a)Current Tax Assets (Net)	403.86	267.06
(b)Deferred Tax Assets (Net)	671.38	608.50
(c)Investment Property	0.13	0.13
(d)Property, Plant and Equipment	454.25	372.17
(e)Capital Work in Progress	0.00	35.74
(f)Intangible Assets Under Development	22.09	24.60
(g) Other Intangible Assets	19.84	26.43
(h) Other Non-Financial Assets	183.48	105.43
Total Non-Financial Assets	**1,755.03**	**1,440.06**
Asset Classified as held for Sale - Investment	51.76	8.00
Total Assets	**1,36,881.07**	**1,13,515.51**
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
(a) Derivative financial instruments	142.84	134.27
(b) Trade payables		
Total outstanding dues of micro and small enterprises	3.38	3.40
Total outstanding dues of creditors other than micro and small enterprises	23.08	119.93
(c) Other payables		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	924.28	1,064.69
(d)Debt Securities	25,085.88	19,682.41
(e)Borrowings (Other than Debt Securities)	89,268.42	73,186.19
(f)Subordinated Liabilities	5,115.23	4,487.46
(g)Other Financial Liabilities	312.38	354.11
Total Financial Liabilities	**1,20,875.49**	**99,032.46**
Non-Financial Liabilities		
(a) Current Tax Liabilities (Net)	-	-
(b) Provisions	158.31	140.88
(c) Other Non-Financial Liabilities	73.85	46.12
Total Non - Financial Liabilities	**232.16**	**187.00**
Equity		
(a)Equity Share Capital	164.57	164.48
(b)Other Equity	15,608.85	14,131.57
Total Equity	**15,773.42**	**14,296.05**
Total Liabilities and Equity	**1,36,881.07**	**1,13,515.51**

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED
Statement of Standalone Cash Flows

₹ in crores

Particulars	Period ended September 30, 2023 Un -audited		Period ended September 30, 2022 Un -audited	
Cash Flow from Operating Activities				
Profit Before Tax		**1,988.28**		**1,519.79**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	75.98		54.44	
Impairment of financial instruments	772.15		576.81	
Finance Costs	4,212.29		2,471.29	
Loss on Sale of Property plant and equipment (Net)	0.44		0.38	
Intangible Assets Under Development -Expensed off	13.96			
Net gain on fair value change in financial instrument	(62.61)		(23.47)	
Interest Income on bank deposits and other investments	(198.50)		(114.93)	
Dividend on Investments	(87.40)		-	
Fair value change in financial instruments - Investments	(32.23)		-	
Share based payment expense	25.86	4,719.94	12.89	2,977.41
Operating Profit Before Working Capital Changes		6,708.22		4,497.20
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(18,912.86)		(11,904.48)	
Trade receivables	(60.72)		(45.78)	
Other Financial Assets	38.16		25.67	
Other Non Financial Assets	(78.05)	(19,013.47)	(35.45)	(11,960.04)
Increase/(Decrease) in operating liabilities & provisions				
Payables	(240.73)		(123.98)	
Other Financial liabilities	(31.74)		(16.40)	
Provisions	17.43		15.32	
Other Non Financial liabilities	27.73	(227.31)	6.94	(118.12)
Cash Flow used in Operations		(12,532.56)		(7,580.96)
Finance Costs paid		(4,083.17)		(2,048.02)
Interest received on bank fixed deposits and other Investments		193.88		116.32
		(16,421.85)		(9,512.66)
Income tax paid (Net of refunds)		(700.58)		(372.96)
Net Cash used in Operating Activities (A)		**(17,122.43)**		**(9,885.62)**
Cash Flow from Investing Activities				
Purchase of Property, plant and equipment, Intangible assets, Capital work-in-progress and Intangible assets under development	(109.06)		(55.36)	
Proceeds from Sale of Property, plant and equipment.	2.51		1.53	
Investment in Subsidiaries/Associates/Joint Ventures	-		(1.12)	
Purchase of Mutual Funds Units	(83,055.85)		(1,08,974.55)	
Redemption of Mutual Funds Units	83,112.86		1,08,998.02	
Investment in Bank Fixed Deposits (net of withdrawals)	(842.40)		(83.46)	
Dividend Received on Investments	87.40		-	
Investment in Treasury Bill	49.58		(390.80)	
Movement in Investment (Net)	6.00		1.06	
Net Cash used in Investing Activities (B)		**(748.96)**		**(504.68)**
Cash Flow from Financing Activities				
Proceeds from issue of Share Capital (Including Securities Premium)		16.09		12.84
Payment of Lease liabilities		(37.78)		(29.19)
Proceeds from issue of Debt securities	14,755.18		10,339.20	
Redemption of Debt securities	(9,367.18)		(6,252.30)	
Proceeds from Borrowing other than debt securities	55,378.62		37,827.09	
Repayment of Borrowings other than debt securities	(39,307.68)		(32,239.15)	
Proceeds from issue of subordinated liabilities	550.00		129.00	
Repayment of subordinated liabilities	(15.00)	21,993.94	(143.00)	9,660.84
Dividends Paid		(57.53)		(57.45)
Net Cash generated from Financing Activities (C)		**21,914.72**		**9,587.04**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**4,043.33**		**(803.26)**
Cash and Cash Equivalents at the Beginning of the year		910.29		2,657.88
Cash and Cash Equivalents at the End of the period		4,953.62		1,854.62

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Independent Auditors' Review Report on quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Cholamandalam Investment and Finance Company Limited, Chennai

1. We have reviewed the accompanying unaudited consolidated financial results of Cholamandalam Investment and Finance Company Limited (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net loss after tax of its associates and joint venture for the quarter ended September 30, 2023 and year to date results for the period April 1, 2023 to September 30, 2023, which are included in the accompanying 'Statement of Consolidated Un-audited Financial Results for the Quarter and Six months ended September 30, 2023, the Statement of Consolidated Assets and Liabilities as on that date and the Statement of Consolidated Cash Flows for the half-year ended on that date' (the "Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), including relevant circulars issued by the SEBI from time to time. We have initialled the Statement for identification purposes only.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with the relevant Rules issued thereunder, other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of the Listing Regulations, 2015, as amended, including relevant circulars issued by the SEBI from time to time and that it has been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India ("RBI") in respect of Income recognition, asset classification, provisioning and other related matters, to the extent those are not inconsistent with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Subsidiaries
i. Cholamandalam Securities Limited
ii. Cholamandalam Home Finance Limited

Associates
i. Vishvakarma Payments Private Limited
ii. Paytail Commerce Private Limited

Joint Venture
i. Payswiff Technologies Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, read with relevant Rules thereunder, other accounting principles, and has not disclosed the information required to be disclosed in terms of the Listing Regulations, 2015, as amended, including the manner in which it is to be disclosed, including relevant circulars issued by SEBI from time to time or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of Income recognition, asset classification, provisioning and other related matters, to the extent those are not inconsistent with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

6. (a) We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs.130.80 Crores as at September 30, 2023 and total revenues of Rs. 123.92 Crores and Rs. 163.18 crores and total profit after tax of Rs. 44.84 Crores and Rs. 46.81 Crores and total comprehensive income of Rs. 4.56 Crores and Rs. 38.38 Crores for the quarter ended September 30, 2023, and for the half year ended September 30, 2023, respectively, and cash inflows of Rs. 0.17 Crores for the half year ended September 30, 2023, as considered in the statement. These interim financial results have been reviewed by other auditor whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditor and the procedures performed by us as stated in paragraph 3 above.

(b) One of the subsidiary company whose financial results reflects total assets of Rs. 837.15 Crores as at September 30, 2023 and total revenue of Rs. 89.87 Crores and Rs. 105.22 Crores and total net profit after tax of Rs. 55.79 Crores and Rs. 56.16 Crores and total comprehensive income of Rs. 46.04 Crores and Rs. 49.52 Crores for the quarter ended September 30, 2023, and for the half year ended September 30, 2023, respectively, and cash inflows of Rs. 0.86 Crores for the half year ended September 30, 2023, as considered in the Statement and Group's share of net loss after tax of Rs 1.01 Crores and Rs. 3.81 Crores in respect of one joint venture for the quarter ended September 30, 2023, and for the half year ended September 30, 2023, respectively, as considered in the Statement has been reviewed by Sundaram & Srinivasan, one of the joint auditors of the Parent. Accordingly, conclusion of Price Waterhouse LLP, the other joint auditor of the Parent, insofar as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture, is based solely on the review reports issued by Sundaram & Srinivasan for the subsidiary and joint venture and the procedures performed in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

M/s. Sundaram & Srinivasan
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23, C. P. Ramaswamy Iyer Road,
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Chartered Accountants
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165, St. Mary's Road, Alwarpet,
Chennai - 600 018

7. The consolidated unaudited financial results also include the Group's share of net loss after tax of Rs. 2.33 Crores and Rs. 2.97 Crores for the quarter ended and half year ended September 30, 2023, respectively as considered in the consolidated unaudited financial results, in respect of two associates, based on their interim financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

   Our conclusion on the Statement is not modified in respect of the above matters.

For Sundaram and Srinivasan
Chartered Accountants
Firm Registration Number – 004207S

For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number – 3001112E/E300264

S. Usha
Partner
Membership Number: 211785
UDIN: 23211785BGWDFD1794
Place: Chennai
Date: November 2, 2023

A. J. Shaikh
Partner
Membership Number: 203637
UDIN: 23203637BGXPDE3134
Place: Chennai
Date: November 2, 2023

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

CIN - L65993TN1978PLC007576

Registered Office : Chola Crest, C54, C55,Super B -4 Thiru Vi Ka Industrial Estate, Guindy ,Chennai -600032

Statement of Consolidated Un-audited Financial Results for the Quarter and Six months ended September 30, 2023

₹ crores

	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2023 Un-audited (Refer Note-7)	30.06.2023 Un-audited	30.09.2022 Un-audited (Refer Note-7)	30.09.2023 Un-audited	30.09.2022 Un-audited	31.03.2023 Audited
1.	**Revenue from operations**						
	-Interest Income	4,222.85	3,850.84	2,829.30	8,073.69	5,441.80	12,082.58
	-Fee & Commission Income	356.06	191.88	151.82	547.94	279.86	650.70
	-Net gain on fair value change on financial instruments	33.46	29.15	15.01	62.61	23.68	69.73
	-Sale of Services	10.21	10.19	20.71	20.40	41.52	81.09
	Total Revenue from Operations	**4,622.58**	**4,082.06**	**3,016.84**	**8,704.64**	**5,786.86**	**12,884.10**
2.	**Other income**	**72.58**	**88.73**	**50.18**	**161.31**	**76.07**	**221.49**
3.	**Total Income (1+2)**	**4,695.16**	**4,170.79**	**3,067.02**	**8,865.95**	**5,862.93**	**13,105.59**
4.	**Expenses**						
	a) Finance costs	2,204.16	2,006.20	1,340.06	4,210.36	2,470.49	5,748.03
	b) Impairment of financial instruments	399.87	372.36	278.23	772.23	576.88	849.71
	c) Employee benefits expense	637.44	371.14	312.05	1,008.58	577.59	1,360.37
	d) Depreciation and amortisation expense	38.51	38.58	28.03	77.09	55.56	121.09
	e) Other expenses	350.14	426.70	346.59	776.84	656.32	1,411.80
	Total expenses	**3,630.12**	**3,214.98**	**2,304.96**	**6,845.10**	**4,336.84**	**9,491.00**
5.	**Profit before share of profit/(loss) from associate/Joint Venture (3-4)**	**1,065.04**	**955.81**	**762.06**	**2,020.85**	**1,526.09**	**3,614.59**
6.	**Share of profit/(loss) from Associate/Joint Venture (net of tax)**	**(3.34)**	**(3.44)**	**(3.46)**	**(6.78)**	**(8.73)**	**(11.82)**
7.	**Profit before Tax (5+6)**	**1,061.70**	**952.37**	**758.60**	**2,014.07**	**1,517.36**	**3,602.77**
8.	**Tax expense**						
	a) Current tax	322.66	273.92	162.54	596.58	407.14	885.76
	b) Deferred tax	(33.83)	(31.49)	33.24	(65.32)	(14.61)	52.16
	Total Tax expense	**288.83**	**242.43**	**195.78**	**531.26**	**392.53**	**937.92**
9.	**Profit after tax (7-8)**	**772.87**	**709.94**	**562.82**	**1,482.81**	**1,124.83**	**2,664.85**
	Profit for the period/ year attributable to:						
	- Owners of the Company	**772.87**	**709.94**	**562.82**	**1,482.81**	**1,124.83**	**2,664.85**
	- Non controlling interest	**-**	**-**	**-**	**-**	**-**	**-**
10.	**Other Comprehensive Income**						
	a. (i) Items that will not be reclassified to Profit or Loss	(21.01)	5.65	(0.04)	(15.36)	(3.95)	(11.45)
	(ii) Income tax impact	1.70	(0.29)	0.44	1.41	(0.01)	1.18
	b. (i) Items that will be reclassified to Profit or Loss	26.04	(17.01)	25.98	9.03	56.34	45.64
	(ii) Income tax impact	(6.55)	4.28	(6.54)	(2.27)	(14.18)	(11.49)
11.	**Other Comprehensive Income for the period/ year**	**0.18**	**(7.37)**	**19.84**	**(7.19)**	**38.20**	**23.88**
	Other Comprehensive Income attributable to:						
	- Owners of the Company	0.18	(7.37)	19.84	(7.19)	38.20	23.88
	- Non controlling interest	-	-	-	-	-	-
12.	**Total Comprehensive Income for the period /year (9+11)**	**773.05**	**702.57**	**582.66**	**1,475.62**	**1,163.03**	**2,688.73**
	Total Comprehensive Income attributable to:						
	- Owners of the Company	773.05	702.57	582.66	1,475.62	1,163.03	2,688.73
	- Non controlling interest	-	-	-	-	-	-
13.	**Paid-up equity share capital (₹. 2/- per share)**	164.57	164.51	164.39	164.57	164.39	164.48
14.	**Earnings per Share (EPS) - (₹ of Rs.2/- per share) (not annualised for interim period)**						
	a) Basic	9.40	8.64	6.85	18.03	13.69	32.44
	b) Diluted	9.37	8.62	6.84	17.98	13.67	32.38

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED
Statement of Consolidated Assets and Liabilities

₹' crores

	As at 30.09.2023 Un-audited	As at 31.03.2023 Audited
ASSETS		
Financial Assets		
(a) Cash and Cash equivalents	4,956.21	911.85
(b) Bank Balance other than (a) above	2,931.91	2,095.25
(c) Derivative financial instruments	287.55	272.86
(d) Receivables		
i)Trade receivables	693.96	99.13
ii)Other receivables	164.24	103.21
(e) Loans	1,22,943.92	1,04,809.65
(f) Investments		
i) Associates	0.01	7.64
ii) Others	3,041.22	3,110.82
iii) Joint Ventures	439.60	443.41
(g) Other Financial Assets	313.85	298.62
Total Financial Assets	**1,35,772.47**	**1,12,152.44**
Non-Financial Assets		
(a)Current Tax Assets (Net)	403.86	270.10
(b)Deferred Tax Assets (Net)	672.88	611.49
(c)Investment Property	0.13	0.13
(d)Property, Plant and Equipment	457.19	374.69
(e) Capital Work in Progress	0.00	35.74
(f)Intangible Assets Under Development	22.31	24.76
(g) Other Intangible Assets	20.89	27.86
(h) Other Non-Financial Assets	186.59	107.12
Total Non-Financial Assets	**1,763.85**	**1,451.89**
Asset Classified as held for Sale - Investment	51.76	22.57
Total Assets	**1,37,588.08**	**1,13,626.90**
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
(a) Derivative financial instruments	142.84	134.27
(b) Trade payables		
Total outstanding dues of micro and small enterprises	3.38	3.40
Total outstanding dues of creditors other than micro and small enterprises	654.86	168.21
(c) Other payables		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	923.68	1,064.21
(d)Debt Securities	25,085.88	19,682.41
(e)Borrowings (Other than Debt Securities)	89,268.42	73,186.19
(f)Subordinated Liabilities	5,116.60	4,488.90
(g)Other Financial Liabilities	320.57	363.41
Total Financial Liabilities	**1,21,516.23**	**99,091.00**
Non-Financial Liabilities		
(a) Current tax Liabilities (Net)	17.00	-
(b) Deferred tax Liabilities (Net)	-	-
(c) Provisions	159.54	142.22
(d) Other non-financial liabilities	88.06	47.58
Total Non - Financial Liabilities	**264.60**	**189.80**
Equity		
(a)Equity Share Capital	164.57	164.48
(b)Other Equity	15,642.68	14,181.62
Total Equity	**15,807.25**	**14,346.10**
Total Liabilities and Equity	**1,37,588.08**	**1,13,626.90**

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED
Statement of Consolidated Cash Flows

₹ in crores

Particulars	Period ended September 30, 2023		Period ended September 30, 2022	
	Un-audited		Un-audited	
Cash Flow from Operating Activities				
Profit Before Tax		**2,020.85**		**1,526.09**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	77.09		55.51	
Impairment of financial instruments	767.35		576.88	
Finance Costs	4,210.36		2,470.49	
Loss on Sale of Property plant and equipment (Net)	0.45		0.38	
Intangible Assets Under Development -Expensed off	13.96			
Net gain on fair value change in financial instruments	(62.61)		(23.68)	
Interest Income on bank deposits and other investments	(205.82)		(115.53)	
Dividend on Investments	(0.23)		(0.32)	
Fair value change in financial instruments - Investments	(17.67)			
Profit on Sale of Investments	(22.80)		-	
Share based payment expense	27.00	4,787.08	13.00	2,976.73
Operating Profit Before Working Capital Changes		**6,807.93**		**4,502.82**
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(18,901.62)		(11,890.06)	
Trade Receivables	(655.86)		(62.12)	
Other Financial Assets	(15.23)		27.58	
Other Non Financial Assets	(79.47)	(19,652.18)	(36.10)	(11,960.70)
Increase/(Decrease) in operating liabilities & Provisions				
Payables	341.64		(126.01)	
Other Financial liabilities	(32.84)		(15.52)	
Provisions	17.32		15.24	
Other NonFinancial liabilities	40.48	366.60	6.90	(119.39)
Cash Flow used in Operations		(12,477.65)		(7,577.27)
Finance Costs paid	(4,086.59)		(2,048.45)	
Interest Received on Bank Deposits and Other Investments	189.79		115.53	
Dividend received	0.23		0.32	
		(3,896.57)		(1,932.60)
		(16,374.22)		(9,509.87)
Income tax paid (Net of refunds)		(713.34)		(375.39)
Net Cash used in Operating Activities (A)		(17,087.56)		(9,885.26)
Cash Flow from Investing Activities				
Purchase of Property, plant and equipment, Intangible assets, Capital work-in-progress and Intangible assets under development	(110.36)		(55.83)	
Proceeds from Sale of Property, Plant and Equipment	2.59		1.55	
Investment in Bank Fixed Deposits (Net of withdrawals)	(820.63)		(102.00)	
Investment in Treasury Bill	49.58		(390.80)	
Purchase of Mutual Funds Units	(83,057.85)		(1,08,975.55)	
Redemption of Mutual Funds Units	83,112.86		1,08,998.02	
Investment in Joint Venture and Associate	-		(1.12)	
Proceeds from sale of Investments	39.39		-	
Movement in Investment (Net)	1.12		1.05	
Net Cash used in Investing Activities (B)		(783.30)		(524.68)
Cash Flow from Financing Activities				
Proceeds from issue of Share Capital (Including Securities Premium)		16.09		12.84
Payment of Lease liabilities		(37.78)		(29.17)
Proceeds from issue of debt securities	14,755.18		10,339.20	
Redemption of Debt securities	(9,367.20)		(6,252.30)	
Borrowing - Other than debt securities	55,508.64		37,866.59	
Repayment of borrowing - Other than debt securities	(39,437.18)		(32,258.67)	
Proceeds from issue of subordinated liabilities	550.00		129.00	
Repayment of subordinated liabilities	(15.00)	21,994.44	(143.00)	9,680.82
Dividends Paid		(57.53)		(57.45)
Net Cash Flow generated from Financing Activities (C)		21,915.22		9,607.04
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**4,044.36**		**(802.90)**
Cash and Cash Equivalents at the Beginning of the year		911.85		2,698.84
Cash and Cash Equivalents at the End of the period		4,956.21		1,895.94

Notes

1. The financial results for the quarter and six months ended September 30, 2023 has been reviewed by the audit committee and approved by the Board of Directors at its meeting held on November 2, 2023. The financial results for the quarter and six months ended September 30, 2023 have been subjected to limited review by Joint Statutory Auditors in compliance with regulation 33 and regulation 52 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements), Regulations 2015 as amended. The financial results of the Company have been prepared as per Indian accounting standards prescribed under Section 133 of the Companies Act, 2013, the circular, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI guidelines") and that it has been prepared in accordance with the relevant prudential norms issued by the RBI in respect of Income recognition, asset classification, provisioning and other related matters, to the extent those are not inconsistent with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
2. The consolidated financial results of the Parent and its subsidiaries (collectively referred as "Group") and its Associates and Joint Venture, include the result of the Company and following entities:
   i) Cholamandalam Securities Limited - Subsidiary
   ii) Cholamandalam Home Finance Limited - Subsidiary
   iii) Vishvakarma Payments Private Limited - Associate
   iv) Paytail Commerce Private Limited - Associate
   v) Payswiff Technologies Private Limited - Joint Venture
   vi) White Data Systems India Private Limited -Associate (Upto March 28,2023)
3. Other Income in Standalone financial results for the quarter and six months ended September 30, 2023 includes dividend income received from subsidiaries - Rs. 87.40 Crores
4. Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21 .04.048/2020-21 dated 6 August 2020 - Format B Rs in crores

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at March 31, 2023 (A)	Of (A) aggregate debt that slipped into NPA during the half year	Of (A) amount written off during the half year	Of (A) amount paid by the borrowers during the half year**	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at September 30,2023
Personal Loans	248.21	19.37	1.07	14.61	213.16
Corporate #					
Of which MSME					
Others*	1,337.33	118.46	4.39	275.63	938.85
Total	**1,585.54**	**137.83**	**5.46**	**290.24**	**1,152.01**

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

* Others consists of Vehicle finance and loan against property

** represents movement of balances between September 30, 2023 and March 31, 2023

b) Disclosure pursuant to RBI notification - RBI/2020-21/17/DOR.NO.BP.BC/4/21.04.048/2020-21 dated August 6, 2020 (for restructuring of accounts of micro, small and medium enterprises (MSME) sector – Restructuring of advances having exposure less than or equal to Rs. 25 crores)

Type of borrower	No. of accounts restructured (A)	Exposure to account mentioned in (A) before implementation (B) Rs in crores
MSMEs	12,610	1,181.78

5. 2,84,506 options were exercised during the three months ended September 30, 2023 (1,79,330 for three months ended June 30, 2023). The total outstanding employee stock options as at September 30 ,2023 is 56,47,324 (54,03,455 as at March 31,2023).
6. The listed Non - Convertible Debentures of the Company aggregating to Rs. 15,869.58 crores as on September 30, 2023 are secured by way of an exclusive charge on identified standard assets of the Company and also by a subservient charge over immovable property. The total asset cover is above hundred percent of the principal amount of the said debentures.
7. In respect of standalone and Consolidated financial results, the figures for the quarter ended September 30,2023 and September 30,2022 are the balancing figure for the six months ended September 30,2023 and September 30,2022 and year to date figures for Quarter ended June 30,2023 and June 30,2022 respectively.
8. On October 05, 2023, the Company alloted 1,69,49,152 equity shares of face value Rs. 2 each and 200,000 7.50% compulsorily convertible debentures of face value Rs. 1,00,000 each aggregating to Rs. 4,000 crores , which has been raised through Qualified Institutional Placement.
9. The Segment Reporting is given in Appendix 1 for Standalone Financial Results and in Appendix 2 for Consolidated Financial Results.

On behalf of the Board of Directors

Place : Chennai
Date : November 02, 2023

Ravindra Kumar Kundu
Executive Director

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

CIN - L65993TN1978PLC007576

Registered Office : Chola Crest, C54, C55,Super B -4 Thiru Vi Ka Industrial Estate, Guindy ,Chennai -600032

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

₹ crores

Particulars	Standalone					
	Quarter ended			Six months ended		Year ended
	30.09.2023 Un-audited (Refer Note-7)	30.06.2023 Un-audited	30.09.2022 Un-audited (Refer Note-7)	30.09.2023 Un-audited	30.09.2022 Un-audited	31.03.2023 Audited
1. Segment Revenue						
Vehicle Finance	2,683.73	2491.44	2,115.88	5,175.17	4,107.92	8,786.30
Loan against property	715.51	671.72	496.70	1,387.23	949.75	2,152.30
Home Loans	383.16	331.21	205.30	714.37	390.11	907.29
Others	559.78	486.27	143.13	1,046.05	221.68	786.15
Unallocated	229.71	152.98	76.77	382.69	139.25	345.94
Total	**4,571.89**	**4,133.62**	**3,037.78**	**8,705.51**	**5,808.71**	**12,977.98**
2. Segment Results (Profit / Loss before tax)						
Vehicle Finance	496.10	498.69	460.40	994.79	932.59	2,243.01
Loan against property	216.06	215.20	162.48	431.26	342.95	728.79
Home Loans	89.94	83.06	66.81	173.00	141.88	296.02
Others	68.46	68.58	4.72	137.04	(14.89)	48.62
Unallocated	150.19	102.00	63.65	252.19	117.26	283.25
Total	**1,020.75**	**967.53**	**758.06**	**1,988.28**	**1,519.79**	**3,599.69**
3. Segment Assets						
Vehicle Finance	75,299.38	70,918.06	57,188.99	75,299.38	57,188.99	66,722.81
Loan against property	23,771.26	21,836.02	17,525.18	23,771.26	17,525.18	20,473.73
Home Loans	10,409.10	9,115.06	5,975.70	10,409.10	5,975.70	8,018.01
Others	13,327.49	11,337.16	4,765.06	13,327.49	4,765.06	9,521.30
Unallocated	14,073.84	11,493.00	8,094.15	14,073.84	8,094.15	8,779.66
Total	**1,36,881.07**	**1,24,699.30**	**93,549.08**	**1,36,881.07**	**93,549.08**	**1,13,515.51**
4. Segment Liabilities						
Vehicle Finance	66,622.29	62,372.15	49,334.26	66,622.29	49,334.26	58,319.79
Loan against property	21,031.99	19,204.69	15,118.15	21,031.99	15,118.15	17,895.29
Home Loans	9,209.61	8,016.66	5,154.95	9,209.61	5,154.95	7,008.23
Others	11,791.70	9,970.99	4,110.59	11,791.70	4,110.59	8,322.20
Unallocated	12,452.06	10,108.04	6,982.45	12,452.06	6,982.45	7,673.95
Total	**1,21,107.65**	**1,09,672.53**	**80,700.40**	**1,21,107.65**	**80,700.40**	**99,219.46**
5. Capital Employed (Segment Assets - Segment Liabilities)						
Vehicle Finance	8,677.09	8,545.91	7,854.73	8,677.09	7,854.73	8,403.02
Loan against property	2,739.27	2,631.33	2,407.03	2,739.27	2,407.03	2,578.44
Home Loans	1,199.49	1,098.40	820.75	1,199.49	820.75	1,009.78
Others	1,535.79	1,366.17	654.47	1,535.79	654.47	1,199.10
Unallocated	1,621.78	1,384.96	1,111.70	1,621.78	1,111.70	1,105.71
Total	**15,773.42**	**15,026.77**	**12,848.68**	**15,773.42**	**12,848.68**	**14,296.05**

Note:

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

On behalf of the Board of Directors

Ravindra Kumar Kundu

Executive Director

Place : Chennai

Date : November 02, 2023

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CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED
CIN - L65993TN1978PLC007576
Registered Office : Chola Crest, C54, C55,Super B -4 Thiru Vi Ka Industrial Estate, Guindy ,Chennai -600032
Segment wise Revenue, Results and Capital Employed for consolidated un-audited financial results under Listing Regulations, 2015

₹ crores

Particulars	Consolidated					
	Quarter ended			Six months ended		Year ended
	30.09.2023 Un-audited (Refer Note-7)	30.06.2023 Un-audited	30.09.2022 Un-audited (Refer Note-7)	30.09.2023 Un-audited	30.09.2022 Un-audited	31.03.2023 Audited
1. Segment Revenue						
Vehicle Finance	2,683.73	2491.44	2,115.88	5,175.17	4,107.92	8,786.30
Loan against property	715.51	671.72	496.70	1,387.23	949.75	2,152.30
Home Loans	383.16	331.21	205.30	714.37	390.11	907.29
Others	683.05	523.44	172.37	1,206.49	275.90	913.76
Unallocated	229.71	152.98	76.77	382.69	139.25	345.94
Total	**4,695.16**	**4,170.79**	**3,067.02**	**8,865.95**	**5,862.93**	**13,105.59**
2. Segment Results (Profit / Loss before tax)						
Vehicle Finance	496.10	498.69	460.40	994.79	932.59	2,243.01
Loan against property	216.06	215.20	162.48	431.26	342.95	728.79
Home Loans	89.94	83.06	66.81	173.00	141.88	296.02
Others	109.41	53.42	5.26	162.83	(17.32)	51.70
Unallocated	150.19	102.00	63.65	252.19	117.26	283.25
Total	**1,061.70**	**952.37**	**758.60**	**2,014.07**	**1,517.36**	**3,602.77**
3. Segment Assets						
Vehicle Finance	75,299.38	70,918.06	57,188.99	75,299.38	57,188.99	66,722.81
Loan against property	23,771.26	21,836.02	17,525.18	23,771.26	17,525.18	20,473.73
Home Loans	10,409.10	9,115.06	5,975.70	10,409.10	5,975.70	8,018.01
` Others	14,034.50	11,466.18	4,868.98	14,034.50	4,868.98	9,632.69
Unallocated	14,073.84	11,493.00	8,094.15	14,073.84	8,094.15	8,779.66
Total	**1,37,588.08**	**1,24,828.32**	**93,653.00**	**1,37,588.08**	**93,653.00**	**1,13,626.90**
4. Segment Liabilities						
Vehicle Finance	66,622.29	62,372.15	49,334.26	66,622.29	49,334.26	58,319.79
Loan against property	21,031.99	19,204.69	15,118.15	21,031.99	15,118.15	17,895.29
Home Loans	9,209.61	8,016.66	5,154.95	9,209.61	5,154.95	7,008.23
Others	12,464.88	10,060.36	4,162.83	12,464.88	4,162.83	8,383.54
Unallocated	12,452.06	10,108.04	6,982.45	12,452.06	6,982.45	7,673.95
Total	**1,21,780.83**	**1,09,761.90**	**80,752.64**	**1,21,780.83**	**80,752.64**	**99,280.80**
5. Capital Employed (Segment Assets - Segment Liabilities)						
Vehicle Finance	8,677.09	8,545.91	7,854.73	8,677.09	7,854.73	8,403.02
Loan against property	2,739.27	2,631.33	2,407.03	2,739.27	2,407.03	2,578.44
Home Loans	1,199.49	1,098.40	820.75	1,199.49	820.75	1,009.78
Others	1,569.62	1,405.82	706.15	1,569.62	706.15	1,249.15
Unallocated	1,621.78	1,384.96	1,111.70	1,621.78	1,111.70	1,105.71
Total	**15,807.25**	**15,066.42**	**12,900.36**	**15,807.25**	**12,900.36**	**14,346.10**

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

On behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Place : Chennai
Date : November 02, 2023

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ANNEXURE B: CREDIT RATINGS AND RATING RATIONALES

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India Ratings & Research
A Fitch Group Company

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India Ratings Assigns Cholamandalam Investment and Finance Company's Additional NCDs 'IND AA+'/Stable; Affirms Other Ratings

Feb 15, 2023 | Non Banking Financial Company (NBFC)

India Ratings and Research (Ind-Ra) has taken the following rating actions on Cholamandalam Investment and Finance Company Limited (CIFCL):

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Long-Term Issuer Rating					IND AA+/Stable	Affirmed
NCDs*				INR 104.63 (reduced from INR 105.98)	IND AA+/Stable	Affirmed
NCDs (Public issue) @	-	-	-	INR 50	IND AA+/Stable	Assigned
Lower Tier 2 subordinated debt*	-	-	-	INR 33.17	IND AA+/Stable	Affirmed
Perpetual debt (Tier 1 instrument) *,#	-	-	-	INR 14.4(reduced from INR 14.7)	IND AA/Stable	Affirmed

*Details in Annexure

Perpetual debt instruments are subject to coupon deferring if capital levels fall below the regulatory minimum, or if servicing of coupon leads to capital levels falling below the regulatory minimum, or if servicing of coupon leads to a loss after tax or an increase in loss after tax, and requires prior approval from the regulator, even if the capital levels then are above the regulatory minimum.

@ Yet to utilise

Key Rating Drivers

Large and Diversified Franchise: CIFCL is among India's largest asset finance non-bank financing companies, with a geographically well-diversified vehicle finance portfolio (3QFY23: 64.3% of assets under management (AUM), FY22: 68.8%; FY21: 72%). The company has been able to maintain a strong position in both new and used vehicle segments across multiple product lines such as light commercial vehicles, heavy commercial vehicles, cars, and multi-utility vehicles and tractors. CIFCL has a large network of 1,166 branches spread across 29 states. The company is also a significant player in the loan against property (LAP) segment (3QFY23: 20.9% of AUM) and has increased its focus on small ticket LAP loans. Its home loan segment, which largely caters to self-construction and resale properties in the affordable segment, has also attained a meaningful size, with a contribution of 7.6% to the overall AUM. The company has entered into three new verticals - consumer and small enterprise loans, secured business and personal loans, and small and medium enterprises loans - which form around 7.3% of the AUM. It has also made a substantial investment in Payswiff Technologies Pvt Ltd, which is a point-of-sale provider that enables a digital payment gateway for the e-commerce business, thereby helping CIFCL in building its customer base and providing customer solutions.

Experienced Management: CIFCL has an experienced top management and a reasonably seasoned second line of management with decades of experience in the industry through multiple cycles. The company has established risk management and analytics teams to drive operating efficiency and risk-based product pricing. The company also benefits from its linkages with the Murugappa group, which, through its group entities, holds a 51.49% stake in CIFCL. The company is an important part of the group and contributes significantly to the its profitability.

Liquidity Indicator - Adequate: In terms of asset-liability management (ALM), CIFCL's structural liquidity statement at end-December 2022 was matched up to the one-year bucket with minor gaps. As per Ind-Ra's stress test on the ALM, the peak cumulative gap in the less-than-one-year time buckets could be substantially covered by its unutilised bank lines at end-December 2022. CIFCL maintains a healthy on-balance sheet liquidity, with cash and liquid investments of INR74.07 billion as of December 2022, along with unutilised bank lines of INR27.07 billion; however, there has been some

moderation in the liquidity with the increase in disbursements. CIFCL has a demonstrated history of securitising its assets. Moreover, it has a diversified funding profile, with a fairly strong access to banks and capital markets, and it can raise funds at competitive rates. The funding cost for CIFCL inched up to 6.4% in 3QFY23 (FY22: 5.8%; FY21: 6.7%).

Adequate Capitalisation: CIFCL's tier I stood at 15.1% in 3QFY23 (FY22: 16.5%; FY21: 15.1%) with common equity tier 1 of 13.8%. The leverage (debt/equity) stood at 6.6x in 3QFY23 (FY22: 5.9x; FY21: 6.7x). Also, the internal accruals have improved due to a moderation in credit cost post the pandemic, supporting higher loan growth. However, the growth in loans has been higher than that in internal accruals, leading to absorption in capital buffers. Ind-Ra expects the company to maintain adequate capital buffers over the medium term, above the regulatory minimum, comparable to similarly rated peers and in line with its asset profile.

Profitability Buffers Stable: CIFCL's profitability buffers (pre-provision operating profit buffers to credit costs) improved to 4.3x in 9MFY23 (FY22: 4.4x; FY21: 2.5x). Furthermore, the net interest margins were stable at 7.7% in 9MFY23 (9MFY22: 7.8%), largely driven by the high yielding book across new businesses and the loan against property book being repriced with higher interest rates during 9MFY23. The operating expenses to average total assets ratio stood at 3% for 9MFY23 (9MFY22: 2.6%); Ind-Ra expects it to remain around 3% in the medium term.

Asset Quality on Improving Trend, Supported by Strong Loan Growth: CIFCL's asset quality was impacted by COVID-19 in FY22; however, it has been on a recovering trend in FY23. The gross stage-3 non-performing assets (NPA) stood at 3.51% in 3QFY23 (3QFY22: 5.85%; FY22: 4.37%) due to the strong loan growth of 32.2% yoy in the gross stage assets. In 3QFY23, the absolute stage-3 assets moderated by 20.7% yoy, while disbursements rose 68.4% yoy (up 20.1% qoq). The provision coverage ratio on Ind-AS gross stage-3 assets stood at 41% in 3QFY23 (FY22: 39.7%; FY21: 44.3%). The restructured book has also been improving and stood at 2.36% in 3QFY23 (3QFY22:6.35%).

Also, as per the Income Recognition and Asset Classification (IRAC) norms, the gross NPA stood at 5.4% in 9MFY23 (FY22: 6.8%, 9MFY22:8.5%). The gap between IRAC and IND-AS reporting has been narrowing; however, it is to be noted that the provisions under IND-AS exceed the provisions under IRAC by INR5 billion.

Improving Legacy Assets in Home Equity Segment: A large part of the stressed book in home equity is quite seasoned, with legacy assets contributing the most to delinquencies. The average ticket size of CIFCL's LAP portfolio was INR 4.64 million in 9MFY23. The company has a decade-long experience in this segment. This, along with its cautious approach in scaling up the business over the past couple of years, should help it contain ultimate losses. Also, CIFCL has been diversifying across geographies by expanding its branch network and reducing the ticket size from the existing levels. Its home equity book is mostly concentrated in the National Capital Region and Tamil Nadu, which jointly formed 29% of the book at 3QFYE23.

The vehicle finance NPA ratio (90+ DPD) improved to 3.63% in 3QFY23 (2QFY23: 3.85%; FY22: 3.90%; FY21: 3.08%) and the home equity NPA ratio (90+ DPD) to 4.76% (5.11%; 6.47%; 7.34%).

CIFCL's home loan book, which largely caters to the affordable housing segment, had witnessed a rise in delinquencies during the pandemic; however, the delinquencies have been moderating in the subsequent period (90+ dpd - 3QFY23: 1.97%; FY22: 3.18%; FY21: 3.25%). The collection efficiency in this segment has largely improved, supported by increased focus on collections, a lower loan-to-value ratio in self-constructed properties, which form a large part of the home loan book, and in-house sourcing, which has helped control credit costs.

Rating Sensitivities

Positive: A substantial proportion of granular stable funding in the borrowing mix, stronger capital buffers with stable through-the-cycle credit costs across segments, while sustaining superior business competitiveness and establishing leadership in the core product segments will be positive for the ratings.

Negative: Developments that could, individually or collectively, lead to a negative rating action include:
- a material weakening of the business franchise or deterioration of the business competitiveness, which could lead to a sustained decline in the operating profit buffers such that pre-provision operating profit buffers/credit costs falls below 2.5x, without adequate capital buffers, on a sustained basis,
- inadequate profitability buffers to absorb a rise in the credit costs in case of a perpetual debt instrument,
- a weakened funding or liquidity profile in the form of significant gaps in the ALM profile,
- an increase in the leverage ratio, on a sustained basis, and
- an inability to raise capital such that the Tier 1 capital ratio falls below Ind-Ra's expectations.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on CIFCL, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

Company Profile

Incorporated in 1978, CIFCL is the financial services arm of Chennai-based Murugappa group. The company operates primarily in the commercial vehicle financing and LAP segments. In FY15, CIFCL ventured into the small and medium enterprise loan and housing finance business. The Murugappa group holds a 51.5% stake in CIFCL, of which 45.4% and 4.1% stakes were held through the group entities - Cholamandalam Finance Holdings Limited and Ambadi Investments Ltd, respectively, as of 3QFY23.

FINANCIAL SUMMARY

Particulars (INR billion)	9MFY23	FY22	FY21
Total assets	1,044.9	823.6	745.5
Total equity	135.3	117.1	95.6
Net profit	18.1	21.5	15.1
Return on average assets (%)	2.5	2.7	2.2
Tier 1 capital (%)	15.1	16.5	15.1
Source: CIFCL, Ind Ra			

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Ou				
	Rating Type	Rated Limits (billion)	Rating	5 January 2023	28 November 2022	22 April 2022	8 February 2022	1(Decer 20
Issuer rating	Long-term	-	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IN AA+/S
NCDs	Long-term	INR 104.63	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IN AA+/S
NCDs (Public Issue)	Long-term	INR 50	IND AA+/Stable	-	-	-	-	-
Lower Tier 2 sub-debt	Long-term	INR 33.17	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IN AA+/S
Perpetual debt (Tier 1 instrument)	Long-term	INR 14.7	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable	IN AA/S

Annexure

NCDs

ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
INE121A07OI7	17 April 2018	8.62	11 April 2024	INR1.5	IND AA+/Stable
INE121A07PF0	12 February 2020	7.41	10 February 2023	INR 1.1	WD(Paid in Full)
INE121A07PF0	28 February 2020	7.41	10 February 2023	INR 0.25	WD(Paid in Full)
INE121A07PM6	8 July 2020	7.92	8 July 2025	INR5	IND AA+/Stable
INE121A07PL8	8 July 2020	7.88	8 July 2025	INR1.25	IND AA+/Stable
INE121A07PN4	31 July 2020	7.38	31 July 2024	INR3	IND AA+/Stable
INE121A07PP9	26 October 2020	6.8	25 October 2024	INR1.5	IND AA+/Stable
INE121A07PQ7	26 October 2020	6.8	25 October 2024	INR0.35	IND AA+/Stable
INE121A07PY1	18 February 2021	6.26	18 April 2023	INR3.25	IND AA+/Stable
INE121A08OP0	5 July 2021	3M T-bill linked	5 July 2023	INR0.25	IND AA+/Stable
INE121A07QJ0	11 February 2022	7.08	11 March 2025	INR4	IND AA+/Stable
INE121A07QJ0	29 March 2022	7.08	11 March 2025	INR0.97	IND AA+/Stable
INE121A07QM4	29 March 2022	7.3	29 March 2027	INR2.7	IND AA+/Stable
INE121A07QN2	28 April 2022	7.5	28 April 2027	INR2.75	IND AA+/Stable
INE121A07QO0	28 April 2022	7.32	28 April 2026	INR7	IND AA+/Stable
INE121A07QP7	18 May 2022	7.95	18 May 2027	INR3.5	IND AA+/Stable
INE121A07QP7	16 June 2022	7.95	18 May 2027	INR1.05	IND AA+/Stable
INE121A07QQ5	29 June 2022	ZCB - Yield - 7.90	30 June 2025	INR5	IND AA+/Stable
INE121A07QR3	14 July 2022	7.9217	14 January 2026	INR8	IND AA+/Stable
INE121A07PN4	18 August 2022	7.38	31 July 2034	INR10	IND AA+/Stable
INE121A07PP9	19 September 2022	6.8	25 October 2024	INR2	IND AA+/Stable
INE121A07OI7	15 November 2022	8.6179(8.29 – yield)	11 April 2024	INR10	IND AA+/Stable
INE121A07QT9	21 November 2022	8.45	21 November 2025	INR5	IND AA+/Stable
Total utilised				**INR78.07**	
Total unutilised				**INR26.56**	IND AA+/Stable
Total limit				**INR104.63**	

Subordinated debt

ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
INE121A08NW8	27 October 2016	9.08	27 October 2023	INR0.5	IND AA+/Stable
INE121A08NX6	9 November 2016	9.2	9 November 2023	INR0.5	IND AA+/Stable
INE121A08NY4	10 November 2016	9.2	10 November 2026	INR0.1	IND AA+/Stable
INE121A08NZ1	16 November 2016	9.1	16 November 2023	INR0.15	IND AA+/Stable
INE121A08OA2	23 November 2016	9.08	23 November 2023	INR0.5	IND AA+/Stable
INE121A08OB0	24 November 2016	9.15	24 November 2023	INR1	IND AA+/Stable
INE121A08OC8	15 June 2017	8.8	15 June 2027	INR1.25	IND AA+/Stable
INE121A08OD6	20 June 2017	8.78	18 June 2027	INR0.5	IND AA+/Stable
INE121A08OG9	5 April 2018	9.05	24 March 2028	INR5.3	IND AA+/Stable
INE121A08OF1	30 August 2017	8.53	30 August 2027	INR1.5	IND AA+/Stable
INE121A08OE4	28 June 2017	8.8	28 June 2027	INR0.75	IND AA+/Stable
INE121A08OH7	23 August 2018	9.75	23 August 2028	INR3	IND AA+/Stable
INE121A08MY6	30 September 2013	11	29 September 2023	INR0.15	IND AA+/Stable
INE121A08NG1	30 January 2014	11	30 January 2024	INR0.25	IND AA+/Stable
INE121A08NH9	24 February 2014	11	23 February 2024	INR0.2	IND AA+/Stable
INE121A08NL1	26 March 2014	11	26 March 2024	INR0.25	IND AA+/Stable
INE121A08NN7	25 April 2014	11	25 April 2024	INR0.25	IND AA+/Stable
INE121A08NO5	17 May 2014	11	20 May 2024	INR0.05	IND AA+/Stable
INE121A08NQ0	11 June 2014	11	11 June 2024	INR0.15	IND AA+/Stable
INE121A08OR6	4 October 2021	7.9	6 October 2031	INR2	IND AA+/Stable
INE121A08OZ9	6 December 2022	8.7	6 December 2032	INR 2.9	IND AA+/Stable
INE121A08OS4	28 February 2022	8.1	27 February 2032	INR1.5	IND AA+/Stable
Total utilised				**INR22.75**	
Total unutilised				**INR10.42**	IND AA+/Stable
Total limit				**INR33.17**	

Perpetual debt instrument

ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
INE121A08OI5	12 February 2019	10.88	12 February 2029	INR2.5	IND AA/Stable
INE121A08OJ3	29 March 2019	10.83	29 March 2029	INR0.56	IND AA/Stable
INE121A08OL9	3 November 2020	9.3	4 November 2030	INR0.45	IND AA/Stable
INE121A08MW0	7 February 2013	12.8	7 February 2023	INR0.3	WD(Paid in Full)
INE121A08MZ3	23 October 2013	12.6	23 October 2023	INR0.25	IND AA/Stable
INE121A08NC0	27 December 2013	12.6	26 December 2023	INR0.12	IND AA/Stable
INE121A08NE6	27 December 2013	12.5	27 December 2023	INR0.26	IND AA/Stable
INE121A08NF3	23 January 2014	12.6	23 January 2024	INR0.05	IND AA/Stable
INE121A08NJ5	23 February 2014	12.9	23 February 2024	INR0.25	IND AA/Stable
INE121A08NB2	30 October 2013	12.9	30 October 2023	INR0.5	IND AA/Stable
INE121A08NS6	27 June 2014	12.9	27 June 2024	INR0.25	IND AA/Stable
INE121A08ND8	27 December 2013	12.5	27 December 2023	INR0.6	IND AA/Stable
INE121A08ND8	27 December 2013	12.5	27 December 2023	INR0.05	IND AA/Stable
INE121A08NT4	9 July 2014	12.9	27 June 2024	INR0.17	IND AA/Stable
INE121A08NU2	27 August 2014	12.8	27 August 2024	INR0.25	IND AA/Stable
INE121A08OM7	8 March 2021	9.25	10 March 2031	INR1	IND AA/Stable
INE121A08ON5	25 May 2021	9.2	26 May 2031	INR1	IND AA/Stable
INE121A08OO3	30 June 2021	9.05	1 July 2031	INR0.4	IND AA/Stable
INE121A08OQ8	6 September 2021	8.98	8 September 2031	INR0.3	IND AA/Stable
INE121A08OT2	7 March 2022	9.1	8 March 2032	INR0.25	IND AA/Stable
INE121A08OU0	30 May 2022	9.2	31 May 2032	INR0.45	IND AA/Stable

INE121A08OV8	23 August 2022	9.15	24 August 2032 (Call Option Date)	INR0.6	IND AA/Stable
INE121A08OW6	22 September 2022	9.15	28 September 2032 (Call Option Date)	INR0.24	IND AA/Stable
INE121A08OX4	28 October 2022	9.15	29 October 2032 (Call option)	INR0.21	IND AA/Stable
INE121A08OY2	30 November 2022	9.15	12 January 2032 (Call option)	INR0.2	IND AA/Stable
INE121A08PA9	12 January 2023	9.15	13 January 2033	INR0.2	IND AA/Stable
Total utilised				**INR11.11**	
Total unutilised				**INR3.29**	IND AA/Stable
Total limit				**INR14.4**	

Complexity Level of Instruments

Instrument Type	Complexity Indicator
NCDs	Low
Lower tier 2 sub-debt	Low
Perpetual debt (tier 1 instrument)	High

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

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APPLICABLE CRITERIA

Financial Institutions Rating Criteria

Rating of Financial Institutions Legacy Hybrids and Sub-Debt

Non-Bank Finance Companies Criteria

The Rating Process

Evaluating Corporate Governance

DISCLAIMER

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India Ratings Assigns Cholamandalam Investment and Finance Company's Additional Perpetual Debt 'IND AA'/Stable; Affirms Other Ratings

Mar 20, 2023 | Non Banking Financial Company (NBFC)

India Ratings and Research (Ind-Ra) has taken the following rating actions on Cholamandalam Investment and Finance Company Limited (CIFCL):

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Long-Term Issuer Rating	-	-	-	-	IND AA+/Stable	Affirmed
NCDs*				INR104.63	IND AA+/Stable	Affirmed
NCDs (Public issue) @	-	-	-	INR50	IND AA+/Stable	Affirmed
Lower Tier 2 subordinated debt*	-	-	-	INR33.17	IND AA+/Stable	Affirmed
Perpetual debt (Tier 1 instrument) *,#	-	-	-	INR14.4	IND AA/Stable	Affirmed
Perpetual debt (Tier 1 instrument) *,#,@	-	-	-	INR5	IND AA/Stable	Assigned

*Details in Annexure

Perpetual debt instruments are subject to coupon deferring if capital levels fall below the regulatory minimum, or if servicing of coupon leads to capital levels falling below the regulatory minimum, or if servicing of coupon leads to a loss after tax or an increase in loss after tax, and requires prior approval from the regulator, even if the capital levels then are above the regulatory minimum.

@ Yet to utilise

Key Rating Drivers

For the last published rationale, please click here.

Rating Sensitivities

Positive: A substantial proportion of granular stable funding in the borrowing mix, stronger capital buffers with stable through-the-cycle credit costs across segments, while sustaining superior business competitiveness and establishing leadership in the core product segments will be positive for the ratings.

Negative: Developments that could, individually or collectively, lead to a negative rating action include:

- a material weakening of the business franchise or deterioration of the business competitiveness, which could lead to a sustained decline in the operating profit buffers such that pre-provision operating profit buffers/credit costs falls below 2.5x, without adequate capital buffers, on a sustained basis,
- inadequate profitability buffers to absorb a rise in the credit costs in case of a perpetual debt instrument,
- a weakened funding or liquidity profile in the form of significant gaps in the ALM profile,
- an increase in the leverage ratio, on a sustained basis, and
- an inability to raise capital such that the Tier 1 capital ratio falls below Ind-Ra's expectations.

ESG Issues

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FINANCIAL SUMMARY

Particulars (INR billion)	9MFY23	FY22	FY21
Total assets	1,044.9	823.6	745.5
Total equity	135.3	117.1	95.6
Net profit	18.1	21.5	15.1
Return on average assets (%)	2.5	2.7	2.2
Tier 1 capital (%)	15.1	16.5	15.1
Source: CIFCL, Ind-Ra			

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook							
	Rating Type	Rated Limits (billion)	Rating	15 February 2023	5 January 2023	28 November 2022	22 April 2022	8 February 2022	10 December 2021	23 June 2021	Dec 2
Issuer rating	Long-term	-	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND St
NCDs	Long-term	INR104.63	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND St
NCDs (public issue)	Long-term	INR50	IND AA+/ Stable	IND AA+/ Stable	-	-	-	-	-	-	
Lower Tier 2 sub-debt	Long-term	INR33.17	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND AA+/ Stable	IND St
Perpetual debt (Tier 1 instrument)	Long-term	INR19.4	IND AA/ Stable	IND AA/ Stable	IND AA/ Stable	IND AA/ Stable	IND AA/ Stable	IND AA/ Stable	IND AA/ Stable	IND AA/ Stable	INI St

Annexure

NCDs

ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
INE121A07OI7	17 April 2018	8.62	11 April 2024	INR1.5	IND AA+/Stable
INE121A07PM6	8 July 2020	7.92	8 July 2025	INR5	IND AA+/Stable
INE121A07PL8	8 July 2020	7.88	8 July 2025	INR1.25	IND AA+/Stable
INE121A07PN4	31 July 2020	7.38	31 July 2024	INR3	IND AA+/Stable
INE121A07PP9	26 October 2020	6.8	25 October 2024	INR1.5	IND AA+/Stable
INE121A07PQ7	26 October 2020	6.8	25 October 2024	INR0.35	IND AA+/Stable
INE121A07PY1	18 February 2021	6.26	18 April 2023	INR3.25	IND AA+/Stable
INE121A08OP0	05 July 2021	3M T-bill linked	05 July 2023	INR0.25	IND AA+/Stable
INE121A07QJ0	11 February 2022	7.08	11 March 2025	INR4	IND AA+/Stable
INE121A07QJ0	29 March 2022	7.08	11 March 2025	INR0.97	IND AA+/Stable
INE121A07QM4	29 March 2022	7.3	29 March 2027	INR2.7	IND AA+/Stable
INE121A07QN2	28 April 2022	7.5	28 April 2027	INR2.75	IND AA+/Stable
INE121A07QO0	28 April 2022	7.32	28 April 2026	INR7	IND AA+/Stable
INE121A07QP7	18 May 2022	7.95	18 May 2027	INR3.5	IND AA+/Stable
INE121A07QP7	16 June 2022	7.95	18 May 2027	INR1.05	IND AA+/Stable
INE121A07QQ5	29 June 2022	ZCB - Yield - 7.90	30 June 2025	INR5	IND AA+/Stable
INE121A07QR3	14 July 2022	7.9217	14 January 2026	INR8	IND AA+/Stable
INE121A07PN4	18 August 2022	7.38	31 July 2034	INR10	IND AA+/Stable
INE121A07PP9	19 September 2022	6.8	25 October 2024	INR2	IND AA+/Stable
INE121A07OI7	15 November 2022	8.6179(8.29 – yield)	11 April 2024	INR10	IND AA+/Stable
INE121A07QT9	21 November 2022	8.45	21 November 2025	INR5	IND AA+/Stable
INE121A07QV5	23 Februray 2023	8.50	27 March 2026	INR6.02	IND AA+/Stable
Total utilised				**INR84.09**	
Total unutilised				**INR20.54**	
Total limit				**INR104.63**	

Subordinated debt

ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
INE121A08NW8	27 October 2016	9.08	27 October 2023	INR0.5	IND AA+/Stable
INE121A08NX6	9 November 2016	9.2	9 November 2023	INR0.5	IND AA+/Stable
INE121A08NY4	10 November 2016	9.2	10 November 2026	INR0.1	IND AA+/Stable
INE121A08NZ1	16 November 2016	9.1	16 November 2023	INR0.15	IND AA+/Stable
INE121A08OA2	23 November 2016	9.08	23 November 2023	INR0.5	IND AA+/Stable
INE121A08OB0	24 November 2016	9.15	24 November 2023	INR1	IND AA+/Stable
INE121A08OC8	15 June 2017	8.8	15 June 2027	INR1.25	IND AA+/Stable
INE121A08OD6	20 June 2017	8.78	18 June 2027	INR0.5	IND AA+/Stable
INE121A08OG9	5 April 2018	9.05	24 March 2028	INR5.3	IND AA+/Stable
INE121A08OF1	30 August 2017	8.53	30 August 2027	INR1.5	IND AA+/Stable
INE121A08OE4	28 June 2017	8.8	28 June 2027	INR0.75	IND AA+/Stable
INE121A08OH7	23 August 2018	9.75	23 August 2028	INR3	IND AA+/Stable
INE121A08MY6	30 September 2013	11	29 September 2023	INR0.15	IND AA+/Stable
INE121A08NG1	30 January 2014	11	30 January 2024	INR0.25	IND AA+/Stable
INE121A08NH9	24 February 2014	11	23 February 2024	INR0.2	IND AA+/Stable
INE121A08NL1	26 March 2014	11	26 March 2024	INR0.25	IND AA+/Stable
INE121A08NN7	25 April 2014	11	25 April 2024	INR0.25	IND AA+/Stable
INE121A08NO5	17 May 2014	11	20 May 2024	INR0.05	IND AA+/Stable
INE121A08NQ0	11 June 2014	11	11 June 2024	INR0.15	IND AA+/Stable
INE121A08OR6	4 October 2021	7.9	6 October 2031	INR2	IND AA+/Stable
INE121A08OZ9	6 December 2022	8.7	6 December 2032	INR 2.9	IND AA+/Stable
INE121A08OS4	28 February 2022	8.1	27 February 2032	INR1.5	IND AA+/Stable
INE121A08PC5	13 March 2023	9.0	12 October 2029	INR2	IND AA+/Stable
Total utilised				**INR24.75**	
Total unutilised				**INR8.42**	
Total limit				**INR33.17**	

Perpetual debt instrument

ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
INE121A08OI5	12 February 2019	10.88	12 February 2029	INR2.5	IND AA/Stable
INE121A08OJ3	29 March 2019	10.83	29 March 2029	INR0.56	IND AA/Stable
INE121A08OL9	03 November 2020	9.3	4 November 2030	INR0.45	IND AA/Stable
INE121A08MZ3	23 October 2013	12.6	23 October 2023	INR0.25	IND AA/Stable
INE121A08NC0	27 December 2013	12.6	26 December 2023	INR0.12	IND AA/Stable
INE121A08NE6	27 December 2013	12.5	27 December 2023	INR0.26	IND AA/Stable
INE121A08NF3	23 January 2014	12.6	23 January 2024	INR0.05	IND AA/Stable
INE121A08NJ5	23 February 2014	12.9	23 February 2024	INR0.25	IND AA/Stable
INE121A08NB2	30 October 2013	12.9	30 October 2023	INR0.5	IND AA/Stable
INE121A08NS6	27 June 2014	12.9	27 June 2024	INR0.25	IND AA/Stable
INE121A08ND8	27 December 2013	12.5	27 December 2023	INR0.6	IND AA/Stable
INE121A08ND8	27 December 2013	12.5	27 December 2023	INR0.05	IND AA/Stable
INE121A08NT4	9 July 2014	12.9	27 June 2024	INR0.17	IND AA/Stable
INE121A08NU2	27 August 2014	12.8	27 August 2024	INR0.25	IND AA/Stable
INE121A08OM7	8 March 2021	9.25	10 March 2031	INR1	IND AA/Stable
INE121A08ON5	25 May 2021	9.2	26 May 2031	INR1	IND AA/Stable
INE121A08OO3	30 June 2021	9.05	1 July 2031	INR0.4	IND AA/Stable
INE121A08OQ8	06 September 2021	8.98	8 September 2031	INR0.3	IND AA/Stable
INE121A08OT2	07 March 2022	9.1	8 March 2032	INR0.25	IND AA/Stable
INE121A08OU0	30 May 2022	9.2	31 May 2032	INR0.45	IND AA/Stable
INE121A08OV8	23 August 2022	9.15	24 August 2032 (Call option date)	INR0.6	IND AA/Stable
INE121A08OW6	22 September 2022	9.15	28 September 2032 (Call option date)	INR0.24	IND AA/Stable
INE121A08OX4	28 October 2022	9.15	29 October 2032 (Call option date)	INR0.21	IND AA/Stable
INE121A08OY2	30 November 2022	9.15	12 January 2032 (Call option date)	INR0.2	IND AA/Stable
INE121A08PA9	12 January 2023	9.15	13 January 2033	INR0.2	IND AA/Stable

INE121A08PB7	28 February 2023	9.45	1 March 2033 (Call option)	INR3	IND AA/Stable
INE121A08PD3	16 March 2023	9.40	17 March 2033	INR0.23	IND AA/Stable
Total Utilised				**INR14.34**	
Total Unutilised				**INR5.06**	
Total Limit				**INR19.4**	

Complexity Level of Instruments

Instrument Type	Complexity Indicator
NCDs	Low
Lower tier 2 sub-debt	Low
Perpetual debt (tier 1 instrument)	High

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

Contact

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APPLICABLE CRITERIA

Financial Institutions Rating Criteria

Rating of Financial Institutions Legacy Hybrids and Sub-Debt

Non-Bank Finance Companies Criteria

The Rating Process

Evaluating Corporate Governance

DISCLAIMER

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India Ratings & Research
A Fitch Group Company

Fitch Group

Mr. Arul Selvan
Executive Vice President & CFO
Cholamandalam Investment and Finance Co. Ltd.
Dare House, No.2, N.S.C. Bose Road,
Parrys, Chennai - 600 001.

April 13, 2023

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Cholamandalam Investment and Finance Company Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
NCDs*				INR104.63	IND AA+/Stable
NCDs (Public issue) @	-	-	-	INR50	IND AA+/Stable
Lower Tier 2 subordinated debt*	-	-	-	INR33.17	IND AA+/Stable
Perpetual debt (Tier 1 instrument) *,#	-	-	-	INR14.4	IND AA/Stable
Perpetual debt (Tier 1 instrument) *,#,@	-	-	-	INR5	IND AA/Stable

*Details in Annexure

Perpetual debt instruments are subject to coupon deferring if capital levels fall below the regulatory minimum, or if servicing of coupon leads to capital levels falling below the regulatory minimum, or if servicing of coupon leads to a loss after tax or an increase in loss after tax, and requires prior approval from the regulator, even if the capital levels then are above the regulatory minimum.
@ Yet to utilise

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are

available for a given security.

The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, “India Ratings” means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Prakash Agarwal
Prakash Agarwal
Senior Director

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
NCDs	INE121A07OI7	17/04/2018	8.62	11/04/2024	IND AA+/Stable	1500
NCDs	INE121A07PM6	08/07/2020	7.92	08/07/2025	IND AA+/Stable	5000
NCDs	INE121A07PL8	08/07/2020	7.88	08/07/2025	IND AA+/Stable	1250
NCDs	INE121A07PN4	31/07/2020	7.38	31/07/2024	IND AA+/Stable	3000
NCDs	INE121A07PP9	26/10/2020	6.8	25/10/2024	IND AA+/Stable	1500
NCDs	INE121A07PQ7	26/10/2020	6.8	25/10/2024	IND AA+/Stable	350
NCDs	INE121A07PY1	18/02/2021	6.26	18/04/2023	IND AA+/Stable	3250
NCDs	INE121A08OP0	05/07/2021	3M T-bill linked	05/07/2023	IND AA+/Stable	250
NCDs	INE121A07QJ0	11/02/2022	7.08	11/03/2025	IND AA+/Stable	4000
NCDs	INE121A07QJ0	29/03/2022	7.08	11/03/2025	IND AA+/Stable	970
NCDs	INE121A07QM4	29/03/2022	7.3	29/03/2027	IND AA+/Stable	2700
NCDs	INE121A07QN2	28/04/2022	7.5	28/04/2027	IND AA+/Stable	2750
NCDs	INE121A07QO0	28/04/2022	7.32	28/04/2026	IND AA+/Stable	7000
NCDs	INE121A07QP7	18/05/2022	7.95	18/05/2027	IND AA+/Stable	3500
NCDs	INE121A07QP7	16/06/2022	7.95	18/05/2027	IND AA+/Stable	1050
NCDs	INE121A07QQ5	29/06/2022	ZCB - Yield - 7.90	30/06/2025	IND AA+/Stable	5000
NCDs	INE121A07QR3	14/07/2022	7.9217	14/01/2026	IND AA+/Stable	8000
NCDs	INE121A07PN4	18/08/2022	7.38	31/07/2034	IND AA+/Stable	10000
NCDs	INE121A07PP9	19/09/2022	6.8	25/10/2024	IND AA+/Stable	2000

NCDs	INE121A07OI7	15/11/2022	8.6179(8.29 – yield)	11/04/2024	IND AA+/Stable	10000
NCDs	INE121A07QT9	21/11/2022	8.45	21/11/2025	IND AA+/Stable	5000
NCDs	INE121A07QV5		8.5	27/03/2026	IND AA+/Stable	6020
NCDs (unutilised)					IND AA+/Stable	20540
Subordinated debt	INE121A08NW8	27/10/2016	9.08	27/10/2023	IND AA+/Stable	500
Subordinated debt	INE121A08NX6	09/11/2016	9.2	09/11/2023	IND AA+/Stable	500
Subordinated debt	INE121A08NY4	10/11/2016	9.2	10/11/2026	IND AA+/Stable	100
Subordinated debt	INE121A08NZ1	16/11/2016	9.1	16/11/2023	IND AA+/Stable	150
Subordinated debt	INE121A08OA2	23/11/2016	9.08	23/11/2023	IND AA+/Stable	500
Subordinated debt	INE121A08OB0	24/11/2016	9.15	24/11/2023	IND AA+/Stable	1000
Subordinated debt	INE121A08OC8	15/06/2017	8.8	15/06/2027	IND AA+/Stable	1250
Subordinated debt	INE121A08OD6	20/06/2017	8.78	18/06/2027	IND AA+/Stable	500
Subordinated debt	INE121A08OG9	05/04/2018	9.05	24/03/2028	IND AA+/Stable	5300
Subordinated debt	INE121A08OF1	30/08/2017	8.53	30/08/2027	IND AA+/Stable	1500
Subordinated debt	INE121A08OE4	28/06/2017	8.8	28/06/2027	IND AA+/Stable	750
Subordinated debt	INE121A08OH7	23/08/2018	9.75	23/08/2028	IND AA+/Stable	3000
Subordinated debt	INE121A08MY6	30/09/2013	11	29/09/2023	IND AA+/Stable	150
Subordinated debt	INE121A08NG1	30/01/2014	11	30/01/2024	IND AA+/Stable	250
Subordinated debt	INE121A08NH9	24/02/2014	11	23/02/2024	IND AA+/Stable	200
Subordinated debt	INE121A08NL1	26/03/2014	11	26/03/2024	IND AA+/Stable	250
Subordinated debt	INE121A08NN7	25/04/2014	11	25/04/2024	IND AA+/Stable	250
Subordinated debt	INE121A08NO5	17/05/2014	11	20/05/2024	IND AA+/Stable	50
Subordinated debt	INE121A08NQ0	11/06/2014	11	11/06/2024	IND AA+/Stable	150
Subordinated debt	INE121A08OR6	04/10/2021	7.9	06/10/2031	IND AA+/Stable	2000
Subordinated debt	INE121A08OZ9	06/12/2022	8.7	06/12/2032	IND AA+/Stable	2900

Subordinated debt	INE121A08OS4	28/02/2022	8.1	27/02/2032	IND AA+/Stable	1500
Subordinated debt	INE121A08PC5	13/03/2023	9	12/10/2029	IND AA+/Stable	2000
Subordinated debt (Unutilised)					IND AA+/Stable	8420
Perpetual debt instrument	INE121A08OI5	12/02/2019	10.88	12/02/2029	IND AA/Stable	2500
Perpetual debt instrument	INE121A08OJ3	29/03/2019	10.83	29/03/2029	IND AA/Stable	560
Perpetual debt instrument	INE121A08OL9	03/11/2020	9.3	04/11/2030	IND AA/Stable	450
Perpetual debt instrument	INE121A08MZ3	23/10/2013	12.6	23/10/2023	IND AA/Stable	250
Perpetual debt instrument	INE121A08NC0	27/12/2013	12.6	26/12/2023	IND AA/Stable	120
Perpetual debt instrument	INE121A08NE6	27/12/2013	12.5	27/12/2023	IND AA/Stable	260
Perpetual debt instrument	INE121A08NF3	23/01/2014	12.6	23/01/2024	IND AA/Stable	50
Perpetual debt instrument	INE121A08NJ5	23/02/2014	12.9	23/02/2024	IND AA/Stable	250
Perpetual debt instrument	INE121A08NB2	30/10/2013	12.9	30/10/2023	IND AA/Stable	500
Perpetual debt instrument	INE121A08NS6	27/06/2014	12.9	27/06/2024	IND AA/Stable	250
Perpetual debt instrument	INE121A08ND8	27/12/2013	12.5	27/12/2023	IND AA/Stable	600
Perpetual debt instrument	INE121A08ND8	27/12/2013	12.5	27/12/2023	IND AA/Stable	50
Perpetual debt instrument	INE121A08NT4	09/07/2014	12.9	27/06/2024	IND AA/Stable	170
Perpetual debt instrument	INE121A08NU2	27/08/2014	12.8	27/08/2024	IND AA/Stable	250
Perpetual debt instrument	INE121A08OM7	08/03/2021	9.25	10/03/2031	IND AA/Stable	1000
Perpetual debt instrument	INE121A08ON5	25/05/2021	9.2	26/05/2031	IND AA/Stable	1000
Perpetual debt instrument	INE121A08OO3	30/06/2021	9.05	01/07/2031	IND AA/Stable	400
Perpetual debt instrument	INE121A08OQ8	06/09/2021	8.98	08/09/2031	IND AA/Stable	300
Perpetual debt instrument	INE121A08OT2	07/03/2022	9.1	08/03/2032	IND AA/Stable	250
Perpetual debt instrument	INE121A08OU0	30/05/2022	9.2	31/05/2032	IND AA/Stable	450
Perpetual debt instrument	INE121A08OV8	23/08/2022	9.15	24/08/2032	IND AA/Stable	600
Perpetual debt instrument	INE121A08OW6	22/09/2022	9.15	28/09/2032	IND AA/Stable	240
Perpetual debt instrument	INE121A08OX4	28/10/2022	9.15	29/10/2032	IND AA/Stable	210
Perpetual debt instrument	INE121A08OY2	30/11/2022	9.15	12/01/2032	IND AA/Stable	200
Perpetual debt instrument	INE121A08PA9	12/01/2023	9.15	13/01/2033	IND AA/Stable	200
Perpetual debt instrument	INE121A08PB7	28/02/2023	9.45	01/03/2033	IND AA/Stable	3000
Perpetual debt instrument	INE121A08PD3	16/03/2023	9.4	17/03/2033	IND AA/Stable	230
Perpetual debt instrument (Unutilised)					IND AA/Stable	5060

India Ratings & Research
A Fitch Group Company

Fitch Group

Mr. Arul Selvan
Executive Vice President & CFO
Cholamandalam Investment and Finance Co. Ltd.
Dare House, No.2, N.S.C. Bose Road,
Parrys, Chennai - 600 001.

July 12, 2023

Dear Sir/Madam,

Re: Rating Letter for NCD of Cholamandalam Investment and Finance Company Limited

India Ratings and Research (Ind-Ra) has taken the following rating actions on Cholamandalam Investment and Finance Company Limited (CIFCL):

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Long-Term Issuer Rating	-	-	-	-	IND AA+/Stable	Affirmed
NCDs*	-	-	-	INR101.13(reduced from INR104.63)	IND AA+/Stable	Affirmed
NCDs (public issue) @	-	-	-	INR50	IND AA+/Stable	Affirmed
Lower Tier 2 subordinated debt*	-	-	-	INR33.17	IND AA+/Stable	Affirmed
Perpetual debt (Tier 1 instrument)#*	-	-	-	INR19.4	IND AA/Stable	Affirmed
Perpetual debt (Tier 1 instrument)#@*	-	-	-	INR5	IND AA/Stable	Assigned
Lower Tier 2 subordinated debt@*	-	-	-	INR5	IND AA+/Stable	Assigned

*Details in Annexure

#Perpetual debt instruments are subject to coupon deferring if capital levels fall below the regulatory minimum, or if servicing of coupon leads to capital levels falling below the regulatory minimum, or if servicing of coupon leads to a loss after tax or an increase in loss after tax, and requires prior approval from the regulator, even if the capital levels then are above the regulatory minimum.
@Yet to be utilized

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are

available for a given security.

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Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, “India Ratings” means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Karan Gupta
Director

Jatin Nanaware
Senior Director

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
NCDs	INE121A07OI7	17/04/2018	8.62	11/04/2024	IND AA+/Stable	1500
NCDs	INE121A07PM6	08/07/2020	7.92	08/07/2025	IND AA+/Stable	5000
NCDs	INE121A07PL8	08/07/2020	7.88	08/07/2025	IND AA+/Stable	1250
NCDs	INE121A07PN4	31/07/2020	7.38	31/07/2024	IND AA+/Stable	3000
NCDs	INE121A07PP9	26/10/2020	6.8	25/10/2024	IND AA+/Stable	1500
NCDs	INE121A07PQ7	26/10/2020	6.8	25/10/2024	IND AA+/Stable	350
NCDs	INE121A07PY1	18/02/2021	6.26	18/04/2023	WD	3250
NCDs	INE121A08OP0	05/07/2021	3M T-bill linked	05/07/2023	WD	250
NCDs	INE121A07QJ0	11/02/2022	7.08	11/03/2025	IND AA+/Stable	4000
NCDs	INE121A07QJ0	29/03/2022	7.08	11/03/2025	IND AA+/Stable	970
NCDs	INE121A07QM4	29/03/2022	7.3	29/03/2027	IND AA+/Stable	2700
NCDs	INE121A07QN2	28/04/2022	7.5	28/04/2027	IND AA+/Stable	2750
NCDs	INE121A07QO0	28/04/2022	7.32	28/04/2026	IND AA+/Stable	7000
NCDs	INE121A07QP7	18/05/2022	7.95	18/05/2027	IND AA+/Stable	3500
NCDs	INE121A07QP7	16/06/2022	7.95	18/05/2027	IND AA+/Stable	1050
NCDs	INE121A07QQ5	29/06/2022	ZCB - yield - 7.90	30/06/2025	IND AA+/Stable	5000
NCDs	INE121A07QR3	14/07/2022	7.9217	14/01/2026	IND AA+/Stable	8000
NCDs	INE121A07PN4	18/08/2022	7.38	31/07/2034	IND AA+/Stable	10000
NCDs	INE121A07PP9	19/09/2022	6.8	25/10/2024	IND AA+/Stable	2000
NCDs	INE121A07OI7	15/11/2022	8.6179 (8.29 – yield)	11/04/2024	IND AA+/Stable	10000

NCDs	INE121A07QT9	21/11/2022	8.45	21/11/2025	IND AA+/Stable	5000
NCDs	INE121A07QV5	23/02/2023	8.5	27/03/2026	IND AA+/Stable	6020
NCDs	INE121A07RC3	15/05/2023	8.25	15/05/2026	IND AA+/Stable	7000
NCDs (Unutilised)					IND AA+/Stable	13540
Public NCDs	INE121A07QY9	04/05/2023	8.4	04/05/2028	IND AA+/Stable	4400
Public NCDs	INE121A07QX1	04/05/2023	8.6	04/05/2028	IND AA+/Stable	120
Public NCDs	INE121A07QZ6	04/05/2023	8.3	04/06/2026	IND AA+/Stable	80
Public NCDs	INE121A07QW3	04/05/2023	8.3	04/06/2026	IND AA+/Stable	1870
Public NCDs	INE121A07RB5	04/05/2023	8.25	04/03/2025	IND AA+/Stable	3350
Public NCDs	INE121A07RA7	04/05/2023	8.26	04/03/2025	IND AA+/Stable	170
Public NCDs (Unutilised)					IND AA+/Stable	40000
Subordinated Debt	INE121A08NW8	27/10/2016	9.08	27/10/2023	IND AA+/Stable	500
Subordinated Debt	INE121A08NX6	09/11/2016	9.2	09/11/2023	IND AA+/Stable	500
Subordinated Debt	INE121A08NY4	10/11/2016	9.2	10/11/2026	IND AA+/Stable	100
Subordinated Debt	INE121A08NZ1	16/11/2016	9.1	16/11/2023	IND AA+/Stable	150
Subordinated Debt	INE121A08OA2	23/11/2016	9.08	23/11/2023	IND AA+/Stable	500
Subordinated Debt	INE121A08OB0	24/11/2016	9.15	24/11/2023	IND AA+/Stable	1000
Subordinated Debt	INE121A08OC8	15/06/2017	8.8	15/06/2027	IND AA+/Stable	1250
Subordinated Debt	INE121A08OD6	20/06/2017	8.78	18/06/2027	IND AA+/Stable	500
Subordinated Debt	INE121A08OG9	05/04/2018	9.05	24/03/2028	IND AA+/Stable	5300
Subordinated Debt	INE121A08OF1	30/08/2017	8.53	30/08/2027	IND AA+/Stable	1500
Subordinated Debt	INE121A08OE4	28/06/2017	8.8	28/06/2027	IND AA+/Stable	750
Subordinated Debt	INE121A08OH7	23/08/2018	9.75	23/08/2028	IND AA+/Stable	3000
Subordinated Debt	INE121A08MY6	30/09/2013	11	29/09/2023	IND AA+/Stable	150
Subordinated Debt	INE121A08NG1	30/01/2014	11	30/01/2024	IND AA+/Stable	250

Subordinated Debt	INE121A08NH9	24/02/2014	11	23/02/2024	IND AA+/Stable	200
Subordinated Debt	INE121A08NL1	26/03/2014	11	26/03/2024	IND AA+/Stable	250
Subordinated Debt	INE121A08NN7	25/04/2014	11	25/04/2024	IND AA+/Stable	250
Subordinated Debt	INE121A08NO5	17/05/2014	11	20/05/2024	IND AA+/Stable	50
Subordinated Debt	INE121A08NQ0	11/06/2014	11	11/06/2024	IND AA+/Stable	150
Subordinated Debt	INE121A08OR6	04/10/2021	7.9	06/10/2031	IND AA+/Stable	2000
Subordinated Debt	INE121A08OS4	28/02/2022	8.1	27/02/2032	IND AA+/Stable	1500
Subordinated Debt	INE121A08OZ9	06/12/2022	8.65	06/12/2032	IND AA+/Stable	2900
Subordinated Debt	INE121A08PC5	13/03/2023	9	12/10/2029	IND AA+/Stable	2000
Subordinated Debt	INE121A08PF8	23/05/2023	8.75	23/05/2030	IND AA+/Stable	3000
Subordinated Debt (Unutilised)					IND AA+/Stable	10420
Perpetual Debt Instrument	INE121A08OI5	12/02/2019	10.88	12/02/2029	IND AA/Stable	2500
Perpetual Debt Instrument	INE121A08OJ3	29/03/2019	10.83	29/03/2029	IND AA/Stable	560
Perpetual Debt Instrument	INE121A08OL9	03/11/2020	9.3	04/11/2030	IND AA/Stable	450
Perpetual Debt Instrument	INE121A08MZ3	23/10/2013	12.6	23/10/2023	IND AA/Stable	250
Perpetual Debt Instrument	INE121A08NC0	27/12/2013	12.6	26/12/2023	IND AA/Stable	120
Perpetual Debt Instrument	INE121A08NE6	27/12/2013	12.5	27/12/2023	IND AA/Stable	260
Perpetual Debt Instrument	INE121A08NF3	23/01/2014	12.6	23/01/2024	IND AA/Stable	50
Perpetual Debt Instrument	INE121A08NJ5	23/02/2014	12.9	23/02/2024	IND AA/Stable	250
Perpetual Debt Instrument	INE121A08NB2	30/10/2013	12.9	30/10/2023	IND AA/Stable	500
Perpetual Debt Instrument	INE121A08NS6	27/06/2014	12.9	27/06/2024	IND AA/Stable	250
Perpetual Debt Instrument	INE121A08ND8	27/12/2013	12.5	27/12/2023	IND AA/Stable	600
Perpetual Debt Instrument	INE121A08ND8	27/12/2013	12.5	27/12/2023	IND AA/Stable	50
Perpetual Debt Instrument	INE121A08NT4	09/07/2014	12.9	27/06/2024	IND AA/Stable	170
Perpetual Debt Instrument	INE121A08NU2	27/08/2014	12.8	27/08/2024	IND AA/Stable	250
Perpetual Debt Instrument	INE121A08OM7	08/03/2021	9.25	10/03/2031	IND AA/Stable	1000
Perpetual Debt Instrument	INE121A08ON5	25/05/2021	9.2	26/05/2031	IND AA/Stable	1000
Perpetual Debt Instrument	INE121A08OO3	30/06/2021	9.05	01/07/2031	IND AA/Stable	400
Perpetual Debt Instrument	INE121A08OQ8	06/09/2021	8.98	08/09/2031	IND AA/Stable	300
Perpetual Debt Instrument	INE121A08OT2	07/03/2022	9.1	08/03/2032	IND AA/Stable	250
Perpetual Debt Instrument	INE121A08OU0	30/05/2022	9.2	31/05/2032	IND AA/Stable	450
Perpetual Debt Instrument	INE121A08OV8	23/08/2022	9.15	24/08/2032	IND AA/Stable	600
Perpetual Debt Instrument	INE121A08OW6	22/09/2022	9.15	28/09/2032	IND AA/Stable	240

Perpetual Debt Instrument	INE121A08OX4	28/10/2022	9.15	29/10/2032	IND AA/Stable	210
Perpetual Debt Instrument	INE121A08OY2	30/11/2022	9.15	01/12/2032	IND AA/Stable	200
Perpetual Debt Instrument	INE121A08PA9	12/01/2023	9.15	13/01/2033	IND AA/Stable	200
Perpetual Debt Instrument	INE121A08PB7	28/02/2023	9.45	01/03/2033	IND AA/Stable	3000
Perpetual Debt Instrument	INE121A08PD3	16/03/2023	9.4	17/03/2033	IND AA/Stable	230
Perpetual Debt Instrument	INE121A08PG6	31/05/2023	9.4	01/06/2033	IND AA/Stable	300
Perpetual Debt Instrument (Unutilised)					IND AA/Stable	9760



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Cholamandalam Investment and Finance Co. Ltd.
Chola Crest, C 54 & 55, Super B-4,
Thiru Vi Ka Industrial Estate, Guindy, Chennai -600032

November 01, 2023

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Cholamandalam Investment and Finance Company Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
NCDs*	-	-	-	INR101.13	IND AA+/Stable
NCDs (public issue) @	-	-	-	INR50	IND AA+/Stable
Lower Tier 2 subordinated debt*	-	-	-	INR33.17	IND AA+/Stable
Perpetual debt (Tier 1 instrument)*	-	-	-	INR19.4	IND AA/Stable
Perpetual debt (Tier 1 instrument)*	-	-	-	INR5	IND AA/Stable
Lower Tier 2 subordinated debt@*	-	-	-	INR5	IND AA+/Stable

*Details in Annexure

@Yet to be utilized

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

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

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

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In this letter, “India Ratings” means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Pankaj Naik
Director

Rakesh Valecha
Senior Director

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
NCD	INE121A07OI7	17/04/2018	8.62	11/04/2024	IND AA+/Stable	1500

NCD	INE121A07PM6	08/07/2020	7.92	08/07/2025	IND AA+/Stable	5000
NCD	INE121A07PL8	08/07/2020	7.88	08/07/2025	IND AA+/Stable	1250
NCD	INE121A07PN4	31/07/2020	7.38	31/07/2024	IND AA+/Stable	3000
NCD	INE121A07PP9	26/10/2020	6.8	25/10/2024	IND AA+/Stable	1500
NCD	INE121A07PQ7	26/10/2020	6.8	25/10/2024	IND AA+/Stable	350
NCD	INE121A07PY1	18/02/2021	6.26	18/04/2023	WD	3250
NCD	INE121A08OP0	05/07/2021	3M T-bill linked	05/07/2023	WD	250
NCD	INE121A07QJ0	11/02/2022	7.08	11/03/2025	IND AA+/Stable	4000
NCD	INE121A07QJ0	29/03/2022	7.08	11/03/2025	IND AA+/Stable	974
NCD	INE121A07QM4	29/03/2022	7.3	29/03/2027	IND AA+/Stable	2700
NCD	INE121A07QN2	28/04/2022	7.5	28/04/2027	IND AA+/Stable	2750
NCD	INE121A07QO0	28/04/2022	7.32	28/04/2026	IND AA+/Stable	7000
NCD	INE121A07QP7	18/05/2022	7.95	18/05/2027	IND AA+/Stable	3500
NCD	INE121A07QP7	16/06/2022	7.95	18/05/2027	IND AA+/Stable	1050
NCD	INE121A07QQ5	29/06/2022	ZCB - Yield - 7.90	30/06/2025	IND AA+/Stable	5000
NCD	INE121A07QR3	14/07/2022	7.9217	14/01/2026	IND AA+/Stable	8000
NCD	INE121A07PN4	18/08/2022	7.38	31/07/2034	IND AA+/Stable	10000
NCD	INE121A07PP9	19/09/2022	6.8	25/10/2024	IND AA+/Stable	2000
NCD	INE121A07OI7	15/11/2022	8.6179(8.29 – yield)	11/04/2024	IND AA+/Stable	10000
NCD	INE121A07QT9	21/11/2022	8.45	21/11/2025	IND AA+/Stable	5000
NCD	INE121A07QV5		8.5	27/03/2026	IND AA+/Stable	6020
NCD	INE121A07RC3	15/05/2023	8.25	15/05/2026	IND AA+/Stable	7000
NCD (unutilised)					IND AA+/Stable	13536
Public NCD	INE121A07QY9	04/05/2023	8.4	04/05/2028	IND AA+/Stable	4402.938
Public NCD	INE121A07QX1	04/05/2023	8.6	04/05/2028	IND AA+/Stable	124.336
Public NCD	INE121A07QZ6	04/05/2023	8.3	04/06/2026	IND	83.5

					AA+/Stable	
Public NCD	INE121A07QW3	04/05/2023	8.3	04/06/2026	IND AA+/Stable	1872.062
Public NCD	INE121A07RB5	04/05/2023	8.25	04/03/2025	IND AA+/Stable	3349.951
Public NCD	INE121A07RA7	04/05/2023	8.26	04/03/2025	IND AA+/Stable	167.213
Public NCD	INE121A07RH2	09/08/2023	8.25	09/06/2025	IND AA+/Stable	3285.035
Public NCD	INE121A07RG4	09/08/2023	8.25	09/06/2025	IND AA+/Stable	74.466
Public NCD	INE121A07RF6	09/08/2023	8.3	09/09/2026	IND AA+/Stable	2018.847
Public NCD	INE121A07RD1	09/08/2023	8.3	09/09/2026	IND AA+/Stable	112.926
Public NCD	INE121A07RE9	09/08/2023	8.4	09/08/2028	IND AA+/Stable	8963.94
Public NCD	INE121A07RI0	09/08/2023	8.4	09/08/2028	IND AA+/Stable	96.548
Public NCD (unutilised)					IND AA+/Stable	25448.238
Subordinated debt	INE121A08NW8	27/10/2016	9.08	27/10/2023	WD	500
Subordinated debt	INE121A08NX6	09/11/2016	9.2	09/11/2023	IND AA+/Stable	500
Subordinated debt	INE121A08NY4	10/11/2016	9.2	10/11/2026	IND AA+/Stable	100
Subordinated debt	INE121A08NZ1	16/11/2016	9.1	16/11/2023	IND AA+/Stable	150
Subordinated debt	INE121A08OA2	23/11/2016	9.08	23/11/2023	IND AA+/Stable	500
Subordinated debt	INE121A08OB0	24/11/2016	9.15	24/11/2023	IND AA+/Stable	1000
Subordinated debt	INE121A08OC8	15/06/2017	8.8	15/06/2027	IND AA+/Stable	1250
Subordinated debt	INE121A08OD6	20/06/2017	8.78	18/06/2027	IND AA+/Stable	500
Subordinated debt	INE121A08OG9	05/04/2018	9.05	24/03/2028	IND AA+/Stable	5300
Subordinated debt	INE121A08OF1	30/08/2017	8.53	30/08/2027	IND AA+/Stable	1500
Subordinated debt	INE121A08OE4	28/06/2017	8.8	28/06/2027	IND AA+/Stable	750
Subordinated debt	INE121A08OH7	23/08/2018	9.75	23/08/2028	IND AA+/Stable	3000
Subordinated debt	INE121A08MY6	30/09/2013	11	29/09/2023	WD	150
Subordinated debt	INE121A08NG1	30/01/2014	11	30/01/2024	IND AA+/Stable	250
Subordinated debt	INE121A08NH9	24/02/2014	11	23/02/2024	IND AA+/Stable	200

Subordinated debt	INE121A08NL1	26/03/2014	11	26/03/2024	IND AA+/Stable	250
Subordinated debt	INE121A08NN7	25/04/2014	11	25/04/2024	IND AA+/Stable	250
Subordinated debt	INE121A08NO5	17/05/2014	11	20/05/2024	IND AA+/Stable	50
Subordinated debt	INE121A08NQ0	11/06/2014	11	11/06/2024	IND AA+/Stable	150
Subordinated debt	INE121A08OR6	04/10/2021	7.9	06/10/2031	IND AA+/Stable	2000
Subordinated debt	INE121A08OS4	28/02/2022	8.1	27/02/2032	IND AA+/Stable	1500
Subordinated debt	INE121A08OZ9	06/12/2022	8.65	06/12/2032	IND AA+/Stable	2900
Subordinated debt	INE121A08PC5	13/03/2023	9	12/10/2029	IND AA+/Stable	2000
Subordinated debt	INE121A08PF8	23/05/2023	8.75	23/05/2030	IND AA+/Stable	3000
Subordinated debt	INE121A08PK8	16/10/2023	8.85	17/10/1933	IND AA+/Stable	2050
Subordinated debt (unutilised)					IND AA+/Stable	8370
Perpetual debt instrument	INE121A08OI5	12/02/2019	10.88	12/02/2029	IND AA/Stable	2500
Perpetual debt instrument	INE121A08OJ3	29/03/2019	10.83	29/03/2029	IND AA/Stable	560
Perpetual debt instrument	INE121A08OL9	03/11/2020	9.3	04/11/2030	IND AA/Stable	450
Perpetual debt instrument	INE121A08MZ3	23/10/2013	12.6	23/10/2023	IND AA/Stable	250
Perpetual debt instrument	INE121A08NC0	27/12/2013	12.6	26/12/2023	IND AA/Stable	120
Perpetual debt instrument	INE121A08NE6	27/12/2013	12.5	27/12/2023	IND AA/Stable	260
Perpetual debt instrument	INE121A08NF3	23/01/2014	12.6	23/01/2024	IND AA/Stable	50
Perpetual debt instrument	INE121A08NJ5	23/02/2014	12.9	23/02/2024	IND AA/Stable	250
Perpetual debt instrument	INE121A08NB2	30/10/2013	12.9	30/10/2023	IND AA/Stable	500
Perpetual debt instrument	INE121A08NS6	27/06/2014	12.9	27/06/2024	IND AA/Stable	250
Perpetual debt instrument	INE121A08ND8	27/12/2013	12.5	27/12/2023	IND AA/Stable	600
Perpetual debt instrument	INE121A08ND8	27/12/2013	12.5	27/12/2023	IND AA/Stable	50
Perpetual debt instrument	INE121A08NT4	09/07/2014	12.9	27/06/2024	IND AA/Stable	170
Perpetual debt instrument	INE121A08NU2	27/08/2014	12.8	27/08/2024	IND AA/Stable	250
Perpetual debt instrument	INE121A08OM7	08/03/2021	9.25	10/03/2031	IND AA/Stable	1000
Perpetual debt instrument	INE121A08ON5	25/05/2021	9.2	26/05/2031	IND AA/Stable	1000
Perpetual debt instrument	INE121A08OO3	30/06/2021	9.05	01/07/2031	IND AA/Stable	400
Perpetual debt instrument	INE121A08OQ8	06/09/2021	8.98	08/09/2031	IND AA/Stable	300
Perpetual debt instrument	INE121A08OT2	07/03/2022	9.1	08/03/2032	IND AA/Stable	250
Perpetual debt instrument	INE121A08OU0	30/05/2022	9.2	31/05/2032	IND AA/Stable	450
Perpetual debt instrument	INE121A08OV8	23/08/2022	9.15	24/08/2032	IND AA/Stable	600
Perpetual debt instrument	INE121A08OW6	22/09/2022	9.15	28/09/2032	IND AA/Stable	240

Perpetual debt instrument	INE121A08OX4	28/10/2022	9.15	29/10/2032	IND AA/Stable	210
Perpetual debt instrument	INE121A08OY2	30/11/2022	9.15	01/12/2032	IND AA/Stable	200
Perpetual debt instrument	INE121A08PA9	12/01/2023	9.15	13/01/2033	IND AA/Stable	200
Perpetual debt instrument	INE121A08PB7	28/02/2023	9.45	01/03/2033	IND AA/Stable	3000
Perpetual debt instrument	INE121A08PD3	16/03/2023	9.4	17/03/2033	IND AA/Stable	230
Perpetual debt instrument	INE121A08PE1	24/03/2023	9.4	25/03/2033	IND AA/Stable	170
Perpetual debt instrument	INE121A08PG6	31/05/2023	9.4	01/06/1933	IND AA/Stable	300
Perpetual debt instrument	INE121A08PH	28/06/2023	9.25	29/06/2033	IND AA/Stable	2000
Perpetual debt instrument	INE121A08PI2	25/09/2023	9.25	26/09/2033	IND AA/Stable	200
Perpetual debt instrument (Unutilised)					IND AA/Stable	7390

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Chola Crest, C 54 & 55, Super B-4,
Thiru Vi Ka Industrial Estate, Guindy, Chennai -600032

January 02, 2024

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Cholamandalam Investment and Finance Company Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
NCDs*	-	-	-	INR101.13	IND AA+/Stable
NCDs (public issue) @	-	-	-	INR50	IND AA+/Stable
Lower Tier 2 subordinated debt*	-	-	-	INR35.37	IND AA+/Stable
Perpetual debt (Tier 1 instrument)*	-	-	-	INR23.65	IND AA/Stable

*Details in Annexure

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The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

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information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

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In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Karan Gupta
Director

Pankaj Naik
Director

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
NCDs	INE121A07OI7	17/04/2018	8.62	11/04/2024	IND AA+/Stable	1500
NCDs	INE121A07PM6	08/07/2020	7.92	08/07/2025	IND AA+/Stable	5000
NCDs	INE121A07PL8	08/07/2020	7.88	08/07/2025	IND AA+/Stable	1250
NCDs	INE121A07PN4	31/07/2020	7.38	31/07/2024	IND	3000

					AA+/Stable	
NCDs	INE121A07PP9	26/10/2020	6.8	25/10/2024	IND AA+/Stable	1500
NCDs	INE121A07PQ7	26/10/2020	6.8	25/10/2024	IND AA+/Stable	350
NCDs	INE121A07PY1	18/02/2021	6.26	18/04/2023	WD	3250
NCDs	INE121A08OP0	05/07/2021	3M T-bill linked	05/07/2023	WD	250
NCDs	INE121A07QJ0	11/02/2022	7.08	11/03/2025	IND AA+/Stable	4000
NCDs	INE121A07QJ0	29/03/2022	7.08	11/03/2025	IND AA+/Stable	974
NCDs	INE121A07QM4	29/03/2022	7.3	29/03/2027	IND AA+/Stable	2700
NCDs	INE121A07QN2	28/04/2022	7.5	28/04/2027	IND AA+/Stable	2750
NCDs	INE121A07QO0	28/04/2022	7.32	28/04/2026	IND AA+/Stable	7000
NCDs	INE121A07QP7	18/05/2022	7.95	18/05/2027	IND AA+/Stable	3500
NCDs	INE121A07QP7	16/06/2022	7.95	18/05/2027	IND AA+/Stable	1050
NCDs	INE121A07QQ5	29/06/2022	ZCB - Yield - 7.90	30/06/2025	IND AA+/Stable	5000
NCDs	INE121A07QR3	14/07/2022	7.9217	14/01/2026	IND AA+/Stable	8000
NCDs	INE121A07PN4	18/08/2022	7.38	31/07/2034	IND AA+/Stable	10000
NCDs	INE121A07PP9	19/09/2022	6.8	25/10/2024	IND AA+/Stable	2000
NCDs	INE121A07OI7	15/11/2022	8.6179(8.29 – yield)	11/04/2024	IND AA+/Stable	10000
NCDs	INE121A07QT9	21/11/2022	8.45	21/11/2025	IND AA+/Stable	5000
NCDs	INE121A07QV5	23/02/2023	8.5	27/03/2026	IND AA+/Stable	6020
NCDs	INE121A07RC3	15/05/2023	8.25	15/05/2026	IND AA+/Stable	7000
NCDs (unutilised)					IND AA+/Stable	13540
Public NCD	INE121A07QY9	04/05/2023	8.4	04/05/2028	IND AA+/Stable	4402.938
Public NCD	INE121A07QX1	04/05/2023	8.6	04/05/2028	IND AA+/Stable	124.336
Public NCD	INE121A07QZ6	04/05/2023	8.3	04/06/2026	IND AA+/Stable	83.5
Public NCD	INE121A07QW3	04/05/2023	8.3	04/06/2026	IND AA+/Stable	1872.062
Public NCD	INE121A07RB5	04/05/2023	8.25	04/03/2025	IND AA+/Stable	3349.951

Public NCD	INE121A07RA7	04/05/2023	8.26	04/03/2025	IND AA+/Stable	167.213
Public NCD	INE121A07RH2	09/08/2023	8.25	09/06/2025	IND AA+/Stable	3285.035
Public NCD	INE121A07RG4	09/08/2023	8.25	09/06/2025	IND AA+/Stable	74.466
Public NCD	INE121A07RF6	09/08/2023	8.3	09/09/2026	IND AA+/Stable	2018.847
Public NCD	INE121A07RD1	09/08/2023	8.3	09/09/2026	IND AA+/Stable	112.926
Public NCD	INE121A07RE9	09/08/2023	8.4	09/08/2028	IND AA+/Stable	8963.94
Public NCD	INE121A07RI0	09/08/2023	8.4	09/08/2028	IND AA+/Stable	96.548
Public NCD	INE121A07RJ8	07/12/2023	8.4	07/12/2025	IND AA+/Stable	1734.226
Public NCD	INE121A07RL4	07/12/2023	8.4	07/12/2025	IND AA+/Stable	126.294
Public NCD	INE121A07RO8	07/12/2023	8.5	07/12/2026	IND AA+/Stable	2281.86
Public NCD	INE121A07RK6	07/12/2023	8.5	07/12/2026	IND AA+/Stable	112.696
Public NCD	INE121A07RM2	07/12/2023	8.6	07/12/2028	IND AA+/Stable	4473.708
Public NCD	INE121A07RN0	07/12/2023	8.6	07/12/2028	IND AA+/Stable	89.123
Public NCD (unutilised)					IND AA+/Stable	16600
Subordinated debt	INE121A08NW8	27/10/2016	9.08	27/10/2023	WD	500
Subordinated debt	INE121A08NX6	09/11/2016	9.2	09/11/2023	WD	500
Subordinated debt	INE121A08NY4	10/11/2016	9.2	10/11/2026	IND AA+/Stable	100
Subordinated debt	INE121A08NZ1	16/11/2016	9.1	16/11/2023	WD	150
Subordinated debt	INE121A08OA2	23/11/2016	9.08	23/11/2023	WD	500
Subordinated debt	INE121A08OB0	24/11/2016	9.15	24/11/2023	WD	1000
Subordinated debt	INE121A08OC8	15/06/2017	8.8	15/06/2027	IND AA+/Stable	1250
Subordinated debt	INE121A08OD6	20/06/2017	8.78	18/06/2027	IND AA+/Stable	500
Subordinated debt	INE121A08OG9	05/04/2018	9.05	24/03/2028	IND AA+/Stable	5300
Subordinated debt	INE121A08OF1	30/08/2017	8.53	30/08/2027	IND AA+/Stable	1500
Subordinated debt	INE121A08OE4	28/06/2017	8.8	28/06/2027	IND AA+/Stable	750
Subordinated debt	INE121A08OH7	23/08/2018	9.75	23/08/2028	IND AA+/Stable	3000
Subordinated debt	INE121A08MY6	30/09/2013	11	29/09/2023	WD	150

Subordinated debt	INE121A08NG1	30/01/2014	11	30/01/2024	IND AA+/Stable	250
Subordinated debt	INE121A08NH9	24/02/2014	11	23/02/2024	IND AA+/Stable	200
Subordinated debt	INE121A08NL1	26/03/2014	11	26/03/2024	IND AA+/Stable	250
Subordinated debt	INE121A08NN7	25/04/2014	11	25/04/2024	IND AA+/Stable	250
Subordinated debt	INE121A08NO5	17/05/2014	11	20/05/2024	IND AA+/Stable	50
Subordinated debt	INE121A08NQ0	11/06/2014	11	11/06/2024	IND AA+/Stable	150
Subordinated debt	INE121A08OR6	04/10/2021	7.9	06/10/2031	IND AA+/Stable	2000
Subordinated debt	INE121A08OS4	28/02/2022	8.1	27/02/2032	IND AA+/Stable	1500
Subordinated debt	INE121A08OZ9	06/12/2022	8.65	06/12/2032	IND AA+/Stable	2900
Subordinated debt	INE121A08PC5	13/03/2023	9	12/10/2029	IND AA+/Stable	2000
Subordinated debt	INE121A08PF8	23/05/2023	8.75	23/05/2030	IND AA+/Stable	3000
Subordinated debt	INE121A08PK8	16/10/2023	8.85	17/10/1933	IND AA+/Stable	2050
Subordinated debt	INE121A08PK8	20/11/2023	8.85	21/11/2033	IND AA+/Stable	2000
Subordinated debt (unutilised)					IND AA+/Stable	6370
Perpetual debt instrument	INE121A08OI5	12/02/2019	10.88	12/02/2029	IND AA/Stable	2500
Perpetual debt instrument	INE121A08OJ3	29/03/2019	10.83	29/03/2029	IND AA/Stable	560
Perpetual debt instrument	INE121A08OL9	03/11/2020	9.3	04/11/2030	IND AA/Stable	450
Perpetual debt instrument	INE121A08MZ3	23/10/2013	12.6	23/10/2023	WD	250
Perpetual debt instrument	INE121A08NC0	27/12/2013	12.6	26/12/2023	IND AA/Stable	120
Perpetual debt instrument	INE121A08NE6	27/12/2013	12.5	27/12/2023	IND AA/Stable	260
Perpetual debt instrument	INE121A08NF3	23/01/2014	12.6	23/01/2024	IND AA/Stable	50
Perpetual debt instrument	INE121A08NJ5	23/02/2014	12.9	23/02/2024	IND AA/Stable	250
Perpetual debt instrument	INE121A08NB2	30/10/2013	12.9	30/10/2023	WD	500
Perpetual debt instrument	INE121A08NS6	27/06/2014	12.9	27/06/2024	IND AA/Stable	250
Perpetual debt instrument	INE121A08ND8	27/12/2013	12.5	27/12/2023	IND AA/Stable	600
Perpetual debt instrument	INE121A08ND8	27/12/2013	12.5	27/12/2023	IND AA/Stable	50
Perpetual debt instrument	INE121A08NT4	09/07/2014	12.9	27/06/2024	IND AA/Stable	170
Perpetual debt instrument	INE121A08NU2	27/08/2014	12.8	27/08/2024	IND AA/Stable	250
Perpetual debt instrument	INE121A08OM7	08/03/2021	9.25	10/03/2031	IND AA/Stable	1000
Perpetual debt instrument	INE121A08ON5	25/05/2021	9.2	26/05/2031	IND AA/Stable	1000
Perpetual debt instrument	INE121A08OO3	30/06/2021	9.05	01/07/2031	IND AA/Stable	400

Perpetual debt instrument	INE121A08OQ8	06/09/2021	8.98	08/09/2031	IND AA/Stable	300
Perpetual debt instrument	INE121A08OT2	07/03/2022	9.1	08/03/2032	IND AA/Stable	250
Perpetual debt instrument	INE121A08OU0	30/05/2022	9.2	31/05/2032	IND AA/Stable	450
Perpetual debt instrument	INE121A08OV8	23/08/2022	9.15	24/08/2032	IND AA/Stable	600
Perpetual debt instrument	INE121A08OW6	22/09/2022	9.15	28/09/2023	IND AA/Stable	240
Perpetual debt instrument	INE121A08OX4	28/10/2022	9.15	29/10/2032	IND AA/Stable	210
Perpetual debt instrument	INE121A08OY2	30/11/2022	9.15	12/01/2032	IND AA/Stable	200
Perpetual debt instrument	INE121A08PA9	12/01/2023	9.15	13/01/2033	IND AA/Stable	200
Perpetual debt instrument	INE121A08PB7	28/02/2023	9.45	01/03/2033	IND AA/Stable	3000
Perpetual debt instrument	INE121A08PD3	16/03/2023	9.4	17/03/2033	IND AA/Stable	230
Perpetual debt instrument	INE121A08PE1	24/03/2023	9.4	25/03/2033	IND AA/Stable	170
Perpetual debt instrument	INE121A08PG6	31/05/2023	9.4	01/06/2033	IND AA/Stable	300
Perpetual debt instrument	INE121A08PH	28/06/2023	9.25	29/06/2033	IND AA/Stable	2000
Perpetual debt instrument	INE121A08PI2	25/09/2023	9.25	26/04/2033	IND AA/Stable	200
Perpetual debt instrument (Unutilised)					IND AA/Stable	7390

January 02, 2024

Cholamandalam Investment and Finance Company Limited: Ratings reaffirmed, and outlook revised to Positive from Stable; Rated amount enhanced

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debenture (NCD) programme	15,170.30	15,170.30	[ICRA]AA+ (Positive); reaffirmed and outlook revised to Positive from Stable
	1,352.30	0.00	[ICRA]AA+ (Positive); outlook revised to Positive from Stable, rating reaffirmed and withdrawn
NCD programme (public issue)	5,000.00	5,000.00	[ICRA]AA+ (Positive); reaffirmed and outlook revised to Positive from Stable
Subordinated debentures	2,525.00	2,525.00	[ICRA]AA+ (Positive); reaffirmed and outlook revised to Positive from Stable
	280.00	0.00	[ICRA]AA+ (Positive); outlook revised to Positive from Stable, rating reaffirmed and withdrawn
Perpetual debt instrument (PDI)	2,401.80	2,401.80	[ICRA]AA (Positive); reaffirmed and outlook revised to Positive from Stable
	74.50	0.00	[ICRA]AA (Positive); outlook revised to Positive from Stable, rating reaffirmed and withdrawn
Market linked debentures (MLD)	200.00	200.00	PP-MLD[ICRA]AA+ (Positive); reaffirmed and outlook revised to Positive from Stable
Fund based – Term loans	58,730.04	76,970.04	[ICRA]AA+ (Positive); assigned/reaffirmed and outlook revised to Positive from Stable
Fund-based facilities from banks#	4,000.00	4,000.00	[ICRA]AA+ (Positive)/[ICRA]A1+; reaffirmed and outlook revised to Positive from Stable
Sub-limit – Non-fund based limits from banks^	(100.00)	(100.00)	[ICRA]AA+ (Positive); reaffirmed and outlook revised to Positive from Stable
Commercial paper	12,000.00	12,000.00	[ICRA]A1+; reaffirmed
Total	**1,01,733.94**	**1,18,267.14**	

**Instrument details are provided in Annexure I*

Rs. 4,000-crore fund-based limits are interchangeable with cash credit and short-term working capital facilities (rated [ICRA]A1+), subject to total utilisation not exceeding Rs. 4,000 crore

^ Sub-limit of Rs. 100-crore working capital facilities included as part of the rated Rs. 4,000-crore fund-based facilities from banks

Rationale

The rating action factors in Cholamandalam Investment and Finance Company Limited's (CIFCL) demonstrated track record of operations across business cycles. CIFCL has been able to steadily scale up and diversify its portfolio mix while keeping its credit costs under control. The vehicle finance segment shall remain the dominant product, going forward, even as the share of the other key secured segments (home loans [HL] and home equity [HE]) is set to expand. The share of the new businesses, i.e. Consumer & Small Enterprise Loan (CSEL), SME Finance (SME) and Secured Business & Personal Loans (SBPL), has increased recently, but is not expected to exceed 15% of the assets under management (AUM) over the near-to-medium term. Also, total unsecured loans are expected to be capped at 8-10% of the AUM, going forward.

Improvement was seen in the asset quality over the last nine quarters, following the disruptions faced on account of the Covid-19 pandemic. The gross stage 3 (GS3) declined to 3.0% in September 2023 as well as March 2023 from 4.4% in March 2022 and the peak of 6.8% in June 2021. The restructured book also declined to 1.0% of the AUM as of September 2023 from 1.6% as of March 2023 and 5.0% as of March 2022. CIFCL's profitability indicators are comfortable, with the return on managed assets (RoMA) at 2.3% in H1 FY2024 and the return on equity (RoE) at 19.8%, while the liquidity profile remains strong.

The company raised equity capital of Rs. 2,000.0 crore via a qualified institutional placement (QIP) and another Rs. 2,000.0 crore in the form of compulsorily convertible debentures (CCDs) in October 2023 (compulsorily convertible in October 2026 with a call option available with the investors from October 2025). CIFCL's capitalisation profile, characterised by core Tier-I of 13.0% (Tier-I of 14.7%) and a managed gearing of 7.7x as of September 2023, shall improve on account of the above capital raise. Going forward, maintaining adequate capital buffers, on a steady-state basis, would be critical from a credit perspective and shall remain a key monitorable.

ICRA has also reaffirmed and withdrawn the long-term rating on the Rs. 1,352.30-crore non-convertible debentures (NCDs), Rs. 280.00-crore subordinated debentures and Rs. 74.50-crore perpetual debt instruments in accordance with its policy on the withdrawal of credit ratings as the instruments have matured and have been fully repaid.

Key rating drivers and their description

Credit strengths

Established franchise and market position – CIFCL has an established position in the vehicle finance market backed by its strong franchisee base and diversified product portfolio. As of September 2023, it had 1,267 branches in India (1,145 branches as of March 2022), of which vehicle finance is offered at 1,215 branches, HE at 618 branches (HE; 610 are co-located with vehicle finance), home loans at 625 branches (587 are co-located with vehicle finance), and CSEL, SBPL and SME at 408, 363 and 69 branches, respectively (all co-located with vehicle finance). About 82% of CIFCL's branches are in rural areas. The company has a diversified network with no single region (North/South/East/West) accounting for more than one-third of the total branches as of September 2023.

Disbursements grew by 87% in FY2023 and 49% YoY in H1 FY2024, driven by healthy demand across segments and contribution from new businesses, which have a lower tenor. Consequently, the AUM grew by 38% YoY in FY2023 and 42% YoY in H1 FY2024 (17% YTD in H1 FY2024) compared to 10% YoY in FY2022. It stood at Rs. 1,24,246 crore as of September 2023 with vehicle finance, HE, HL and new businesses accounting for 61%, 20%, 9% and 10%, respectively. Within vehicle finance, CIFCL caters to various segments including light commercial vehicles (LCVs), heavy commercial vehicles (HCVs), cars and multi utility vehicles (MUVs), used vehicles and tractors, which accounted for 24%, 7%, 21%, 27% and 8%, respectively, of the vehicle finance portfolio as of September 2023.

CIFCL has forayed into three new business divisions in the consumer and small enterprise/business loan ecosystem, namely CSEL, SBPL, and SME. These businesses accounted for 23% of the disbursements in H1 FY2024 (21% in FY2023 and 7% in FY2022) and 10% of the AUM as of September 2023 (9% as of March 2023 and 2% as of March 2022). The share of these segments in the overall portfolio is not expected to exceed 15% in the next three years. Going forward, the vehicle finance segment shall remain the dominant product (50-55% of the AUM) even as the share of HL and HE is set to expand (35-40%). Total unsecured loans are expected to be capped at 8-10% of the AUM.

Comfortable profitability indicators – CIFCL's RoMA stood at 2.7% in FY2023 and 2.6% in FY2022, up from 2.1% in FY2021 and 1.6% in FY2020, as margins expanded on the back of the favourable interest rates that prevailed post the onset of the pandemic. The company witnessed elevated credit costs in FY2021 and FY2022 as it maintained higher provisions and faced asset quality headwinds on account of the pandemic-related disruptions. The unwinding of these provisions and healthy business spreads supported earnings in FY2023.

The impact of the uptrend in the interest rate cycle was partly visible in H1 FY2024, which, along with the higher leverage, resulted in margin compression. The net interest margin (as a percentage of AMA[1]) moderated to 6.6% in H1 FY2024 from 6.8% in FY2023 (6.9% in FY2022 and 6.6% in FY2021). The operating expense to AMA ratio remained range-bound at 2.7% in

[1] *AMA – Average managed assets*

H1 FY2024 vis-à-vis 2.8% in FY2023 (2.5% in FY2022 and 2.1% in FY2021) due to higher employee expenses and the commencement of new businesses. This impacted RoMA, which moderated to 2.3%, though it remained comfortable and was similar to the pre-pandemic level. ICRA takes note of the recent Reserve Bank of India (RBI) circular on higher risk weights for bank credit to non-banking financial companies (NBFCs), which is expected to push up the cost of funds for the sector as a whole. However, entities usually have adequate pricing ability to pass on the same, thereby moderating the impact on their earnings performance. ICRA expects CIFCL's steady-state RoMA to remain range-bound around the current level.

Improving asset quality – CIFCL's delinquencies were affected with the overall 90+ days past due (dpd) peaking at 6.8% in June 2021 (3.8% in March 2020) due to the impact of the pandemic on the borrowers. However, with the recovery in economic activity, the delinquencies improved steadily in subsequent quarters with the 90+dpd at 3.0%[2] in March 2023 as well as September 2023. The restructured book improved to 1.0% of the AUM as of September 2023 from 1.6% as of March 2023 and 5.0% as of March 2022. The asset quality improvement was partially supported by the portfolio growth witnessed in the recent past.

The overall credit cost (as a proportion of AMA) was 1.5-1.9% in FY2020 and FY2021 due to excess provisions and asset quality headwinds on account of the pandemic. The same subsequently moderated to 1.1%, 0.8% and 1.2% in FY2022, FY2023 and H1 FY2024, respectively, with the improvement in the asset quality and the reversal of excess provisions. The average overall credit cost during FY2016-FY2019 was 1.0%.

The divergence between the gross non-performing assets (NPAs), as per the Income Recognition & Asset Classification (IRAC) norms (post the RBI circular in November 2021), and the GS3 has been reducing steadily and stood at 4.1% and 3.0%, respectively, as of September 2023 vis-à-vis 6.8% and 4.4%, respectively, as of March 2022.

The 90+dpd in vehicle finance improved to 3.3% as of September 2023 and 3.2% as of March 2023 (3.9% as of March 2022) from 6.4% as of June 2021. However, it remains above the pre-Covid level of 1.8% as of March 2019. The same improved sharply in the HE segment, which constituted 20% of the net AUM as of September 2023, to 3.4% as of September 2023 and 4.0% as of March 2023 (6.5% as of March 2022) from 8.9% as of June 2021 and as well as from the pre-Covid level of 5.5% as of March 2019. The 90+dpd in the HL segment stood at 1.4% in September 2023 vis-à-vis 3.2% in March 2022. In the new businesses, the 90+dpd stood at 1.7% for the CSEL segment and 1.0% and 0.2%, respectively, for SBPL and SME finance in September 2023. An uptick in the overall dpd in the CSEL segment has been witnessed as the company has originated loans via partnerships with fintechs. These partnership-based loans are largely covered by a first loss default guarantee (FLDG), which shall contain credit losses. CIFCL is likely to calibrate its growth in this segment in the near term, as demonstrated by the recent scaling down of its relationship with two fintech partners.

Committed financial, operational and management support from Murugappa Group – As a part of the Murugappa Group, CIFCL derives management, operational and financial support from the Group, which holds a sizeable stake in the company through Cholamandalam Financial Holdings Limited (CFHL) and Ambadi Investments Limited. CIFCL's board includes seven directors, including three from the Murugappa Group, while the rest are independent non-executive directors. Operationally, CIFCL derives synergies in its various business segments, including vehicle finance, HE, micro, small and medium enterprise (MSME) finance and home finance, by tapping the captive customer and vendor bases of the Group companies. ICRA expects timely capital or other support from the Group, if required, and as observed in the past.

Credit challenges

Maintaining adequate capital buffers in view of growth plans – CIFCL's core Tier-I stood at 13.0% as of September 2023 and 13.2% as of March 2023 vis-à-vis 14.7% as of March 2022 (13.2% as of March 2021) on the back of robust portfolio growth, despite healthy internal generation. Its total Tier-I capital stood at 14.7% as of September 2023 and 14.8% as of March 2023

[2] *GS3 as of March 2022, March 2023 and September 2023 was 4.4%, 3.0% and 3.0%, respectively, while gross NPA was 6.8%, 4.6% and 4.1%, respectively*

vis-à-vis 16.5% as of March 2022 (15.1% as of March 2021), supported by the perpetual debt instruments. The managed gearing increased to 7.7x as of September 2023 and 6.9x as of March 2023 from 6.1x as of March 2022 due to the steep growth in FY2023 and H1 FY2024. The company raised equity capital of Rs. 2,000 crore via a QIP as well as Rs. 2,000-crore CCDs in October 2023 (convertible in October 2026 with a call option available to the subscribers in October 2025). ICRA notes that the impact of the recent RBI circular (higher risk weights for consumption credit extended by NBFCs) on CIFCL's capital adequacy ratios is expected to be quite modest. Although the equity raise improves the leverage in the near term, maintaining adequate capital buffers while growing the loan book would be crucial. The AUM is expected to increase at a compound annual growth rate (CAGR) of 23-25% over the medium term. However, CIFCL has a demonstrated track record of raising capital (Rs. 1,200 crore in FY2020, Rs. 300 crore in FY2013, Rs. 212 crore in FY2012 and Rs. 150 crore in FY2011).

Environmental and social risks

Given the service-oriented business of CIFCL, its direct exposure to environmental risks/material physical climate risks is not significant. Lending institutions can be exposed to environmental risks indirectly through their portfolio of assets; about 61% of CIFCL's portfolio is towards vehicle financing. The residual value of the security in the vehicle finance business could decline in case of policy changes, such as an incremental rulings on the reduction in the operating life of vehicles, thereby impacting the profitability. Further, there is increasing interest from policymakers towards identifying the exposure of financing companies to carbon emissions through their financing activities. However, this process is in an early stage and ICRA expects any adverse implication to manifest only over a longer time period, giving financing companies sufficient time to adapt and minimise the credit implications.

With regard to social risks, data security and customer privacy are among the key sources of vulnerability for lending institutions as material lapses could be detrimental to their reputation and invite regulatory censure. CIFCL has not faced any significant lapses in this regard. It serves the financing needs of a relatively underserved category of borrowers, which supports social inclusion and economic development.

Liquidity position: Strong

CIFCL had cash and liquid investments of Rs. 8,583 crore as on October 31, 2023 and undrawn bank lines of about Rs. 2,535 crore. It has debt payment obligations (including interest) of about Rs. 11,758 crore during November 2023-January 2024. CIFCL's funding profile remains comfortable owing to its established relationships with various institutional lenders. Bank loans accounted for 59% of its borrowings, as of September 2023, while debentures, commercial papers and portfolio sell-downs accounted for 18%, 7%, and 16%, respectively. During the current financial year (FY2024), the company has raised Rs.3,337 crore via public issue of debentures.

Rating sensitivities

Positive factors – Sustained asset quality and profitability performance while maintaining adequate capital buffers.

Negative factors – Increase in the 90+dpd beyond 5%, impacting earnings on a sustained basis. A weakening in the Tier-I capital adequacy below 13% on a sustained basis could also exert pressure on the ratings.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's Credit Rating Methodology for Non-banking Finance Companies Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financial statements of CIFCL

About the company

CIFCL, a non-banking financial company, is a part of the Chennai-based Murugappa Group of companies. Incorporated in 1978, it operates through 1,267 branches across 29 states and Union Territories (UTs) with a net AUM of Rs. 1,24,246 crore as of September 2023. The company's core business segments include vehicle finance (61%) and home equity (HE) loans (20%). CIFCL has forayed into three new business divisions in the consumer and small and medium-sized enterprise (SME) ecosystem, namely Consumer & Small Enterprise Loan (CSEL), Secured Business & Personal Loans (SBPL) and SME Finance, which contributed 10% to the AUM, while housing finance accounted for the balance (9%). As of September 2023, CIFCL had two wholly-owned subsidiaries, Cholamandalam Home Finance Limited and Cholamandalam Securities Limited, a joint venture with Payswiff Technologies Private Limited, and the following associate entities[3] – Vishvakarma Payments Private Limited and Paytail Commerce Private Limited.

In FY2023, CIFCL (standalone) reported a net profit of Rs. 2,666 crore on a managed asset base of Rs. 1,15,278 crore compared with Rs. 2,147 crore and Rs. 85,128 crore, respectively, in FY2022. In H1 FY2024, it reported a net profit of Rs. 1,489 crore on a managed asset base of Rs. 1,38,319 crore.

Key financial indicators (audited)

CIFCL – Standalone	FY2022	FY2023	H1 FY2024
Total income	10,139	12,978	8,706
Profit after tax	2,147	2,666	1,489
Net worth	11,708	14,296	15,773
Loan book	76,907	1,06,498	1,24,246
Total managed assets	85,128	1,15,278	1,38,319
Return on managed assets	2.6%	2.7%	2.3%
Return on net worth	20.2%	20.5%	19.8%
Managed gearing (times)	6.1	6.9	7.7
Gross stage 3	4.4%	3.0%	3.0%
Net stage 3	2.6%	1.6%	1.6%
Solvency (Net stage 3/Net worth)	17.2%	12.2%	12.4%
CRAR	19.6%	17.1%	16.6%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; Total managed assets = Total assets + off-book portfolio
Managed gearing = (on-book debt + off-book portfolio) / net worth

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

[3] *On March 28, 2023, CIFCL entered into a share swap agreement with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India Private Limited (WDSL) and other shareholders of WDSL for the transfer of the entire equity shares held by the company in WDSL to TVSSCSL. As consideration, TVSSCSL allotted 22,35,265 of its compulsory convertible preference shares (CCPS) to CIFCL on April 20, 2023. In accordance with IndAs 105 (Non-current Assets Held for Sale and Discontinued Operations), WDSL ceased to be an associate of the Group, effective March 28, 2023, and has been classified as an asset held for sale as of March 31, 2023*

Rating history for past three years

	Instrument	Current Rating (FY2024)					Chronology of Rating History for the Past 3 Years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in FY2024		Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					Jan 02, 2024	Jul 21, 2023	Aug 12, 2022 Jun 17, 2022 May 20, 2022 Nov 29, 2022 Mar 10, 2023 Mar 16, 2023	Jun 29, 2021 Mar 01, 2022	May 05, 2020 Sep 14, 2020 Jan 20, 2021 Feb 24, 2021 Mar 09, 2021
1	Fund based – Term loans	Long term	76,970.04	76,970.04	[ICRA]AA+ (Positive)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)
2	Fund-based facilities	Long term/ short term	4,000.00	4,000.00	[ICRA]AA+ (Positive)/ [ICRA]A1+	[ICRA]AA+ (Stable)/ [ICRA]A1+	[ICRA]AA+ (Stable)/ [ICRA]A1+	[ICRA]AA+ (Stable)/ [ICRA]A1+	[ICRA]AA+ (Stable)/ [ICRA]A1+
3	Non-fund based limit (sub-limit)	Long term	(100.00)	(100.00)	[ICRA]AA+ (Positive)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)
4	NCD	Long term	15,170.30	15,170.30	[ICRA]AA+ (Positive)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)
			1,352.30	0.00	[ICRA]AA+ (Positive); withdrawn	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)
5	NCD-public placement	Long term	5,000.00	5,000.00	[ICRA]AA+ (Positive)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	-	-
6	Subordinated debt	Long term	2,525.00	2,525.00	[ICRA]AA+ (Positive)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)
			280.00	0.00	[ICRA]AA+ (Positive)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)
7	Perpetual debt	Long term	2,401.80	2,401.80	[ICRA]AA (Positive)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
			74.50	0.00	[ICRA]AA (Positive)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
8	Commercial paper	Short term	12,000.00	12,000.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
9	MLD	Long term	200.00	200.00	PP-MLD [ICRA]AA+ (Positive)	PP-MLD [ICRA]AA+ (Stable)	PP-MLD [ICRA]AA+ (Stable)	PP-MLD [ICRA]AA+ (Stable)	PP-MLD [ICRA]AA+ (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-convertible debentures	Very Simple
Subordinated debentures	Very Simple
Perpetual debt instrument (PDI)	Moderately Complex
Fund based – Term loans	Simple
Fund-based facilities from banks	Simple
Sub-limit – Non-fund based limits from banks	Simple
Commercial paper	Very Simple
Market linked debentures	Moderately Complex

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click Here

Annexure I: Instrument details

ISIN	Instrument	Date of Issuance/ Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	**Term loans**	Jan 2019 to Nov 2023	NA	Jan 2024 to May 2029	76,970.04	[ICRA]AA+ (Positive)
NA	**Fund-based bank facilities (cash credit/ST limits)**	NA	NA	NA	4,000.00	[ICRA]AA+ (Positive)/ [ICRA]A1+
NA	**Sub-limit – Non-fund based bank facilities – Bank Guarantee**	NA	NA	NA	(100.00)	[ICRA]AA+ (Positive)
INE121A14VF4	**Commercial paper**	Apr-12-23	8.20%	Apr-05-24	550.00	[ICRA]A1+
INE121A14VH0	**Commercial paper**	May-19-23	7.95%	Feb-19-24	225.00	[ICRA]A1+
INE121A14VI8	**Commercial paper**	May-19-23	7.90%	Jan-12-24	300.00	[ICRA]A1+
INE121A14VJ6	**Commercial paper**	May-19-23	7.90%	Jan-17-24	200.00	[ICRA]A1+
INE121A14VK4	**Commercial paper**	May-22-23	7.95%	Mar-22-24	100.00	[ICRA]A1+
INE121A14VK4	**Commercial paper**	Dec-27-23	8.30%	Mar-22-24	540.00	[ICRA]A1+
INE121A14VK4	**Commercial paper**	Dec-28-23	8.30%	Mar-22-24	240.00	[ICRA]A1+
INE121A14VM0	**Commercial paper**	May-23-23	7.95%	Feb-22-24	375.00	[ICRA]A1+
INE121A14VN8	**Commercial paper**	Jun-09-23	7.98%	May-30-24	500.00	[ICRA]A1+
INE121A14VN8	**Commercial paper**	Dec-01-23	8.25%	May-30-24	560.00	[ICRA]A1+
INE121A14VZ2	**Commercial paper**	Nov-07-23	7.79%	Jan-31-24	500.00	[ICRA]A1+
INE121A14WA3	**Commercial paper**	Nov-07-23	7.79%	Jan-25-24	500.00	[ICRA]A1+
INE121A14WB1	**Commercial paper**	Nov-07-23	7.79%	Jan-22-24	375.00	[ICRA]A1+
INE121A14WC9	**Commercial paper**	Dec-27-23	8.30%	Mar-15-24	1,200.00	[ICRA]A1+
INE121A14WD7	**Commercial paper**	Dec-29-23	8.30%	Mar-27-24	100.00	[ICRA]A1+
Unutilised	**Commercial paper**	NA	NA	NA	5,735.00	[ICRA]A1+
INE121A07MZ5	**NCD**	Nov-15-16	8.55%	Nov-13-26	25.00	[ICRA]AA+ (Positive)
INE121A07PL8	**NCD**	Jul-08-20	7.88%	Jul-08-25	125.00	[ICRA]AA+ (Positive)
INE121A07PM6	**NCD**	Jul-08-20	7.92%	Jul-08-25	500.00	[ICRA]AA+ (Positive)
INE121A07PN4	**NCD**	Jul-31-20	7.38%	Jul-31-24	300.00	[ICRA]AA+ (Positive)
INE121A07PP9	**NCD**	Oct-26-20	6.80%	Oct-25-24	150.00	[ICRA]AA+ (Positive)

INE121A07PQ7	**NCD**	Oct-26-20	6.80%	Oct-25-24	35.00	[ICRA]AA+ (Positive)
INE121A07PT1	**NCD**	Dec-02-20	6.65%	Dec-02-24	25.00	[ICRA]AA+ (Positive)
INE121A07PX3	**NCD**	Jan-19-21	Zero Coupon (YTD-6.9%)	Jul-31-25	85.00	[ICRA]AA+ (Positive)
INE121A07PZ8	**NCD**	Feb-23-21	6.45%	Feb-23-24	585.00	[ICRA]AA+ (Positive)
INE121A07QB7	**NCD**	Jul-30-21	5.46%	Jul-30-24	300.00	[ICRA]AA+ (Positive)
INE121A07QD3	**NCD**	Aug-04-21	5.53%	Aug-04-24	200.00	[ICRA]AA+ (Positive)
INE121A07QE1	**NCD**	Aug-17-21	5.58%	Aug-17-24	200.00	[ICRA]AA+ (Positive)
INE121A07QG6	**NCD**	Dec-07-21	5.39%	Dec-06-24	500.00	[ICRA]AA+ (Positive)
INE121A07QH4	**NCD**	Dec-29-21	6.30%	Dec-27-24	360.00	[ICRA]AA+ (Positive)
INE121A07QI2	**NCD**	Feb-11-22	5.85%	Feb-11-25	200.00	[ICRA]AA+ (Positive)
INE121A07QJ0	**NCD**	Feb-11-22	7.08%	Mar-11-25	497.40	[ICRA]AA+ (Positive)
INE121A07QK8	**NCD**	Feb-21-22	6.25%	Feb-21-24	100.00	[ICRA]AA+ (Positive)
INE121A07QL6	**NCD**	Mar-29-22	Zero Coupon (YTD-7.3%)	Mar-29-27	100.00	[ICRA]AA+ (Positive)
INE121A07QM4	**NCD**	Mar-29-22	7.3%	Mar-29-27	270.00	[ICRA]AA+ (Positive)
INE121A07QN2	**NCD**	Apr-28-22	7.50%	Apr-28-27	275.00	[ICRA]AA+ (Positive)
INE121A07QO0	**NCD**	Apr-28-22	7.32%	Apr-28-26	700.00	[ICRA]AA+ (Positive)
INE121A07QP7	**NCD**	May-18-22	7.95%	May-18-27	350.00	[ICRA]AA+ (Positive)
INE121A07QP7	**NCD**	Jun-16-22	7.95%	May-18-27	105.00	[ICRA]AA+ (Positive)
INE121A07QQ5	**NCD**	Jun-29-22	Zero Coupon (YTD – 7.9%)	Jun-30-25	500.00	[ICRA]AA+ (Positive)
INE121A07QR3	**NCD**	Jul-14-22	7.92%	Jan-14-26	800.00	[ICRA]AA+ (Positive)
INE121A07PN4	**NCD**	Aug-18-22	7.38%	Jul-31-24	1,000.00	[ICRA]AA+ (Positive)
INE121A07QS1	**NCD**	Aug-29-22	7.31%	Feb-27-24	320.00	[ICRA]AA+ (Positive)
INE121A07PP9	**NCD**	Sep-19-22	6.80%	Oct-25-24	200.00	[ICRA]AA+ (Positive)
INE121A07QT9	**NCD**	Nov-21-22	8.45%	Nov-21-25	500.00	[ICRA]AA+ (Positive)
INE121A07QH4	**NCD**	Nov-21-22	6.30%	Dec-27-24	500.00	[ICRA]AA+ (Positive)
INE121A07QU7	**NCD**	Dec-12-22	8.30%	Dec-12-25	605.00	[ICRA]AA+ (Positive)
INE121A07QV5	**NCD**	Feb-23-23	8.50%	Mar-27-26	602.00	[ICRA]AA+ (Positive)
INE121A07RC3	**NCD**	May-15-23	8.25%	May-15-26	700.00	[ICRA]AA+ (Positive)
Unutilised	**NCD**	NA	NA	NA	3,455.90	[ICRA]AA+ (Positive)
INE121A07QW3	**NCD (public placement)**	May-04-23	8.30%	Jun-04-26	187.21	[ICRA]AA+ (Positive)
INE121A07QX1	**NCD (public placement)**	May-04-23	Zero Coupon (YTD – 8.4%)	May-04-28	12.43	[ICRA]AA+ (Positive)
INE121A07QY9	**NCD (public placement)**	May-04-23	8.40%	May-04-28	440.29	[ICRA]AA+ (Positive)
INE121A07QZ6	**NCD (public placement)**	May-04-23	Zero Coupon (YTD – 8.3%)	Jun-04-26	8.35	[ICRA]AA+ (Positive)
INE121A07RA7	**NCD (public placement)**	May-04-23	Zero Coupon (YTD – 8.25%)	Mar-04-25	16.72	[ICRA]AA+ (Positive)
INE121A07RB5	**NCD (public placement)**	May-04-23	8.25%	Mar-04-25	335.00	[ICRA]AA+ (Positive)
INE121A07RH2	**NCD (public placement)**	Aug-09-23	8.25%	Jun-09-25	328.50	[ICRA]AA+ (Positive)
INE121A07RG4	**NCD (public placement)**	Aug-09-23	Zero Coupon (YTD – 8.25%)	Jun-09-25	7.45	[ICRA]AA+ (Positive)
INE121A07RF6	**NCD (public placement)**	Aug-09-23	8.30%	Sep-09-26	201.89	[ICRA]AA+ (Positive)
INE121A07RD1	**NCD (public placement)**	Aug-09-23	Zero Coupon (YTD – 8.30%)	Sep-09-26	11.29	[ICRA]AA+ (Positive)
INE121A07RE9	**NCD (public placement)**	Aug-09-23	8.40%	Aug-09-28	896.39	[ICRA]AA+ (Positive)
INE121A07RI0	**NCD (public placement)**	Aug-09-23	Zero Coupon (YTD – 8.40%)	Aug-09-28	9.66	[ICRA]AA+ (Positive)
INE121A07RJ8	**NCD (public placement)**	Dec-07-23	8.40%	Dec-07-25	173.42	[ICRA]AA+ (Positive)
INE121A07RK6	**NCD (public placement)**	Dec-07-23	Zero Coupon	Dec-07-26	11.27	[ICRA]AA+ (Positive)

			(YTD – 8.50%)			
INE121A07RL4	**NCD (public placement)**	Dec-07-23	Zero Coupon (YTD – 8.40%)	Dec-07-25	12.63	[ICRA]AA+ (Positive)
INE121A07RM2	**NCD (public placement)**	Dec-07-23	8.60%	Dec-07-28	447.37	[ICRA]AA+ (Positive)
INE121A07RN0	**NCD (public placement)**	Dec-07-23	Zero Coupon (YTD – 8.60%)	Dec-07-28	8.91	[ICRA]AA+ (Positive)
INE121A07RO8	**NCD (public placement)**	Dec-07-23	8.50%	Dec-07-26	228.19	[ICRA]AA+ (Positive)
Unutilised	**NCD (public placement)**	NA	NA	NA	1,663.03	[ICRA]AA+ (Positive)
INE121A08NG1	**Sub debt**	Jan-27-14	11.00%	Jan-30-24	25.00	[ICRA]AA+ (Positive)
INE121A08NH9	**Sub debt**	Feb-14-14	11.00%	Feb-23-24	20.00	[ICRA]AA+ (Positive)
INE121A08NL1	**Sub debt**	Mar-10-14	11.00%	Mar-26-24	15.00	[ICRA]AA+ (Positive)
INE121A08NL1	**Sub debt**	Mar-14-14	11.00%	Mar-26-24	10.00	[ICRA]AA+ (Positive)
INE121A08NN7	**Sub debt**	Apr-25-14	11.00%	Apr-25-24	25.00	[ICRA]AA+ (Positive)
INE121A08NO5	**Sub debt**	May-17-14	11.00%	May-20-24	5.00	[ICRA]AA+ (Positive)
INE121A08NQ0	**Sub debt**	Jun-10-14	11.00%	Jun-11-24	15.00	[ICRA]AA+ (Positive)
INE121A08NY4	**Sub debt**	Nov-10-16	9.20%	Nov-10-26	5.00	[ICRA]AA+ (Positive)
INE121A08NY4	**Sub debt**	Nov-10-16	9.20%	Nov-10-26	5.00	[ICRA]AA+ (Positive)
INE121A08OC8	**Sub debt**	Jun-15-17	8.80%	Jun-15-27	25.00	[ICRA]AA+ (Positive)
INE121A08OC8	**Sub debt**	Jun-15-17	8.80%	Jun-15-27	20.00	[ICRA]AA+ (Positive)
INE121A08OC8	**Sub debt**	Jun-15-17	8.80%	Jun-15-27	20.00	[ICRA]AA+ (Positive)
INE121A08OC8	**Sub debt**	Jun-15-17	8.80%	Jun-15-27	10.00	[ICRA]AA+ (Positive)
INE121A08OC8	**Sub debt**	Jun-15-17	8.80%	Jun-15-27	50.00	[ICRA]AA+ (Positive)
INE121A08OD6	**Sub debt**	Jun-20-17	8.78%	Jun-18-27	50.00	[ICRA]AA+ (Positive)
INE121A08OE4	**Sub debt**	Jun-28-17	8.80%	Jun-28-27	75.00	[ICRA]AA+ (Positive)
INE121A08OF1	**Sub debt**	Aug-30-17	8.53%	Aug-30-27	150.00	[ICRA]AA+ (Positive)
INE121A08OR6	**Sub debt**	Oct-04-21	7.90%	Oct-06-31	200.00	[ICRA]AA+ (Positive)
INE121A08OS4	**Sub debt**	Feb-28-22	8.10%	Feb-27-31	150.00	[ICRA]AA+ (Positive)
INE121A08OZ9	**Sub debt**	Dec-06-22	8.65%	Dec-06-32	290.00	[ICRA]AA+ (Positive)
INE121A08PC5	**Sub debt**	Mar-13-23	9.00%	Oct-12-29	200.00	[ICRA]AA+ (Positive)
INE121A08PF8	**Sub debt**	May-23-23	8.75%	May-23-30	300.00	[ICRA]AA+ (Positive)
INE121A08PK8	**Sub debt**	Oct-16-23	8.85%	Oct-17-33	205.00	[ICRA]AA+ (Positive)
INE121A08PL6	**Sub debt**	Nov-20-23	8.85%	Nov-21-33	200.00	[ICRA]AA+ (Positive)
Unutilised	**Sub debt**	NA	NA	NA	455.00	[ICRA]AA+ (Positive)
INE121A08NC0	**PDI**	Dec-04-13	12.60%	Dec-24-23	12.00	[ICRA]AA (Positive)
INE121A08ND8	**PDI**	Dec-26-13	12.50%	Dec-27-23	65.00	[ICRA]AA (Positive)
INE121A08NE6	**PDI**	Dec-27-13	12.50%	Dec-27-23	26.10	[ICRA]AA (Positive)
INE121A08NF3	**PDI**	Jan-20-14	12.60%	Jan-23-24	5.00	[ICRA]AA (Positive)
INE121A08NJ5	**PDI**	Feb-20-14	12.90%	Feb-25-24	25.00	[ICRA]AA (Positive)
INE121A08NT4	**PDI**	Jul-09-14	12.90%	Jul-09-24	17.40	[ICRA]AA (Positive)
INE121A08OJ3	**PDI**	Mar-29-19	10.83%	Mar-29-29	56.00	[ICRA]AA (Positive)
INE121A08OI5	**PDI**	Feb-12-19	10.88%	Feb-12-29	250.00	[ICRA]AA (Positive)
INE121A08OK1	**PDI**	Dec-13-19	10.75%	Dec-13-29	50.00	[ICRA]AA (Positive)
INE121A08OL9	**PDI**	Nov-03-20	9.30%	Nov-04-30	45.00	[ICRA]AA (Positive)
INE121A08OM7	**PDI**	Mar-08-21	9.25%	Mar-10-31	100.00	[ICRA]AA (Positive)
INE121A08ON5	**PDI**	May-25-21	9.20%	May-26-31	100.00	[ICRA]AA (Positive)
INE121A08OO3	**PDI**	Jun-30-21	9.05%	Jul-01-31	40.00	[ICRA]AA (Positive)
INE121A08OQ8	**PDI**	Sep-06-21	8.98%	Sep-08-31	30.00	[ICRA]AA (Positive)
INE121A08OT2	**PDI**	Mar-07-22	9.10%	Mar-08-32	25.00	[ICRA]AA (Positive)
INE121A08OU0	**PDI**	May-30-22	9.20%	May-31-32	45.00	[ICRA]AA (Positive)
INE121A08OV8	**PDI**	Aug-23-22	9.15%	Aug-24-32	60.00	[ICRA]AA (Positive)
INE121A08OW6	**PDI**	Sep-27-22	9.15%	Sep-28-32	24.00	[ICRA]AA (Positive)
INE121A08OX4	**PDI**	Oct-28-22	9.15%	Oct-29-32	21.00	[ICRA]AA (Positive)

INE121A08OY2	**PDI**	Nov-30-22	9.15%	Dec-01-32	20.00	[ICRA]AA (Positive)
INE121A08PA9	**PDI**	Jan-12-23	9.15%	Jan-13-33	20.00	[ICRA]AA (Positive)
INE121A08PB7	**PDI**	Feb-28-23	9.45%	Mar-01-33	300.00	[ICRA]AA (Positive)
INE121A08PD3	**PDI**	Mar-16-23	9.40%	Mar-17-33	23.00	[ICRA]AA (Positive)
INE121A08PE1	**PDI**	Mar-24-23	9.40%	Mar-25-33	17.00	[ICRA]AA (Positive)
INE121A08PG6	**PDI**	May-31-23	9.40%	Jun-01-33	30.00	[ICRA]AA (Positive)
INE121A08PH4	**PDI**	Jun-28-23	9.25%	Jun-29-33	200.00	[ICRA]AA (Positive)
INE121A08PI2	**PDI**	Sep-25-23	9.25%	Sep-26-33	20.00	[ICRA]AA (Positive)
Unutilised	**PDI**	NA	NA	NA	775.30	[ICRA]AA (Positive)
Unutilised	**MLD**	NA	NA	NA	200.00	PP-MLD [ICRA]AA+ (Positive)
INE121A07QC5	**NCD**	Aug-01-18	9.06%	Aug-01-23	1.00	[ICRA]AA+ (Positive); withdrawn
INE121A07OT4	**NCD**	Sep-12-18	8.80%	Sep-12-23	352.30	
INE121A07PV7	**NCD**	Dec-18-20	6.10%	Dec-18-23	550.00	
INE121A07QC5	**NCD**	Jul-30-21	9.06%	Aug-01-23	199.00	
INE121A07QF8	**NCD**	Sep-20-21	5.58%	Sep-20-23	250.00	
INE121A08MY6	**Sub debt**	Sep-27-13	11.00%	Sep-29-23	15.00	
INE121A08NW8	**Sub debt**	Oct-27-16	9.08%	Oct-27-23	50.00	
INE121A08NX6	**Sub debt**	Nov-09-16	9.20%	Nov-09-23	25.00	
INE121A08NX6	**Sub debt**	Nov-09-16	9.20%	Nov-09-23	25.00	
INE121A08NZ1	**Sub debt**	Nov-10-16	9.10%	Nov-16-23	15.00	
INE121A08OA2	**Sub debt**	Nov-23-16	9.08%	Nov-23-23	40.00	
INE121A08OA2	**Sub debt**	Nov-23-16	9.08%	Nov-23-23	10.00	
INE121A08OB0	**Sub debt**	Nov-24-16	9.15%	Nov-24-23	100.00	
INE121A08MZ3	**PDI**	Oct-18-13	12.60%	Oct-23-23	24.50	[ICRA]AA (Positive); withdrawn
INE121A08NB2	**PDI**	Oct-25-13	12.90%	Oct-30-23	50.00	

Source: Company

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis: Not applicable

ANALYST CONTACTS

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karthiks@icraindia.com

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shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

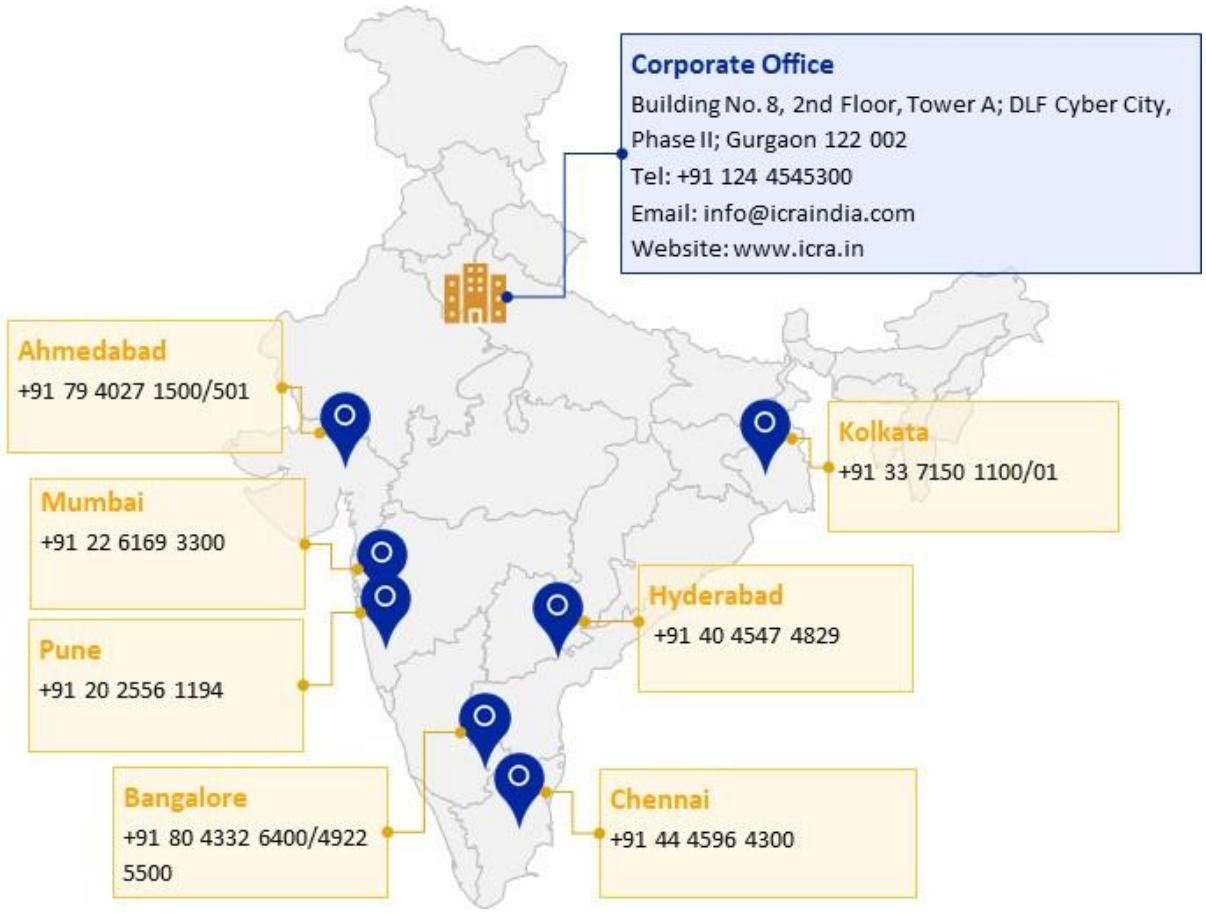
For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches



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ICRA Limited

CONFIDENTIAL

Ref. No. ICRA/Cholamandalam Investment and Finance Company Limited/04012024/2
January 04, 2024

Mr. D. Arulselvan
Chief Financial Officer
Cholamandalam Investment and Finance Company Limited
Chola Crest, C-54 & 55, Super B-4
Thiru Vi Ka Industrial Estate, Guindy
Chennai - 600 032

Dear Sir,

Re: ICRA Credit rating for Rs. 20,170.30 crore Non-Convertible Debenture Programme of Cholamandalam Investment and Finance Company Limited (instrument details in Annexure)

This is with reference to your email dated January 03, 2024, for re-validating your rating for the Non-Convertible Debenture Programme.

We confirm that the **"[ICRA]AA+"** (pronounced ICRA double A plus) rating with a **Positive** outlook, assigned to the captioned Non-Convertible Debenture Programme of your company and last communicated to you vide our letter dated December 29, 2023 stands. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Within this category rating modifier {"+" (plus) or "-" (minus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letter Ref: ICRA/Cholamandalam Investment and Finance Company Limited/29122023/3 dated December 29, 2023.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold long term debt/non-convertible debenture to be issued by you.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,
For ICRA Limited

(R Srinivasan)
Vice President
E mail: r.srinivasan@icraindia.com

Annexure

LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

Rated Instrument	Rated Amount (In Crores)	Amount Outstanding (In Crores)	Rating Action
NCD			
INE121A07MZ5	25.00	25.00	**[ICRA]AA+ (Positive)**
INE121A07PL8	125.00	125.00	
INE121A07PM6	500.00	500.00	
INE121A07PN4	300.00	300.00	
INE121A07PP9	150.00	150.00	
INE121A07PQ7	35.00	35.00	
INE121A07PT1	25.00	25.00	
INE121A07PX3	85.00	85.00	
INE121A07PZ8	585.00	585.00	
INE121A07QB7	300.00	300.00	
INE121A07QD3	200.00	200.00	
INE121A07QE1	200.00	200.00	
INE121A07QG6	500.00	500.00	
INE121A07QH4	360.00	360.00	
INE121A07QI2	200.00	200.00	
INE121A07QJ0	497.40	400.00	
INE121A07QK8	100.00	100.00	
INE121A07QL6	100.00	100.00	
INE121A07QM4	270.00	270.00	
INE121A07QN2	275.00	275.00	
INE121A07QO0	700.00	700.00	
INE121A07QP7	350.00	350.00	
INE121A07QP7	105.00	105.00	
INE121A07QQ5	500.00	500.00	
INE121A07QR3	800.00	800.00	
INE121A07PN4	1000.00	1000.00	
INE121A07QS1	320.00	320.00	
INE121A07PP9	200.00	200.00	
INE121A07QH4	500.00	500.00	
INE121A07QT9	500.00	500.00	
INE121A07QU7	605.00	605.00	
INE121A07QV5	602.00	602.00	
INE121A07RC3	700.00	700.00	
Unutilised	3,455.90	3,455.90	
Sub-total (NCD)	**15,170.30**	**15,170.30**	
NCD (Public placement)			
INE121A07QW3	187.21	187.21	**[ICRA]AA+ (Positive)**
INE121A07QX1	12.43	12.43	
INE121A07QY9	440.29	440.29	
INE121A07QZ6	8.35	8.35	

Rated Instrument	Rated Amount (In Crores)	Amount Outstanding (In Crores)	Rating Action
INE121A07RA7	16.72	16.72	**[ICRA]AA+ (Positive)**
INE121A07RB5	335.00	335.00	
INE121A07RH2	328.50	328.50	
INE121A07RG4	7.45	7.45	
INE121A07RF6	201.89	201.89	
INE121A07RD1	11.29	11.29	
INE121A07RE9	896.39	896.39	
INE121A07RI0	9.66	9.66	
INE121A07RJ8	173.42	173.42	
INE121A07RK6	11.27	11.27	
INE121A07RL4	12.63	12.63	
INE121A07RM2	447.37	447.37	
INE121A07RN0	8.91	8.91	
INE121A07RO8	228.19	228.19	
Unutilised	1,663.03	1,663.03	
Sub-total (NCD – Public Placement)	**5,000.00**	**5,000.00**	
Grand total	**20,170.30**	**20,170.30**	

ANNEXURE C: CONSENT OF THE DEBENTURE TRUSTEE

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IDBI Trusteeship Services Ltd.
CIN : U65991MH2001GOI131154

54245/ITSL/OPR/2022-23
Date: 27th March, 2023

Cholamandalam Investment & Finance Company Limited
Dare House, 2, N.S.C. Bose Road,
Parrys, Chennai - 600001

Dear Sir,

Sub: PROPOSED PUBLIC ISSUE BY CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED, ("COMPANY" OR "ISSUER") OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹1,000 EACH, ("NCDs"), FOR AN AMOUNT UPTO ₹5000 CRORES ("SHELF LIMIT"), HEREINAFTER REFERRED TO AS THE "ISSUE.

We, the undersigned, hereby consent to act as the Debenture Trustee to the Issue pursuant to Regulation 2.2.24 of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time and to our name being inserted as the Debenture Trustee to the Issue in the Draft Shelf Prospectus / Shelf Prospectus / Tranche Prospectus(es) to be filed with the National Stock Exchange of India Limited, BSE Limited ("**Stock Exchanges**") and the Securities and Exchange Board of India ("**SEBI**") and the Shelf Prospectus / Tranche Prospectus(es) to be filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana ("**RoC**"), which the Company intends to issue in respect of the Issue of NCDs and also in all related advertisements and communications sent pursuant to the Issue of NCDs.

The following details with respect to us may be disclosed:

Name:	IDBI Trusteeship Services Limited
Address:	Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai-400001
Tel:	+91 022 40807073
Fax:	+91 022 66311776
E-mail:	itsl@idbitrustee.com / jinal@idbitrustee.com
Investor Grievance id:	response@idbitrustee.com
Website:	www.idbitrustee.com
Contact Person:	Ms. Jinal Shah
Compliance Officer:	Ms Sneha Jadhav
SEBI Registration Number:	IND000000460
Logo:	IDBI trustee IDBI Trusteeship Services Ltd

We confirm that we are registered with the SEBI and that such registration is valid as on date of this letter. We enclose a copy of our registration certificate and declaration regarding our registration with SEBI in the required format in Annexure A. We also certify that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We also authorize you to deliver a copy of this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory authority as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company.

We undertake that we shall immediately intimate the Company and the Lead Managers to the Public Issue of any changes in the aforestated details until the listing and trading of the NCDs on the Stock Exchanges. In absence of any such communication from us, the above information should be taken as updated information until the listing and trading of NCD on the Stock Exchange.

The Company hereby agrees and undertakes to comply with the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, SEBI Circular on Uniform Listing Agreement dated October 13th, 2015; SEBI (Debenture Trustees) Regulations, 1993, SEBI Circular bearing ref. no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated 12th November, 2020 and

Companies Act, 2013, as may be amended from time to time and such other applicable provisions as may be applicable from time to time and the Company agree to furnish to Debenture Trustee such information as may be required by Trustee on regular basis

This consent letter is subject to the Due Diligence required to be done by the Debenture Trustee pursuant to SEBI Circular dated 03.11.20 and the company agrees that the issue shall be opened only after the due diligence has been carried by the debenture trustee.

We also confirm that we are not disqualified to be appointed as Debenture Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Sincerely,

For IDBI Trusteeship Services Limited

Authorised Signatory

Annexure A

Date: 10th February, 2023

Cholamandalam Investment & Finance Company Limited
Dare House, 2, N.S.C. Bose Road,
Parrys, Chennai – 600001

Dear Sir/ Madam,

Sub: PROPOSED PUBLIC ISSUE BY CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED, ("COMPANY" OR "ISSUER") OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹1,000 EACH, ("NCDs"), FOR AN AMOUNT UPTO ₹500 CRORES ("SHELF LIMIT"), HEREINAFTER REFERRED TO AS THE "ISSUE.

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

S. No.	Particulars	Details
1.	Permanent Registration Number	IND000000460
2.	Date of registration/ date of last renewal of registration/ date of application for renewal of registration	14-Feb-2017
3.	Date of expiry of registration	Permanent
4.	Details of any communication from SEBI prohibiting from acting as an intermediary	NA
5.	Details of any pending inquiry/ investigation being conducted by SEBI	NA
6.	Details of any penalty imposed by SEBI	NA

We shall immediately intimate the Company of any changes, additions or deletions in respect of the matters covered in this certificate till the date when the securities of the Issuer, offered, issued and allotted pursuant to the Issue, are traded on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until the listing and trading of the Non-convertible Debentures on the Stock Exchanges.

Sincerely

For IDBI Trusteeship Services Limited

Authorised Signatory

डिबेंचर न्यासी

प्ररूप ख
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000263

(विनियम 8)
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

IDBI TRUSTEESHIP SERVICES LIMITED
ASIAN BUILDING, GROUND FLOOR
17, R. KAMANI MARG
BALLARD ESTATE
MUMBAI-400 001

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है।
2) Registration Code for the debenture trustee is **IND000000460**

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।
3) Unless renewed, the certificate of registration is valid from to **This certificate of registration shall be valid unless it is suspended or cancelled by the board**

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

स्थान Place : **MUMBAI**

तारीख Date : **FEBRUARY14, 2017**

M J Sonparote

MEDHASONPAROTE

प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

Jai Kaushal

IDBI Trusteeship Services Ltd.
CIN : U65991MH2001GOI131154

55894/ITSL/OPR/2022-23
Date: 25th July, 2023

Cholamandalam Investment & Finance Company Limited
Dare House, 2, N.S.C. Bose Road,
Parrys, Chennai - 600001

Dear Sir,

Sub: PROPOSED PUBLIC ISSUE BY CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED, ("COMPANY" OR "ISSUER") OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹1,000 EACH, ("NCDs"), FOR AN AMOUNT UPTO ₹5000 CRORES ("SHELF LIMIT"), HEREINAFTER REFERRED TO AS THE "ISSUE.

We, the undersigned, hereby consent to act as the Debenture Trustee to the Issue pursuant to Regulation 2.2.24 of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time and to our name being inserted as the Debenture Trustee to the Issue in the Draft Shelf Prospectus / Shelf Prospectus / Tranche Prospectus(es) to be filed with the National Stock Exchange of India Limited, BSE Limited ("**Stock Exchanges**") and the Securities and Exchange Board of India ("**SEBI**") and the Shelf Prospectus / Tranche Prospectus(es) to be filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana ("**RoC**"), which the Company intends to issue in respect of the Issue of NCDs and also in all related advertisements and communications sent pursuant to the Issue of NCDs.

The following details with respect to us may be disclosed:

Name:	IDBI Trusteeship Services Limited
Address:	Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai - 400001
Tel:	+91 022 40807073
Fax:	+91 022 66311776
E-mail:	itsl@idbitrustee.com / jinal@idbitrustee.com
Investor Grievance id:	response@idbitrustee.com
Website:	www.idbitrustee.com
Contact Person:	Ms. Jinal Shah
Compliance Officer:	Ms Sneha Jadhav
SEBI Registration Number:	IND000000460
Logo:	IDBI trustee IDBI Trusteeship Services Ltd

We confirm that we are registered with the SEBI and that such registration is valid as on date of this letter. We enclose a copy of our registration certificate and declaration regarding our registration with SEBI in the required format in Annexure A. We also certify that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We also authorize you to deliver a copy of this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory authority as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company.

We undertake that we shall immediately intimate the Company and the Lead Managers to the Public Issue of any changes in the aforestated details until the listing and trading of the NCDs on the Stock Exchanges. In absence of any such communication from us, the above information should be taken as updated information until the listing and trading of NCD on the Stock Exchange.

The Company hereby agrees and undertakes to comply with the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, SEBI Circular on Uniform Listing Agreement dated October 13th, 2015; SEBI (Debenture Trustees) Regulations, 1993, SEBI Circular bearing ref. no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated 12th November, 2020 and

IDBI Trusteeship Services Ltd. ITSL

Companies Act, 2013, as may be amended from time to time and such other applicable provisions as may be applicable from time to time and the Company agree to furnish to Debenture Trustee such information as may be required by Trustee on regular basis

This consent letter is subject to the Due Diligence required to be done by the Debenture Trustee pursuant to SEBI Circular dated 03.11.20 and the company agrees that the issue shall be opened only after the due diligence has been carried by the debenture trustee.

We also confirm that we are not disqualified to be appointed as Debenture Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Sincerely,

For IDBI Trusteeship Services Limited

Authorised Signatory

IDBI Trusteeship Services Ltd. ITSL

Annexure A

Date: 25th July, 2023

Cholamandalam Investment & Finance Company Limited
Dare House, 2, N.S.C. Bose Road,
Parrys, Chennai – 600001

Dear Sir/ Madam,

Sub: PROPOSED PUBLIC ISSUE BY CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED, ("COMPANY" OR "ISSUER") OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹1,000 EACH, ("NCDs"), FOR AN AMOUNT UPTO ₹500 CRORES ("SHELF LIMIT"), HEREINAFTER REFERRED TO AS THE "ISSUE.

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

S. No.	Particulars	Details
1.	Permanent Registration Number	IND000000460
2.	Date of registration/ date of last renewal of registration/ date of application for renewal of registration	14-Feb-2017
3.	Date of expiry of registration	Permanent
4.	Details of any communication from SEBI prohibiting from acting as an intermediary	NA
5.	Details of any pending inquiry/ investigation being conducted by SEBI	NA
6.	Details of any penalty imposed by SEBI	NA

We shall immediately intimate the Company of any changes, additions or deletions in respect of the matters covered in this certificate till the date when the securities of the Issuer, offered, issued and allotted pursuant to the Issue, are traded on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until the listing and trading of the Non-convertible Debentures on the Stock Exchanges.

Sincerely

For IDBI Trusteeship Services Limited

Authorised Signatory

IDBI Trusteeship Services Ltd. ITSL

ANNEXURE D - ILLUSTRATIVE CASH FLOW AND DAY COUNT CONVENTION

ILLUSTRATION FOR GUIDANCE IN RESPECT OF THE DAY COUNT CONVENTION AND EFFECT OF HOLIDAYS ON PAYMENTS

Series I

24 Months – Annual Coupon Payment	
Company	Cholamandalam Investment and Finance Company Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	February 8, 2024
Tenor	24 months
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	8.45%
Redemption Date/Maturity Date (assumed)	February 8, 2026
Frequency of interest payment with specified dates	Annual. First interest due on February 8, 2025 and subsequently on the February 8th of every year and the last interest payment will be made at the time of redemption of the NCDs
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.44%
Day Count Convention	Actual/Actual

Cash Flows	**Due Date**	**Date of Payment**	**No. of days in Coupon Period**	**For Category I, II, III & IV Investors (INR)**
Deemed date of allotment	Thursday, 8 February, 2024	Thursday, 8 February, 2024		-1000
Coupon/Interest Payment 1	Saturday, 8 February, 2025	Monday, 10 February, 2025	366	84.50
Coupon/Interest Payment 2	Sunday, 8 February, 2026	Friday, 6 February, 2026	363	84.04
Principal	Sunday, 8 February, 2026	Friday, 6 February, 2026		1000

Series II

24 Months – Cumulative Coupon Payment	
Company	Cholamandalam Investment and Finance Company Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	February 8, 2024
Tenor	24 months
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	N.A.
Redemption Date/Maturity Date (assumed)	February 8, 2026
Frequency of interest payment with specified dates	N.A.
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.45%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (INR)
Deemed date of allotment	Thursday, 8 February, 2024	Thursday, 8 February, 2024		-1000
Coupon/Interest Payment	Sunday, 8 February, 2026	Friday, 6 February, 2026	729	175.88
Principal	Sunday, 8 February, 2026	Friday, 6 February, 2026		1000

Series III

36 Months – Annual Coupon Payment	
Company	Cholamandalam Investment and Finance Company Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	February 8, 2024
Tenor	36 months
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	8.50%
Redemption Date/Maturity Date (assumed)	February 8, 2027
Frequency of interest payment with specified dates	Annual. First interest due on February 8, 2025 and subsequently on the December 15th of every year and the last interest payment will be made at the time of redemption of the NCDs
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.49%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (INR)
Deemed date of allotment	Thursday, 8 February, 2024	Thursday, 8 February, 2024		-1000
Coupon/Interest Payment 1	Saturday, 8 February, 2025	Monday, 10 February, 2025	366	85.00
Coupon/Interest Payment 2	Sunday, 8 February, 2026	Monday, 9 February, 2026	365	85.00
Coupon/Interest Payment 3	Monday, 8 February, 2027	Monday, 8 February, 2027	365	85.00
Principal	Monday, 8 February, 2027	Monday, 8 February, 2027		1000

Series IV

36 Months – Cumulative Coupon Payment	
Company	Cholamandalam Investment and Finance Company Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	February 8, 2024
Tenor	36 months
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	N.A.
Redemption Date/Maturity Date (assumed)	February 8, 2027
Frequency of interest payment with specified dates	N.A.
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.50%
Day Count Convention	Actual/Actual

Cash Flows	**Due Date**	**Date of Payment**	**No. of days in Coupon Period**	**For Category I, II, III & IV Investors (INR)**
Deemed date of allotment	Thursday, 8 February, 2024	Thursday, 8 February, 2024		-1000
Coupon/Interest Payment	Monday, 8 February, 2027	Monday, 8 February, 2027	1096	277.58
Principal	Monday, 8 February, 2027	Monday, 8 February, 2027		1000

Series V

60 Months – Annual Coupon Payment	
Company	Cholamandalam Investment and Finance Company Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	February 8, 2024
Tenor	60 months
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	8.60%
Redemption Date/Maturity Date (assumed)	February 8, 2029
Frequency of interest payment with specified dates	Annual. First interest due on February 8, 2025 and subsequently on the December 15th of every year and the last interest payment will be made at the time of redemption of the NCDs
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.59%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (INR)
Deemed date of allotment	Thursday, 8 February, 2024	Thursday, 8 February, 2024		-1000
Coupon/Interest Payment 1	Saturday, 8 February, 2025	Monday, 10 February, 2025	366	86.00
Coupon/Interest Payment 2	Sunday, 8 February, 2026	Monday, 9 February, 2026	365	86.00
Coupon/Interest Payment 3	Monday, 8 February, 2027	Monday, 8 February, 2027	365	86.00
Coupon/Interest Payment 4	Tuesday, 8 February, 2028	Tuesday, 8 February, 2028	365	86.00
Coupon/Interest Payment 5	Thursday, 8 February, 2029	Thursday, 8 February, 2029	366	86.00
Principal	Thursday, 8 February, 2029	Thursday, 8 February, 2029		1000

Series VI

60 Months – Cumulative Coupon Payment	
Company	Cholamandalam Investment and Finance Company Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	February 8, 2024
Tenor	60 months
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	N.A.
Redemption Date/Maturity Date (assumed)	February 8, 2029
Frequency of interest payment with specified dates	N.A.
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.60%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (INR)
Deemed date of allotment	Thursday, 8 February, 2024	Thursday, 8 February, 2024		-1000
Coupon/Interest Payment	Thursday, 8 February, 2029	Thursday, 8 February, 2029	1827	511.28
Principal	Thursday, 8 February, 2029	Thursday, 8 February, 2029		1000

Assumptions:

1. The Deemed Date of Allotment is assumed to be Thursday, February 8, 2024. If the Deemed Date of Allotment undergoes a change, the coupon payments dates, redemption dates, redemption amount and other cash flow working shall be changed accordingly.

2. Interest payable for the Year 2024 and 2028 being leap years, have been calculated for 366 days.

3. Coupon Payments falling on working Saturdays will be made on same day.

4. In the event, the interest / pay-out of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer.