

July 26, 2024

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

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

Dear Sir,

**Sub.: Investor Presentation for the quarter ended June 30, 2024.**

We enclose the investor presentation for the quarter ended 30<sup>th</sup> June 2024.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,  
For Cholamandalam Investment and Finance Company Limited

P. Sujatha  
Company Secretary

Encl.: As above



# EMPOWERING ASPIRATIONS ENABLING AMBITIONS

Cholamandalam Investment and Finance Company Limited  
**CORPORATE PRESENTATION - June 2024**



1. Group overview



2. Corporate overview



3. Financial performance



4. Business segments' overview



5. Funding profile



6. Subsidiaries performance



7. Environmental Social Governance



8. Risk Management



9. Information Technology

# Murugappa Group Overview



# Murugappa Group in a Nutshell



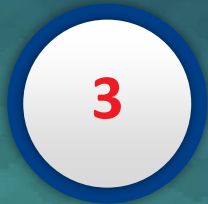
Years of  
Existence



Consolidated  
Turnover  
(FY24)



Group Market  
cap (as on 28<sup>th</sup>  
Jun 2024)



Sectors



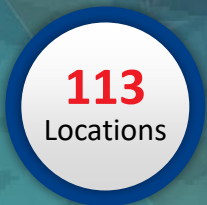
Businesses



Listed  
Companies



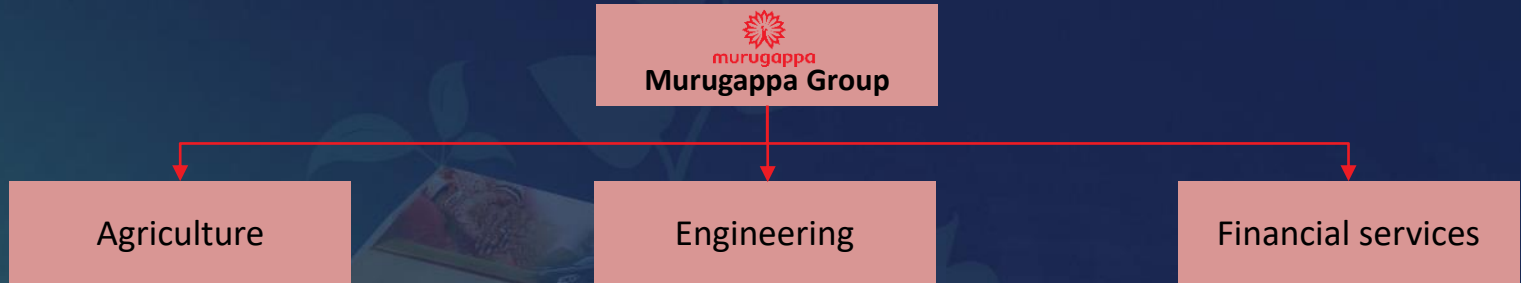
Geographical  
Presence











Manufacturing  
Locations



Work force



	Agriculture	Engineering	Financial services
<b>Market Cap(Cr.)</b>	60,673	2,21,742	1,46,786
<b>Turnover (Cr.)</b>	35,171	19,032	19,124
<b>PAT(Cr.)</b>	1,541	1,739	2,917

								
<b>Market Cap(Cr.)</b>	47,119	13,554	31,690	82,428	1,07,623	1,19,541	NA	27,245
<b>Turnover (Cr.)</b>	22,058	29,413	4,628	7,144	8,046	19,140	6970	86
<b>PAT(Cr.)</b>	1,642	1,618	461	735	1428	3,420	441	62

Note: Market Capitalization of Financial services incl. Chola Investments and Chola Financial Holdings.  
 Financial Performance are of FY 23-24.  
 Market data as on 28<sup>th</sup> Jun 2024. Source: BSE

# Corporate Overview





**The five lights**  
The values, principles and beliefs that have always guided us and continue to show the way forward.

**Integrity**  
We value professional and personal integrity above all else. We achieve our goals by being honest and straightforward with all our stakeholders. We earn trust with every action, every minute of every day.

**Passion**  
We play to win. We have a healthy desire to stretch, to achieve personal goals and accelerate business growth. We strive constantly to improve and be energetic in everything that we do.

**Quality**  
We take ownership of our work. We unflinchingly meet high standards of quality in both what we do and the way we do it. We take pride in excellence.

**Respect**  
We respect the dignity of every individual. We are open and transparent with each other. We inspire and enable people to achieve high standards and challenging goals. We provide everyone equal opportunities to progress and grow.

**Responsibility**  
We are responsible corporate citizens. We believe we can help make a difference to our environment and change lives for the better. We will do this in a manner that benefits our size and also reflects our humility.

*"The fundamental principle of economic activity is that no man you transact with will lose, then you shall not."*





40.7 lakh + customers

Helping customers enter a better life

3.5 lakh customers in year 2010 to 40.7 lakh plus customers till date



54,747 employees

Experienced team to serve more customers

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



Rs. 1.7 lakh Cr. Total AUM

Healthy pre-tax ROA of 3.2%

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



Rs. 1.2 lakh+ Cr. market cap

Rapid market cap growth

From Rs. 623 Cr. in year 2010 to Rs. 1.2 lakh+ Cr. in 2024



1438 branches

Strong geographical presence

Across 26 states & 7 Union Territories. 91% presence across tier III—VI towns



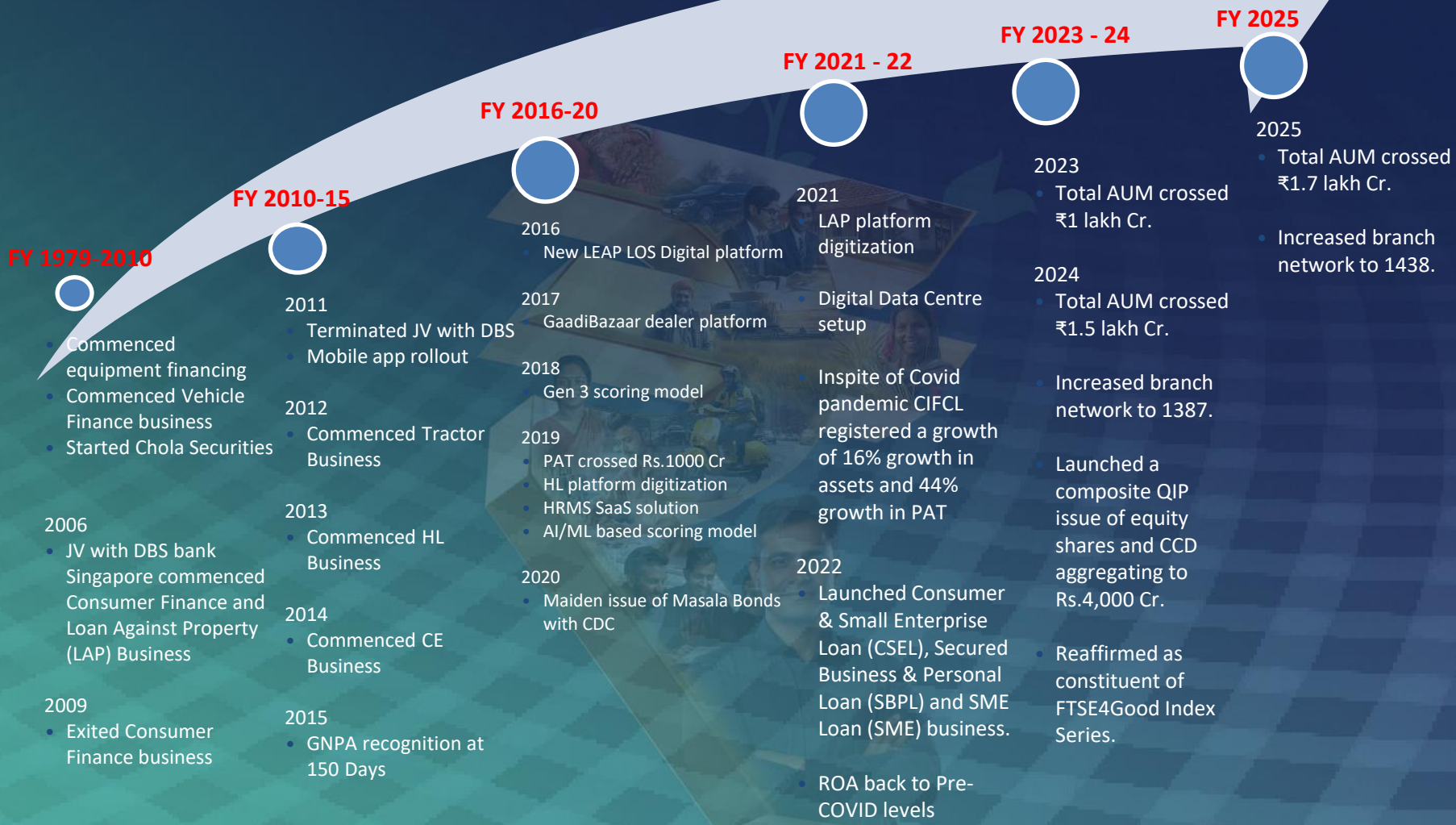
Diversified product portfolio

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



Experienced management

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



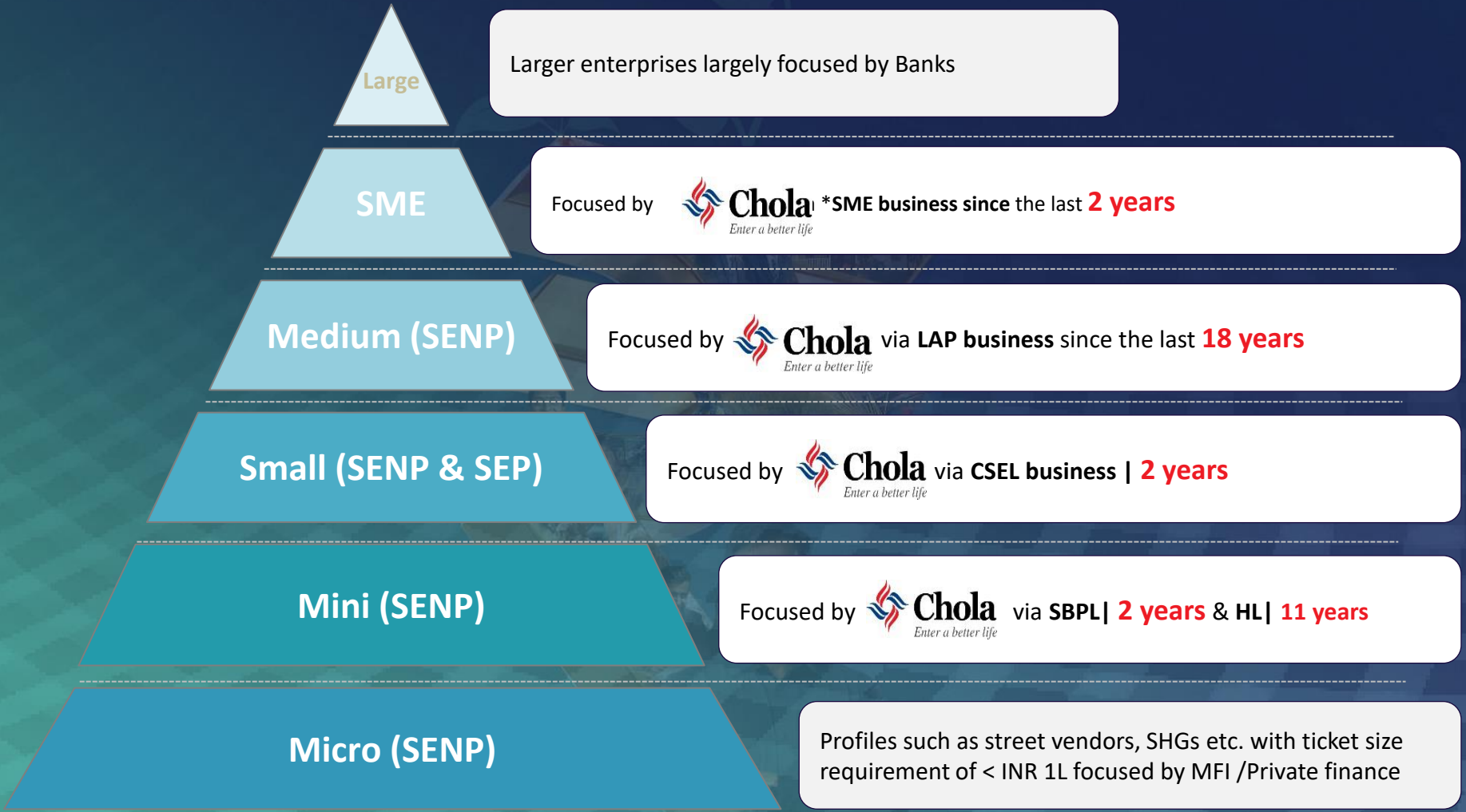
Particulars	Q1FY25 Vs Q1FY24
Disbursement	Disbursement at Rs.24,332 Cr, a growth of 22%.
Business AUM	Rs.1,68,832 Cr, a growth of 38%.
NIM	Improved to 7.6% as compared to 7.3%
PBT	Rs.1,268 Cr, a growth of 31%
PBT – ROTA	3.2% as compared to 3.3%
Return on Equity	18.9% as compared to 19.9%
Stage 3 (90DPD)	2.62% as compared to 3.06%
GNPA (RBI)	3.62% as against 4.30% and NNPA at 2.37% as against 2.82%
CAR	18.03%. Tier I at 14.76%

Particulars	Q1FY25 Vs Q1FY24
<a href="#">VEHICLE FINANCE</a> Overview	<ul style="list-style-type: none"> <li>Well-diversified product portfolio spread across 1388 branches PAN India</li> <li>Focused on financing of CV, PV, 2W, Tractor and Construction equipment in both new and used segments.</li> <li>Our focus continues to be on retail customers especially in smaller towns and rural areas</li> </ul>
Disbursement	Disbursement of Rs.12,766 Cr, a growth of 13%.
PBT	PBT at Rs.620 Cr, a growth of 24%
<a href="#">LOAN AGAINST PROPERTY</a> Overview	<ul style="list-style-type: none"> <li>Focused on financing SME customers for their business needs against security of existing immovable property, operating out of 794 branches pan India.</li> <li>78% of the book is financed against Self-Occupied residential property as collateral.</li> </ul>
Disbursement	Disbursement of Rs.3,874 Cr, a growth of 45%.
PBT	PBT at Rs.292 Cr, a growth of 31%
<a href="#">HOME LOAN</a> Overview	<ul style="list-style-type: none"> <li>Focused on providing Home Loans under affordable segment with presence across 677 branches PAN India.</li> </ul>
Disbursement	Disbursement of Rs.1,778 Cr, a growth of 22%.
PBT	PBT at Rs.163 Cr, a growth of 88%

Particulars	Q1FY25 Vs Q1FY24
<a href="#">SME</a> Overview	<ul style="list-style-type: none"> <li>The product suite includes Supply chain financing, Term loans for capex, Loan against shares, Funding on hypothecation of machinery for specific industries. Servicing out of 86 (co-located) locations with business growth both through traditional and Fintech partnerships.</li> </ul>
Disbursement	Disbursement of Rs.2,160 Cr, a growth of 6%.
PBT	PBT at Rs.24 Cr, a growth of 57%
<a href="#">CSEL</a> Overview	<ul style="list-style-type: none"> <li>Offers Personal Loans, Professional Loans &amp; Business Loans to Salaried, Self-employed Professionals and Micro &amp; Small businesses through traditional DSA/DST model, Partnerships with FinTech's, Direct to consumer through Chola one app and Tie-up with Samsung Finance for Samsung Mobile Phone Financing.</li> <li>Present in 446 locations (445 co-located &amp; 1 standalone) and have acquired over 14.9+ lakh customers as on Jun24.</li> </ul>
Disbursement	Disbursement of Rs.3,486 Cr, a growth of 48%.
PBT	PBT at Rs.101 Cr, a growth of 93%
<a href="#">SBPL</a> Overview	<ul style="list-style-type: none"> <li>Offers secured business loan and secured personal loan against self-occupied residential property or commercial-cum-residential property as collateral – present in 414 locations (co-located) spread across 11 states as on Jun24.</li> </ul>
Disbursement	Disbursement of Rs.268 Cr, a growth of 48%.
PBT	PBT at Rs.30 Cr as compared to Rs.1 Cr in Q1FY24

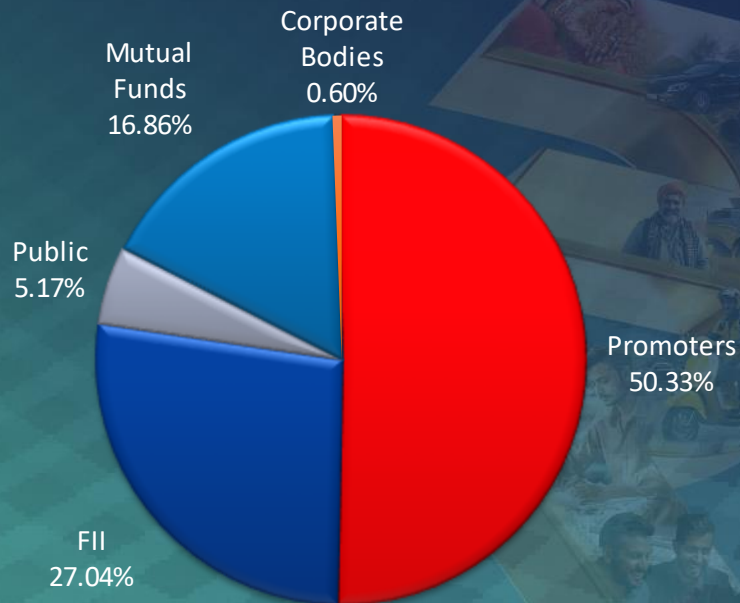
Particulars	VF	LAP	HL	New Businesses	Business Enablers	Chola
No of Employees	37266	4609	6038	5382	1452	<b>54747</b>
No of Branches	1388	*778	*677	*580	*6	<b>1438</b>
No of Customers	2324354	53951	106581	1150938	NA	<b>3635824</b>





\* Prior to 2022 major customers were within Murugappa eco-system.

## Shareholding Pattern



- Promoters' share holding of 50.33% includes
  - Cholamandalam Financial Holdings Limited – 44.38%,
  - Ambadi Investments Limited – 4.01%
  - Others – 1.94%

## Institutional Holders (More than 1%)

### Top Domestic Institutional Holding

- Axis Mutual Fund
- SBI Mutual Fund
- HDFC Mutual Fund
- Aditya Birla Sun Life Mutual Fund
- Canara Robeco Mutual Fund

### Top Foreign Institutional Holding

- Capital Group
- Vanguard
- Blackrock
- Norges Bank Investment Management

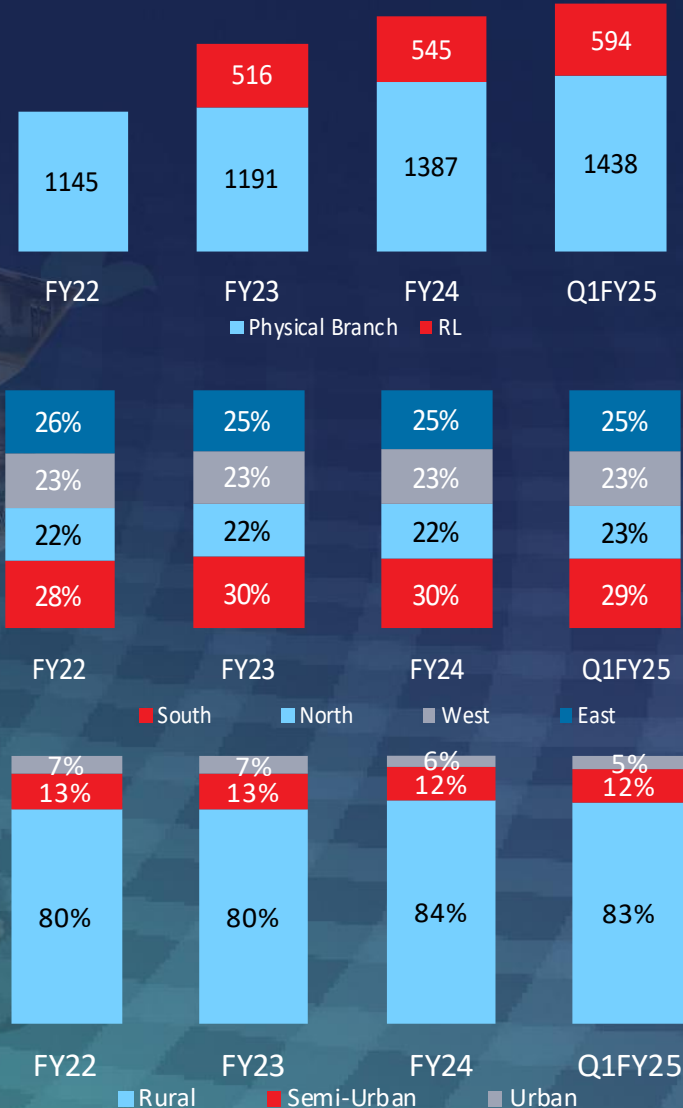
Note: As on 28<sup>th</sup> June 2024



# Strong Geographical Presence



- 1438 branches across 26 states & 7 Union territories: 1388 VF, 778 LAP (771 co-located with VF), 677 HL (641 co-located with VF), 446 CSEL (445 co-located with VF), 414 SBPL, 86 SME (all co-located with VF) & 6 locations for Head office Functions and Operations in Tamil Nadu
- 90% locations are in Tier-III, Tier-IV, Tier V and Tier-VI towns



Note: Figures in brackets represents total no. of branches as on 30<sup>th</sup> Jun 2024.

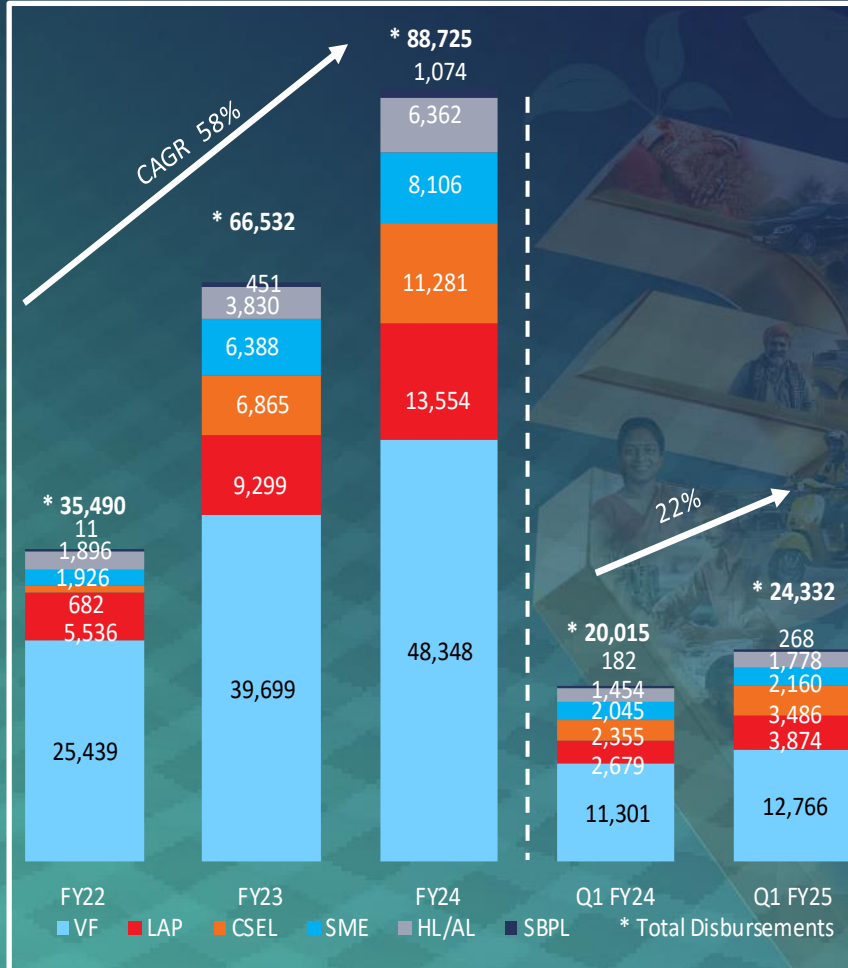
# Financial Performance



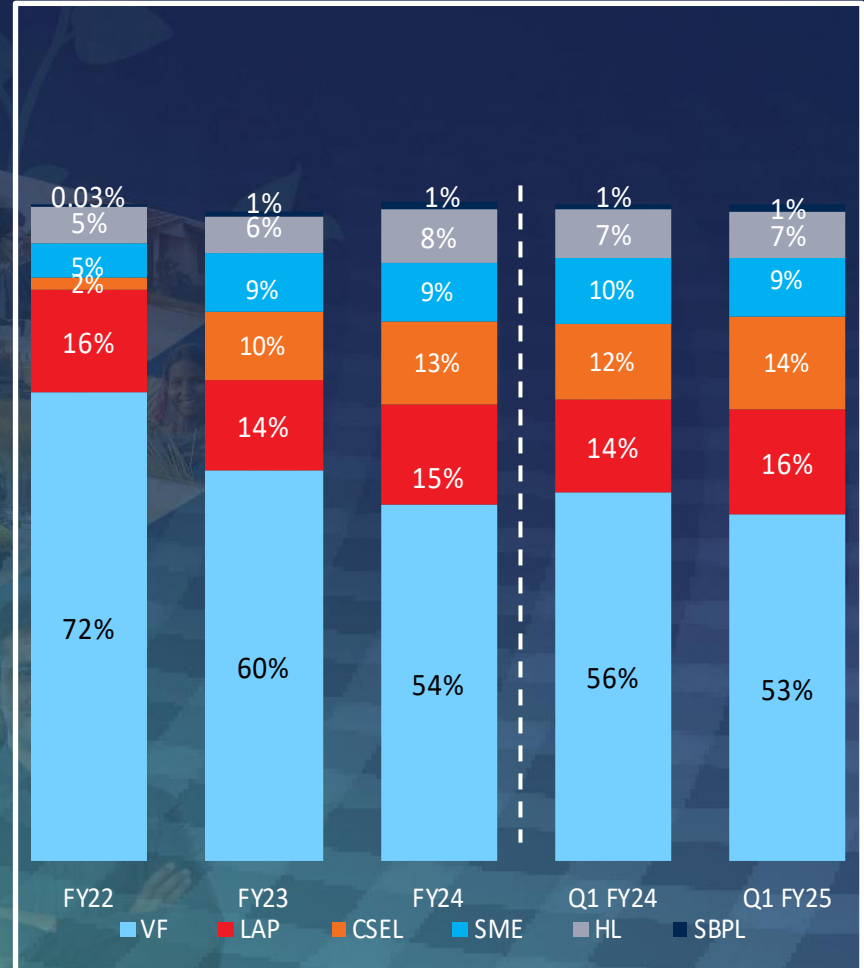
Financials Snapshot	Recovery and Stabilsation											COVID		New Growth		YoY	CAGR (5 years)	CAGR (15 years)
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24			
	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	INDAS	INDAS	INDAS	INDAS	INDAS	INDAS	INDAS			
<b>Disbursements</b>	<b>3,866</b>	<b>5,731</b>	<b>8,889</b>	<b>12,118</b>	<b>13,114</b>	<b>12,808</b>	<b>16,380</b>	<b>18,591</b>	<b>25,114</b>	<b>30,451</b>	<b>29,091</b>	<b>26,043</b>	<b>35,490</b>	<b>66,532</b>	<b>88,725</b>	<b>33%</b>	<b>32%</b>	<b>25%</b>
<b>Assets under management</b>	<b>7,725</b>	<b>9,684</b>	<b>13,846</b>	<b>19,640</b>	<b>24,155</b>	<b>26,191</b>	<b>30,362</b>	<b>35,110</b>	<b>43,629</b>	<b>57,560</b>	<b>66,943</b>	<b>76,518</b>	<b>82,904</b>	<b>1,12,782</b>	<b>1,53,718</b>	<b>36%</b>	<b>23%</b>	<b>24%</b>
Total Income	929	1,202	1,788	2,556	3,263	3,691	4,194	4,660	5,529	6,875	8,220	9,576	10,139	12,978	19,216	48%	24%	24%
Gain on Assignment	-	-	-	-	-	-	-	-	-	87	247	-	-	-	-			
Interest expenses	504	568	988	1,411	1,771	1,960	2,051	2,231	2,659	3,589	4,592	4,576	4,299	5,749	9,231	61%	19%	23%
<b>Net Income</b>	<b>425</b>	<b>634</b>	<b>800</b>	<b>1,145</b>	<b>1,492</b>	<b>1,731</b>	<b>2,143</b>	<b>2,429</b>	<b>2,870</b>	<b>3,373</b>	<b>3,875</b>	<b>5,000</b>	<b>5,840</b>	<b>7,229</b>	<b>9,986</b>	<b>38%</b>	<b>27%</b>	<b>25%</b>
Operating Expenses	200	333	437	570	658	749	845	1,013	1,115	1,270	1,578	1,583	2,069	2,780	4,082	47%	27%	24%
<b>Operating Profit Before Loan Losses</b>	<b>225</b>	<b>301</b>	<b>363</b>	<b>575</b>	<b>834</b>	<b>982</b>	<b>1,298</b>	<b>1,416</b>	<b>1,754</b>	<b>2,104</b>	<b>2,298</b>	<b>3,416</b>	<b>3,771</b>	<b>4,449</b>	<b>5,904</b>	<b>33%</b>	<b>27%</b>	<b>26%</b>
Loan Losses & Provision	191	177	40	124	283	325	427	311	353	367	959	1,378	880	850	1,322	56%	8%	15%
<b>Profit before tax</b>	<b>31</b>	<b>100</b>	<b>290</b>	<b>451</b>	<b>550</b>	<b>657</b>	<b>871</b>	<b>1,105</b>	<b>1,401</b>	<b>1,736</b>	<b>1,338</b>	<b>2,038</b>	<b>2,891</b>	<b>3,600</b>	<b>4,582</b>	<b>27%</b>	<b>36%</b>	<b>43%</b>
<b>Profit after tax</b>	<b>15</b>	<b>62</b>	<b>173</b>	<b>307</b>	<b>364</b>	<b>435</b>	<b>568</b>	<b>718</b>	<b>918</b>	<b>1,186</b>	<b>1,052</b>	<b>1,515</b>	<b>2,147</b>	<b>2,666</b>	<b>3,423</b>	<b>28%</b>	<b>34%</b>	<b>48%</b>
<b>Ratios</b>																		
Total Income to assets (%)	15.1	16.6	16.6	16.9	16.8	14.6	15.1	14.3	14.7	14.2	14.6	14.0	13.7	13.8	14.4			
Cost of Funds to assets (%)	8.2	7.9	9.2	9.3	9.1	7.8	7.4	6.9	7.1	7.2	7.7	6.7	5.8	6.1	6.9			
Net Income to assets (%)	6.9	8.8	7.4	7.6	7.7	6.9	7.7	7.5	7.6	7.0	6.9	7.3	7.9	7.7	7.5			
Expense to assets (%)	3.2	4.6	4.1	3.8	3.4	3.0	3.0	3.1	3.0	2.6	2.6	2.3	2.8	3.0	3.1			
Losses and provisions (%)	3.1	2.4	0.4	0.8	1.5	1.3	1.5	1.0	0.9	0.7	0.8	1.2	1.9	1.4	1.0			
Return on assets (PBT) (%)	0.5	1.4	2.7	3.0	2.8	2.6	3.1	3.4	3.7	3.7	2.7	3.0	3.9	3.8	3.4			
Return on assets (PAT)	0.2	0.9	1.6	2.0	1.9	1.7	2.0	2.2	2.4	2.4	1.8	2.2	2.9	2.8	2.6			
Cost to Net Income (%)	47.1	52.5	54.6	49.8	44.1	43.3	39.4	41.7	38.9	37.6	40.7	31.7	35.4	38.5	40.9			
Networth - Rs. In Crs (Note 1)	785	*1072	*1417	*1965	2295	*3173	3657	4285	5098	6176	*8172	9560	11708	*14296	19557			
Tier I (%)	9.5	10.8	11.0	11.1	10.5	13.0	13.3	13.6	13.2	12.6	15.3	15.1	16.5	14.8	15.1			
CAR (%)	14.8	*16.7	*18.1	*19.0	17.2	*21.2	19.7	18.6	18.4	17.4	*20.68	19.1	19.6	17.1	18.6			
Return on equity (%)	2.3	6.7	13.9	18.1	17.1	15.8	16.7	18.1	19.6	20.9	15.2	16.9	20.4	20.6	20.6			
EPS (Basic) - In Rs.	0.4	1.1	2.9	4.6	5.1	6.0	7.5	9.2	11.8	15.2	13.4	18.5	26.2	32.5	41.2			
Dividend (%)	0.10	15%	25%	35%	35%	35%	45%	55%	65%	65%	85%	100%	100%	100%	100%			
Market Cap - in Rs Crs	623	2059	2453	3883	4125	8423	11140	15072	22667	22624	12535	45824	58978	62607	97227			
GNPA (%) (Note 2)	5.5	2.6	0.9	1.0	1.9	3.1	3.5	4.7	3.4	2.7	3.8	4.0	6.8	4.6	3.5			
NNPA (%)	1.7	0.3	0.3	0.2	0.7	2.0	2.1	3.2	2.2	1.7	2.2	2.2	4.7	3.1	2.3			
NPA Recognition	6month	6month	6month	6month	6month	5month	4month	3month	3month	3month	3month	3month	3month	3month	3month			
Branch Network - in Nos	171	236	375	518	574	534	534	703	873	900	1091	1137	1145	1191	1387			

- Note:
- 1. Capital Infusion in years where star marked
- 2. Spurt in GNPA in FY20 and FY21 was due to Covid and in FY22 was due to new RBI norms on NPA

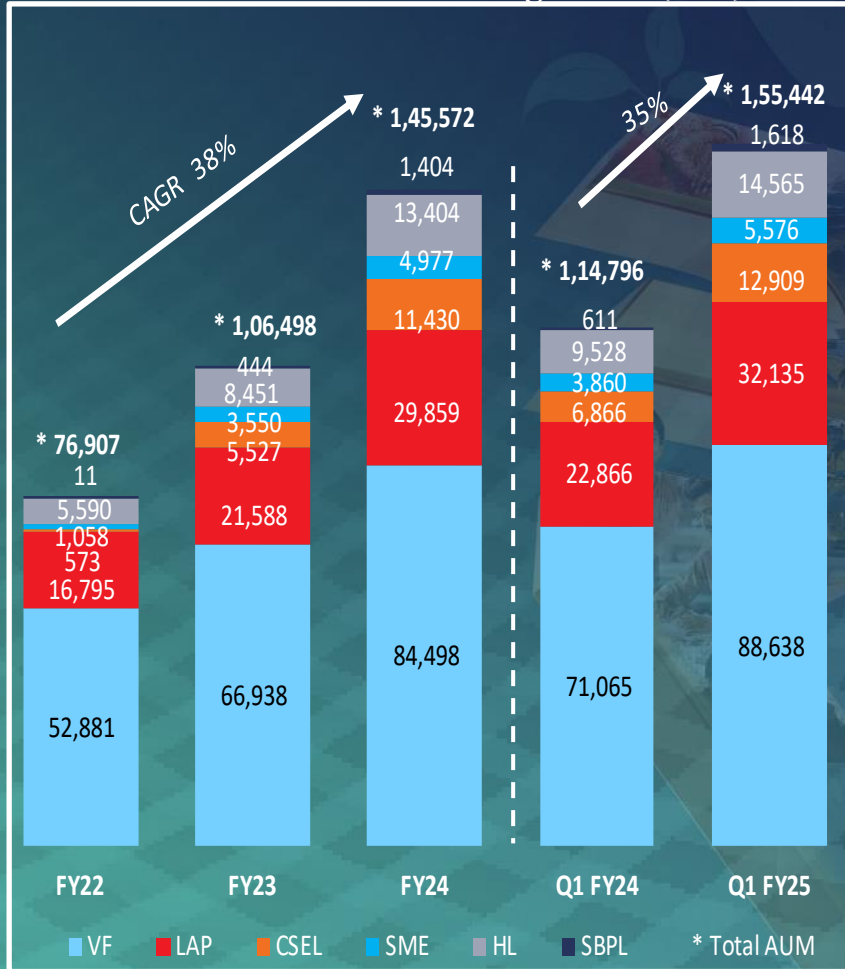
Disbursements (₹Cr)



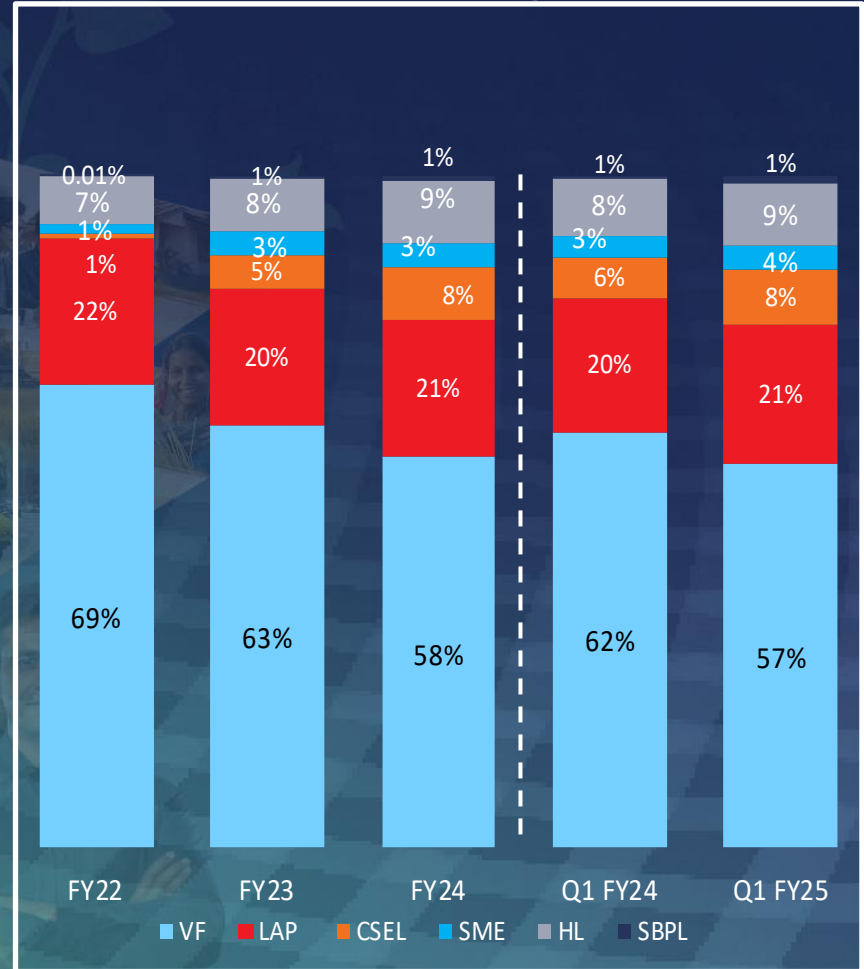
Disbursements (%)



Business - Assets under Management (₹Cr)

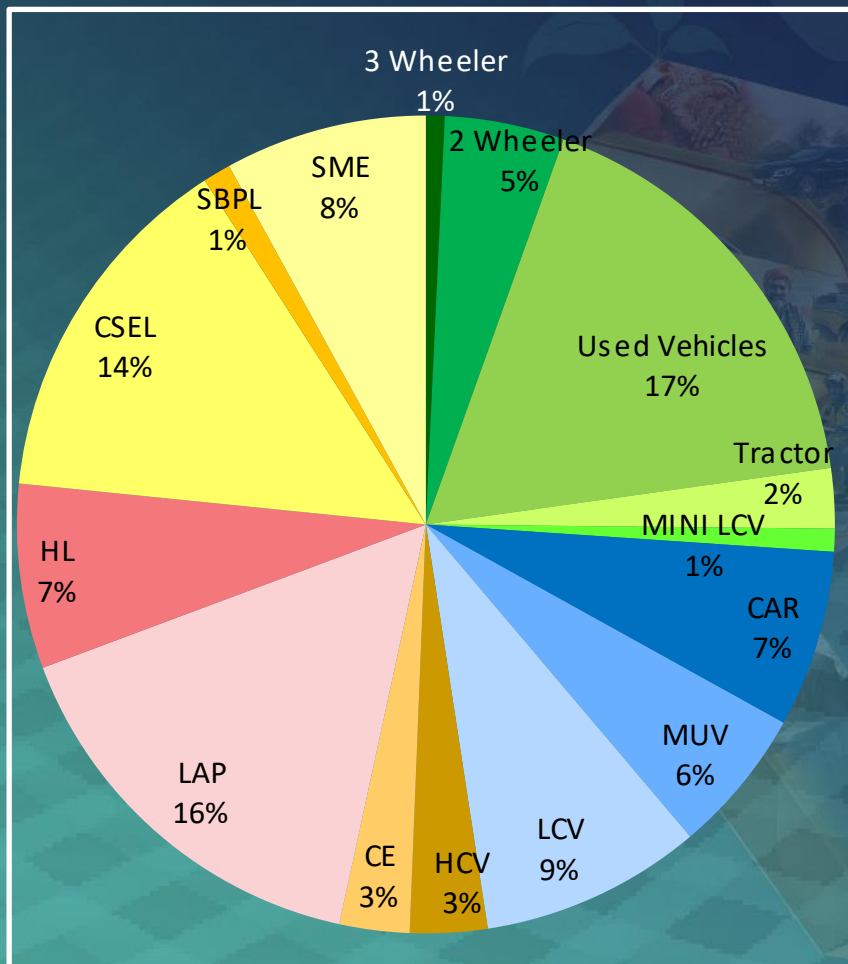


Business - Assets under Management (%)

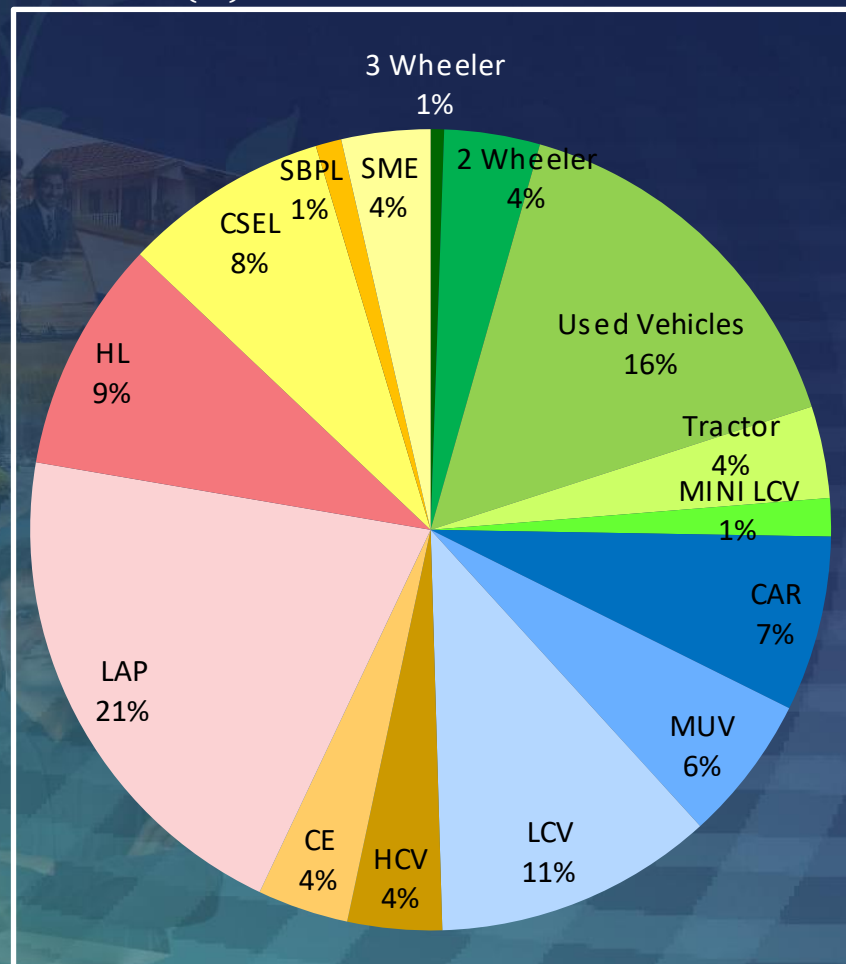


## Well diversified product segments

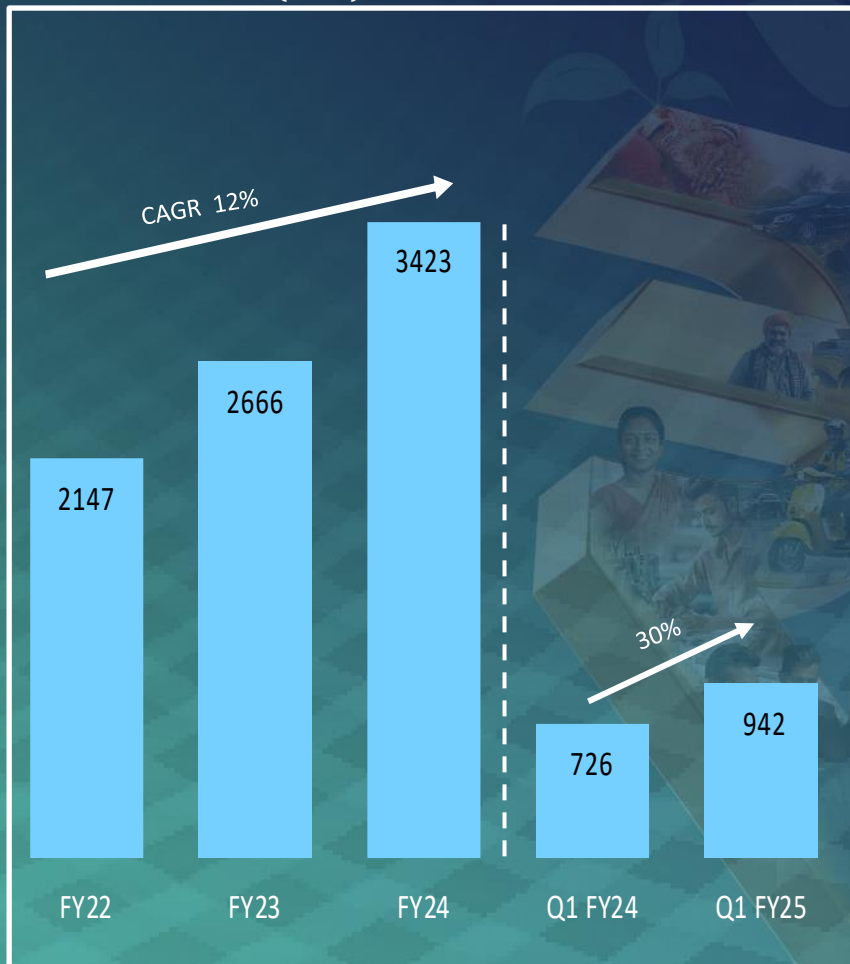
Disbursements (%) - Product wise



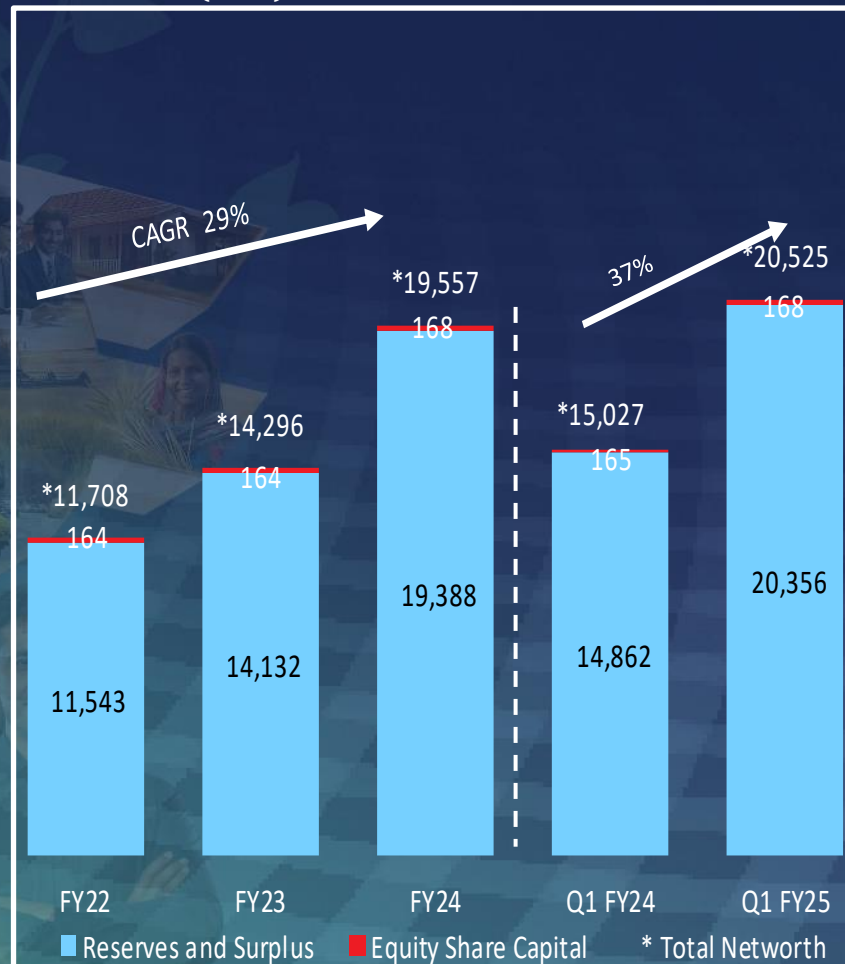
Portfolio (%) - Product wise



Profit after tax (₹Cr)



Networth (₹Cr)

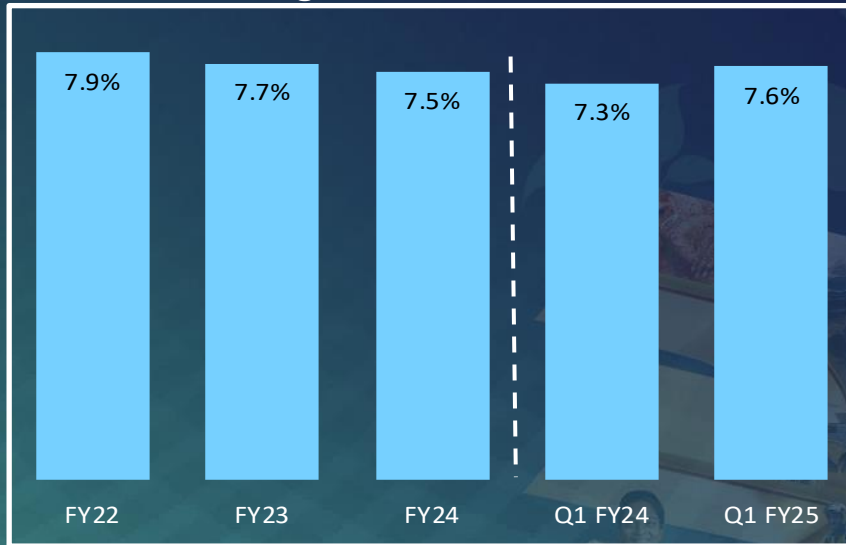


Note on Network

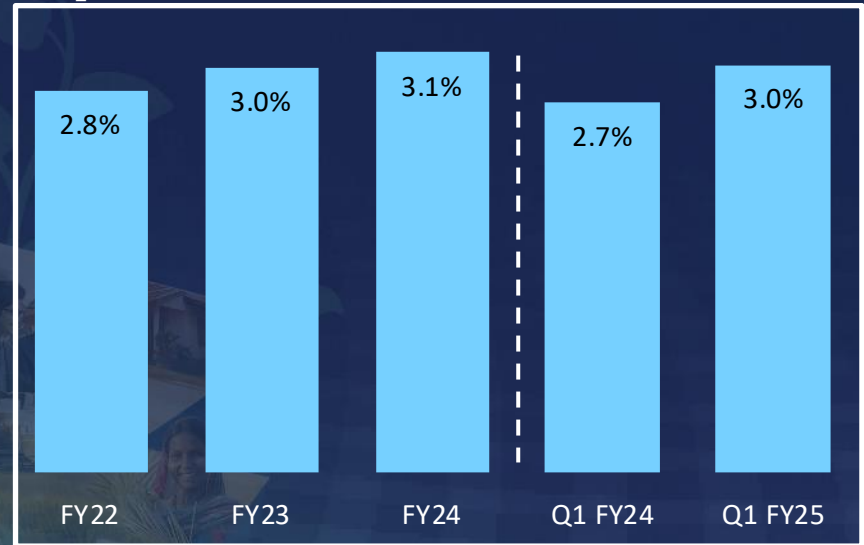
FY24 – Raised capital of ₹2,000 Cr (QIP) and Rs.2,000 Cr (Compulsory Convertible Debentures).

# Asset Ratios

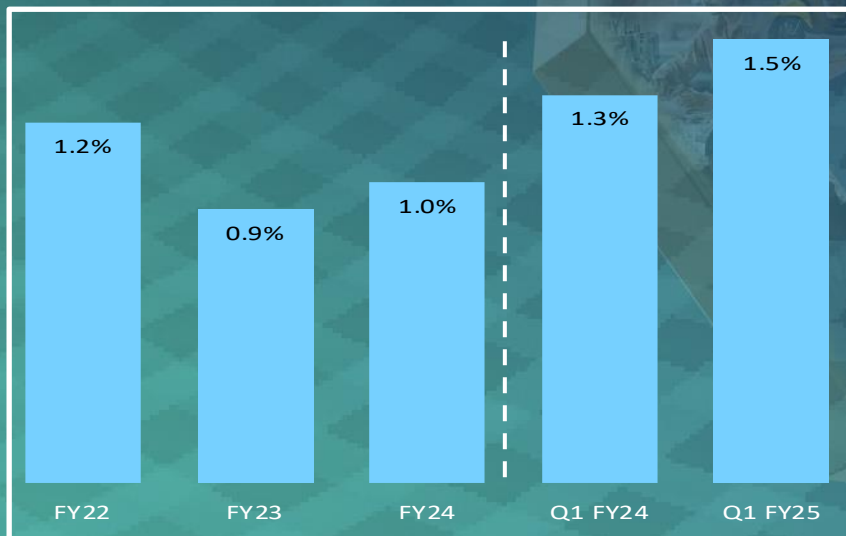
Net Income Margin (%)



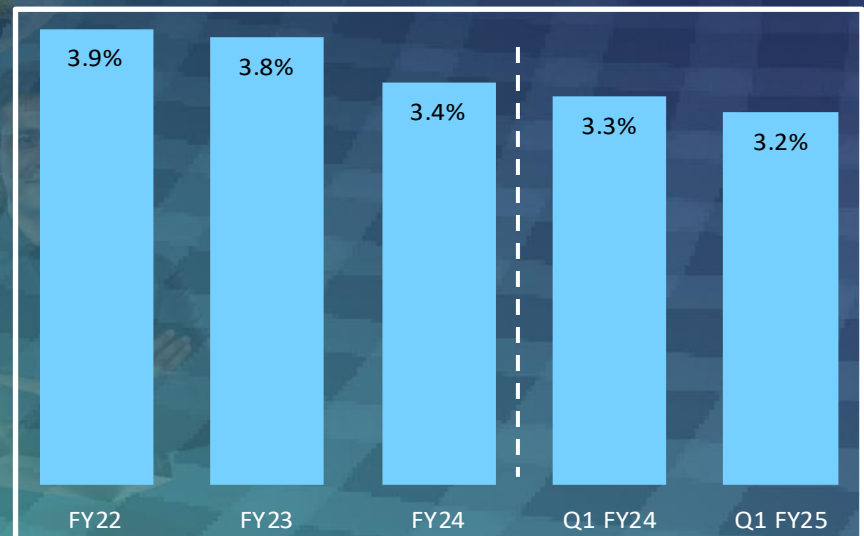
Expenses Ratio (%)



Loan Losses & Provisions (%)

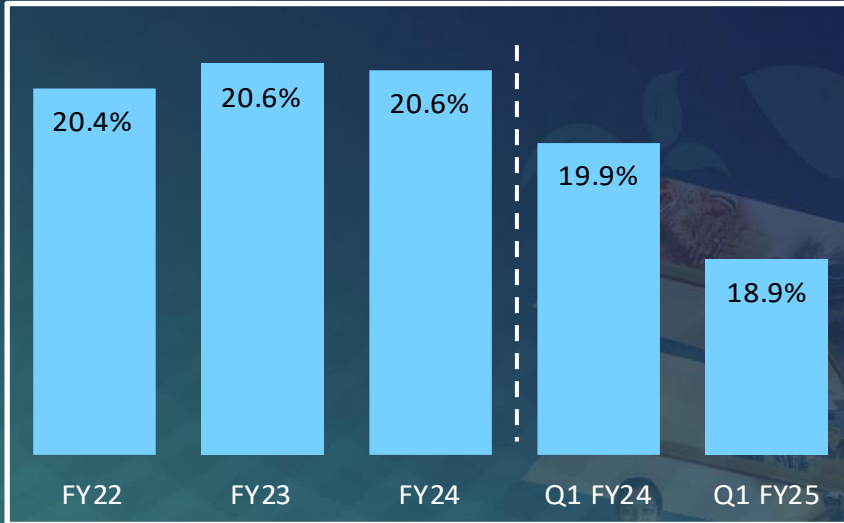


ROA - PBT (%)

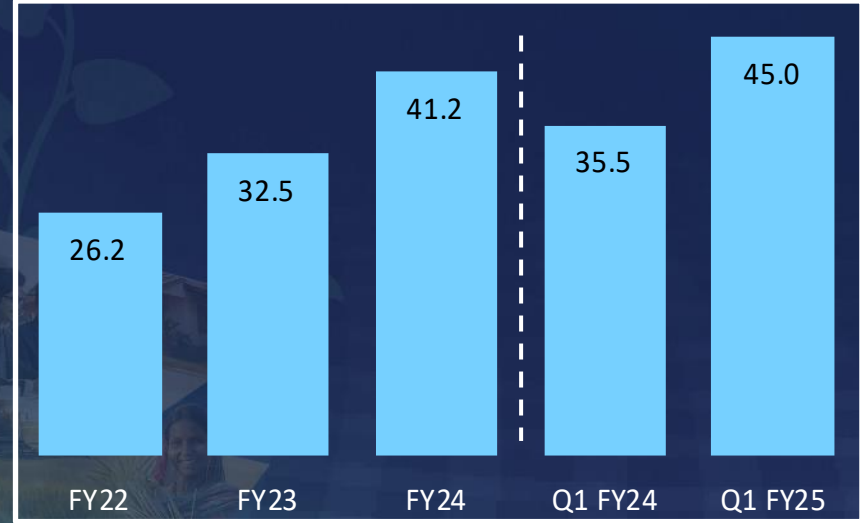




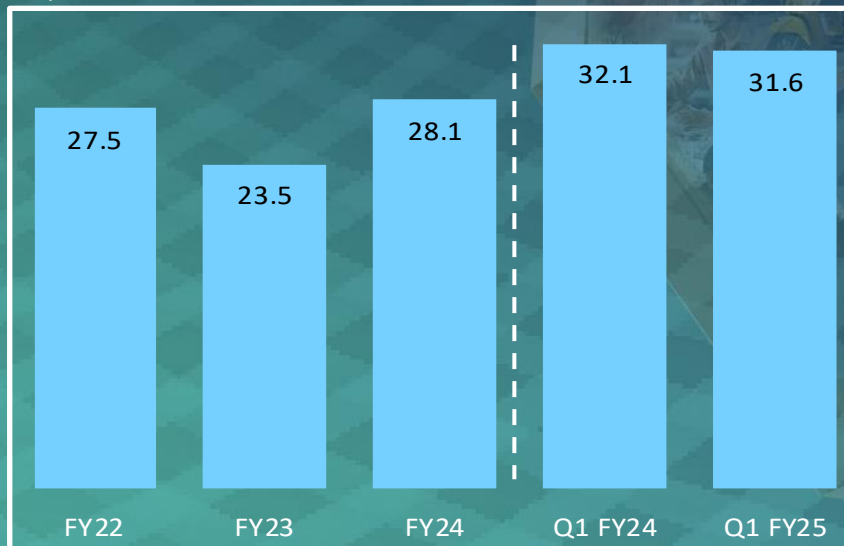
Return on equity (%)



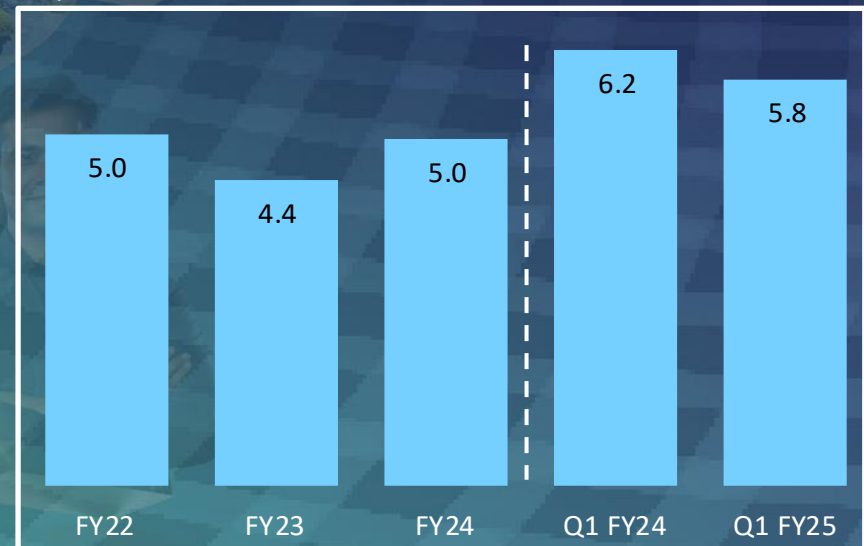
Earnings per share (₹)



P/E Ratio



P/BV Ratio



Particulars	Q4FY24	Q1 FY24	Q1 FY25	Growth % Q1-o-Q1	FY24
<b>Disbursements</b>	<b>24,784</b>	<b>20,015</b>	<b>24,332</b>	<b>22%</b>	<b>88,725</b>
<b>Closing Assets - Managed</b>	<b>1,53,718</b>	<b>1,22,755</b>	<b>1,68,832</b>	<b>38%</b>	<b>1,53,718</b>
Income	5,492	4,134	5,828	41%	19,216
Finance Charges	2,579	2,007	2,796	39%	9,231
<b>Net Income</b>	<b>2,913</b>	<b>2,127</b>	<b>3,033</b>	<b>43%</b>	<b>9,986</b>
Expenses	1,285	787	1,183	50%	4,082
Net Credit Losses	191	372	581	56%	1,322
<b>PBT</b>	<b>1,437</b>	<b>968</b>	<b>1,268</b>	<b>31%</b>	<b>4,582</b>
Taxes	379	242	326	35%	1,159
<b>PAT</b>	<b>1,058</b>	<b>726</b>	<b>942</b>	<b>30%</b>	<b>3,423</b>
<b>Asset Ratios</b>					
Income	14.8%	14.2%	14.7%		14.4%
Cost of Funds	6.9%	6.9%	7.0%		6.9%
Net Income Margin	7.8%	7.3%	7.6%		7.5%
Expense	3.5%	2.7%	3.0%		3.1%
Losses & Provisions	0.5%	1.3%	1.5%		1.0%
<b>ROA-PBT</b>	<b>3.9%</b>	<b>3.3%</b>	<b>3.2%</b>		<b>3.4%</b>
<b>ROA-PAT</b>	<b>2.8%</b>	<b>2.5%</b>	<b>2.4%</b>		<b>2.6%</b>
Gross - Stage 3	3,645	3,546	4,123		3,645
ECL Provisions - Stage 3	1,693	1,610	1,876		1,693
<b>Coverage Ratio - Stage 3</b>	<b>46.5%</b>	<b>45.4%</b>	<b>45.5%</b>		<b>46.5%</b>
Cost to Net Income	44.1%	37.0%	39.0%		40.9%

# Balance Sheet (As per IND AS)

₹ Cr

Particulars	Jun23	Mar24	Jun24
<b>ASSETS</b>			
<b>Financial Assets</b>	<b>1,23,212</b>	<b>1,53,770</b>	<b>1,69,908</b>
Cash and Bank balance	5,544	4,320	10,555
Derivative financial instruments	259	248	112
Receivables	227	399	395
Loans	1,13,232	1,44,424	1,54,315
Investments	3,698	4,137	4,331
Other Financial Assets	251	241	201
<b>Non- Financial Assets</b>	<b>1,488</b>	<b>2,680</b>	<b>2,700</b>
Current tax assets (Net)	242	357	298
Deferred tax assets (Net)	644	654	683
Property, Plant and Equipment	372	1,534	1,575
Capital work in progress	44	-	-
Intangible assets	51	35	34
Other Non-Financial Assets	136	100	109
<b>TOTAL</b>	<b>1,24,699</b>	<b>1,56,451</b>	<b>1,72,608</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Financial Liabilities</b>	<b>1,09,460</b>	<b>1,36,619</b>	<b>1,51,772</b>
Derivative financial instruments	165	187	205
Trade Payables - Others	18	115	31
Other Payables - Others	831	1,338	1,083
Borrowings	1,08,140	1,34,474	1,49,902
Other Financial Liabilities	306	506	551
<b>Non-Financial Liabilities</b>	<b>212</b>	<b>275</b>	<b>312</b>
<b>Shareholder's fund</b>	<b>15,027</b>	<b>19,557</b>	<b>20,525</b>
<b>TOTAL</b>	<b>1,24,699</b>	<b>1,56,451</b>	<b>1,72,608</b>

Particulars	Mar24 INR Cr	Jun24 INR Cr	Mar24 % to GA	Jun24 % to GA
<b>Gross Assets</b>	<b>1,46,945</b>	<b>1,57,095</b>	<b>100.0%</b>	<b>100.0%</b>
Stage 1	1,40,078	1,49,060	95.33%	94.89%
Stage 2	3,222	3,912	2.19%	2.49%
Stage 3	3,645	4,123	2.48%	2.62%
<b>Provision</b>	<b>2,521</b>	<b>2,780</b>	<b>1.72%</b>	<b>1.77%</b>
Stage 1	541	565	0.39%	0.38%
Stage 2	286	339	8.89%	8.67%
Stage 3	1,693	1,876	46.45%	45.50%
<b>Net Assets</b>	<b>1,44,424</b>	<b>1,54,315</b>	<b>98.28%</b>	<b>98.23%</b>
Stage 1	1,39,537	1,48,495	94.96%	94.53%
Stage 2	2,935	3,572	2.00%	2.27%
Stage 3	1,952	2,247	1.33%	1.43%

Particulars		Asset	Total Provn	NNPA	Asset	Total Provn	NNPA
		Rs in Cr			%		
Stage 1A	(A)	1,48,744	552	1,48,192	94.68%	0.37%	94.33%
Stage 1B	(B)	316	13	303	0.20%	3.99%	0.19%
<b>Total Stage 1</b>	<b>(C)</b>	<b>1,49,060</b>	<b>565</b>	<b>1,48,495</b>	<b>94.89%</b>	<b>0.38%</b>	<b>94.53%</b>
Stage 2A	(D)	2,658	215	2,443	1.69%	8.10%	1.56%
Stage 2B	(E)	1,253	124	1,130	0.80%	9.88%	0.72%
<b>Total Stage 2</b>	<b>(F)</b>	<b>3,912</b>	<b>339</b>	<b>3,572</b>	<b>2.49%</b>	<b>8.67%</b>	<b>2.27%</b>
<b>Total Stage 3</b>	<b>(G)</b>	<b>4,123</b>	<b>1,876</b>	<b>2,247</b>	<b>2.62%</b>	<b>45.50%</b>	<b>1.43%</b>
<b>Total</b>	<b>(C + F + G)</b>	<b>1,57,095</b>	<b>2,780</b>	<b>1,54,315</b>	<b>100.00%</b>	<b>1.77%</b>	<b>98.23%</b>
<b>NPA as per RBI (incl Sec)</b>	<b>(B + E + G)</b>	<b>5,692</b>	<b>2,013</b>	<b>3,680</b>	<b>3.62%</b>	<b>35.36%</b>	<b>2.34%</b>
<b>NNPA% - RBI: Net NPA / (Asset - provisions for GNPA)</b>							<b>2.37%</b>

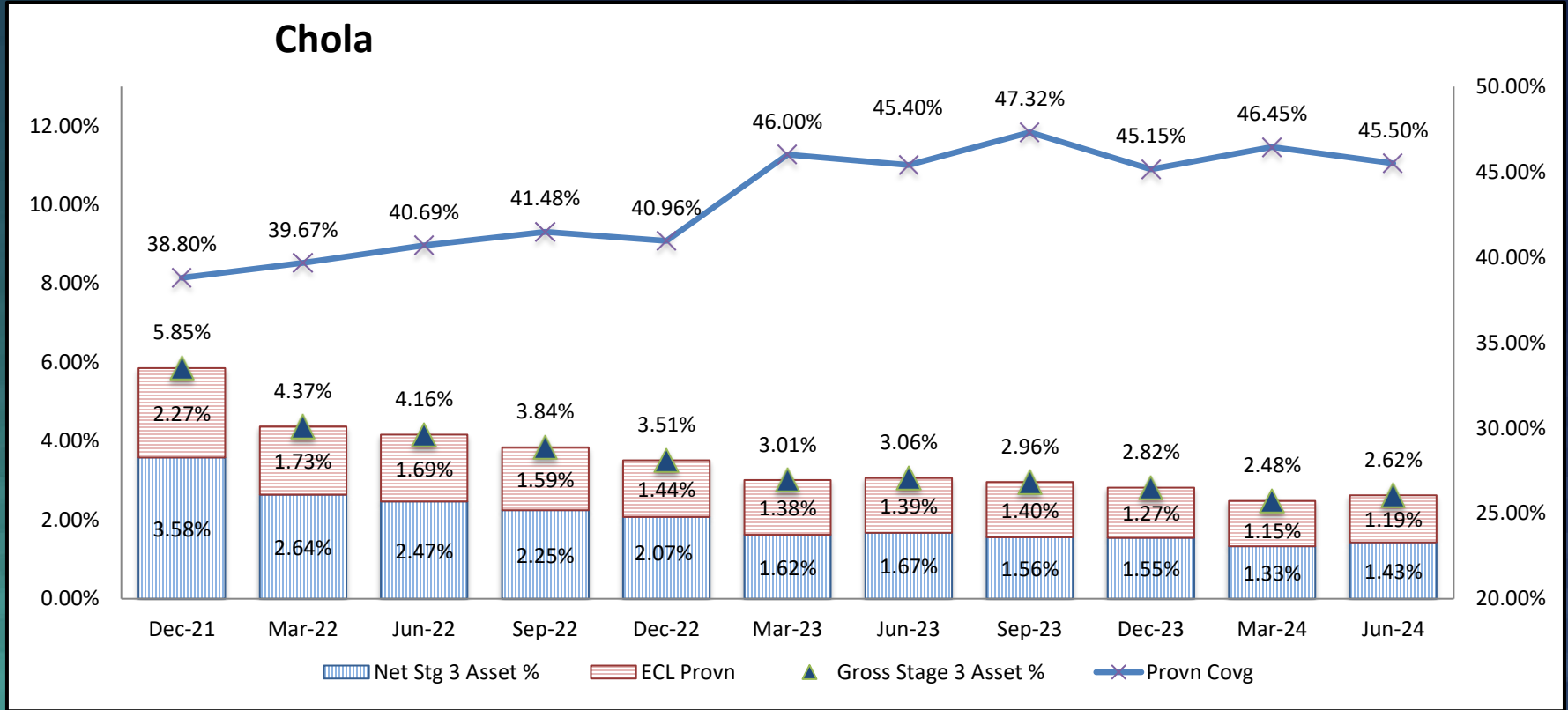
Addition of Stage 1B, Stage 2B and Stage 3 will be the GNPA% and NNPA % as per RBI norms with INDAS values.

We carry additional provision of Rs.859 Cr under INDAS over IRAC

Stage_1A	Represents assets (i) which had never touched NPA and (ii) which had been an NPA in the past but had been normalised and currently 0-30 days - Hence no more an NPA as per RBI norms
Stage_1B	Represents assets (i) which had been an NPA in the past but yet to be fully normalized though it has moved to Stage1 currently - Hence an NPA as per current RBI norms
Stage_2A	Represents assets (i) which had never touched NPA and (ii) which had been an NPA in the past but had been normalised post that now in 31-90 days DPD - Hence no more an NPA as per RBI norms
Stage_2B	Represents assets which had been an NPA in the past but yet to be fully normalised though it has moved to Stage2 currently - Hence an NPA as per current RBI norms
Stage_3	Represents assets which continues to be an NPA as on the closing date - Hence an NPA as per current RBI norms

Asset Class	Closing Asset	Gross Stage 3	Stage 3 Asset %	ECL Provision	Provision Coverage	Net Stage 3	Net Stage 3%
<b>Jun24</b>	<b>1,57,095</b>	<b>4,123</b>	<b>2.62%</b>	<b>1,876</b>	<b>45.50%</b>	<b>2,247</b>	<b>1.43%</b>
VF	90,580	2,966	3.27%	1,379	46.51%	1,586	1.75%
LAP	31,834	747	2.35%	332	44.42%	415	1.30%
HL	14,333	149	1.04%	49	32.63%	100	0.70%
CSEL	13,081	164	1.25%	82	50.20%	82	0.62%
SME	5,638	87	1.55%	31	35.77%	56	1.00%
SBPL	1,627	10	0.60%	3	26.39%	7	0.44%
Others	1	-	-	-	-	-	0.00%
<b>Mar24</b>	<b>1,46,945</b>	<b>3,645</b>	<b>2.48%</b>	<b>1,693</b>	<b>46.45%</b>	<b>1,952</b>	<b>1.33%</b>
VF	86,221	2,601	3.02%	1,218	46.84%	1,383	1.60%
LAP	29,494	718	2.43%	339	47.18%	379	1.29%
HL	13,148	124	0.95%	43	34.51%	81	0.62%
CSEL	11,571	136	1.17%	68	50.15%	68	0.58%
SME	5,026	60	1.19%	23	39.17%	36	0.72%
SBPL	1,411	6	0.42%	2	26.73%	4	0.31%
Others	75	-	-	-	-	-	0.00%

As per revised RBI norms GNPA% & NNPA% as of Mar24 is at 3.62% and 2.37% respectively.



As per revised RBI norms GNPA% & NNPA% as of Mar24 is at 3.62% and 2.37% respectively.

# Business Overview





# Vehicle Finance



## Vehicle Finance: Q1FY25 Performance

### Disbursements

- Disbursements grew by 13% in Q1FY25 to Rs. 12,766 Cr as compared to Q1FY24.

### Assets under management

- AUM has grown by 25% YoY.

### Loss and provisions

- Loan losses at 1.9% in Q1FY25 from 1.5% in Q1FY24.

### Profit before tax

- PBT grew by 24% in Q1FY25 to Rs.620 Cr as compared to Q1FY24

### Sector Outlook

- The Light commercial vehicle segment had a growth of 6% in Q1 FY'25 which is an all-time high sales for Q1 of any previous year. The impact of high base effect may mute growth in this segment during the year.
- The Small commercial vehicle segment had a de-growth of 1% in Q1 FY'25. Slowdown of growth is expected in this segment.
- The Heavy commercial vehicle segment had a growth of 5% in Q1 FY'25. The growth in this segment will be dependent on government spends and thrust on infra.

### Chola's Position

- We will continue our focus in this segment in line with macro economic demand.
- Our financing in this segment will be based on viability and cash flows amongst customers.
- Our exposure in this segment is minimal at a portfolio level. We will keep a close watch on this segment in line with industry growth.

### Sector Outlook

- The Passenger vehicle (Car & MUV) segment had a growth of 3% in Q1 FY'25 which is an all-time high sales for Q1 of any previous year. This segment has witnessed consecutive all time high growth over the last two years and is expected to have single digit growth this year.
- The Two-wheeler industry had a growth of 20% in Q1 FY'25. This segment is expected to grow at a healthy pace supported by rural demand.
- The Used vehicle industry growth is directly attributed to the increasing price trends of new vehicles over the years and also driven by higher replacement demand. The growth in this segment is expected to be positive during the year.

### Chola's Position

- We will continue our focus in this segment in line with retail demand and customer sentiments.
- Our focus in two-wheeler segment will be driven by portfolio quality and profitability.
- Used vehicles contribute to nearly 28% of our portfolio. We will continue to focus this segment with a clear focus on collections.

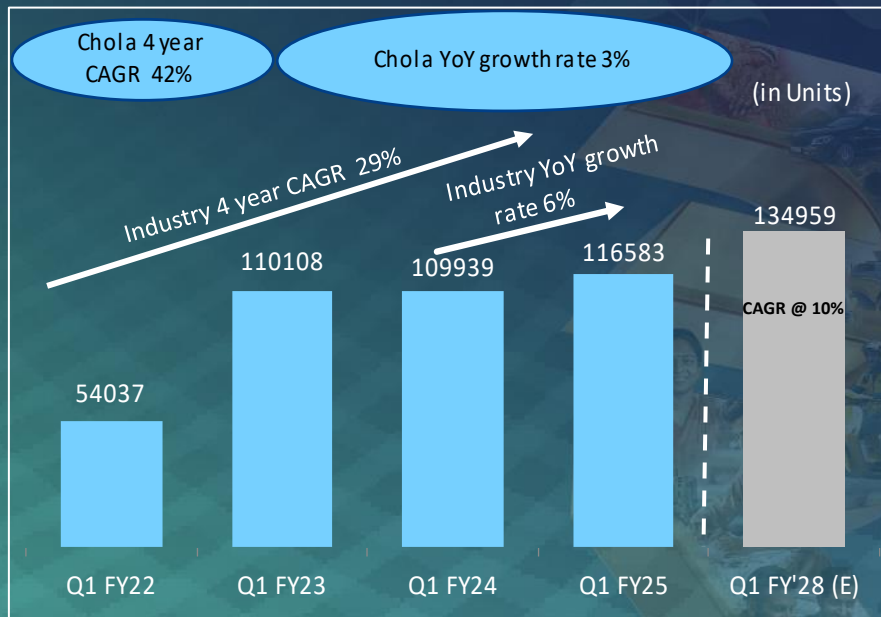
### Sector Outlook

- The Construction Equipment segment had a growth of 5% in Q1 FY'25. This segment is poised to grow in line with governments infra outlay, improvement in mining and thrust on rural projects.
- The Tractor industry had a marginal growth of 1% in Q1 FY'25. This segment is expected to have marginal growth supported by above normal rainfall forecast for the year, higher budget allocation for agriculture and allied activities.

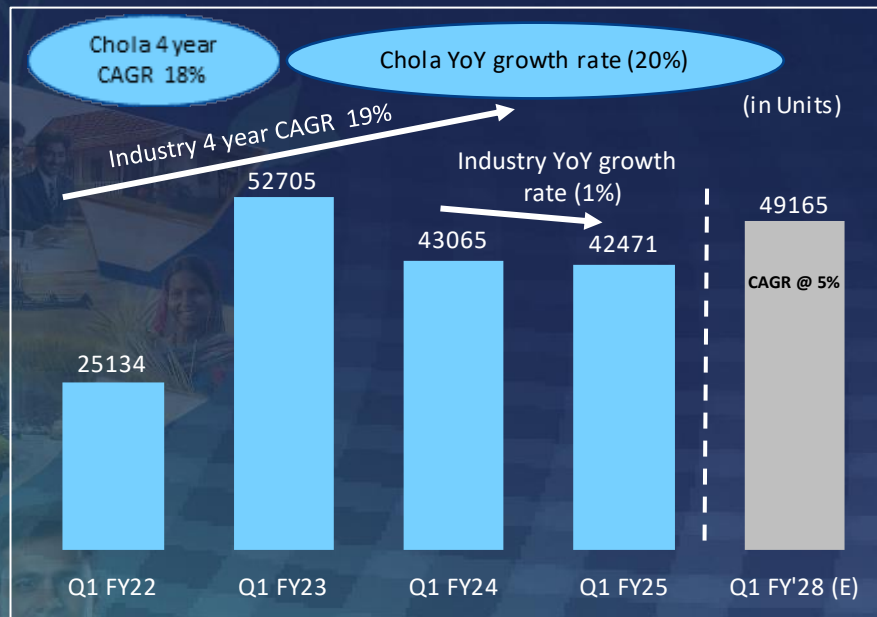
### Chola's Position

- Our exposure in this segment is around 7% at a portfolio level and we will strive to maintain quality book.
- Our growth in this segment will be influenced by multiple external factors like even rainfall, healthy crop harvest and rural cash flows.

## Trend in Domestic LCV Sales

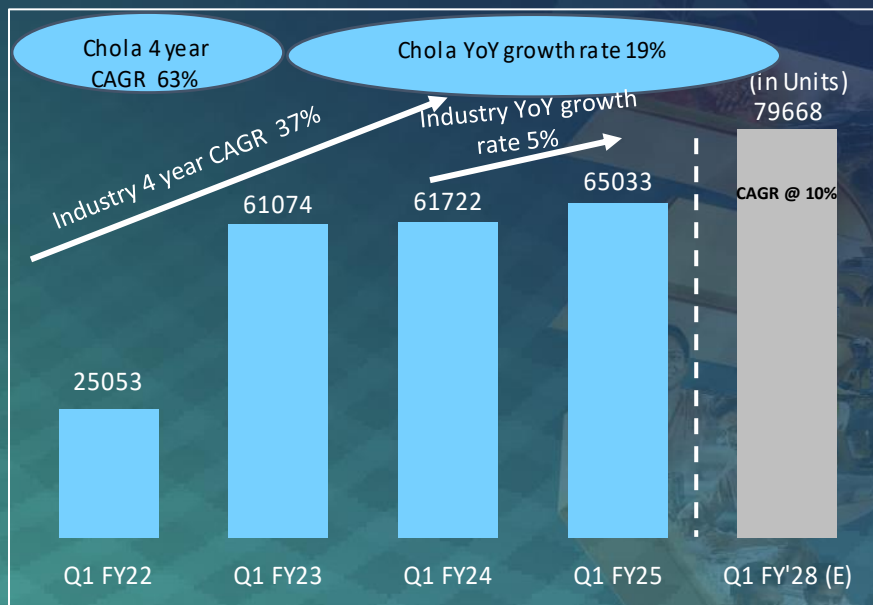


## Trend in Domestic SCV Sales

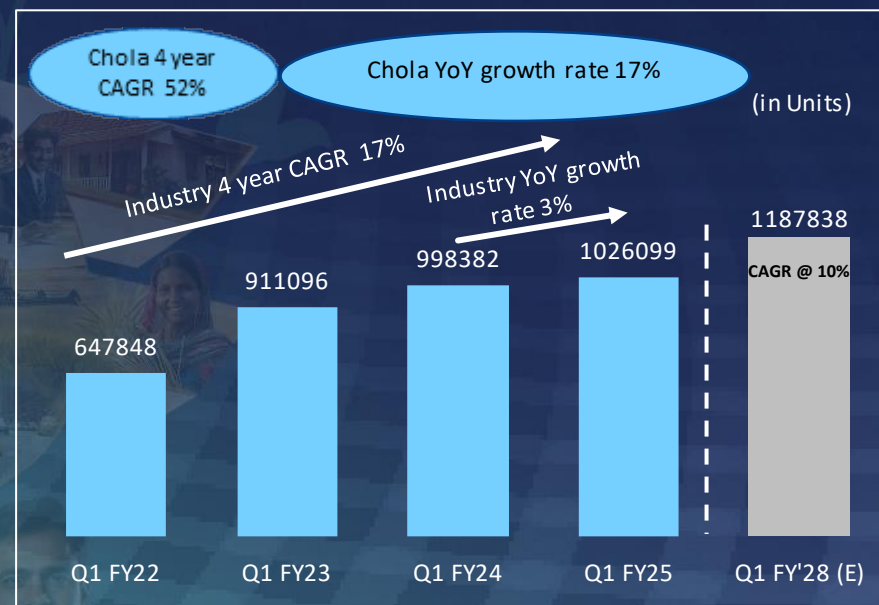


- Replacement demand, last-mile transport requirements and positive macroeconomic environment.
- Stronger demand from consumption driven sectors and E-commerce based companies.
- Demand for Pickups to increase in the long term due to higher flexibility in usage over sub one tonne vehicles.
- Bus Sales to be supported by growing urban population, demand from schools/ corporates and increased inter-city travel.

## Trend in Domestic HCV Sales



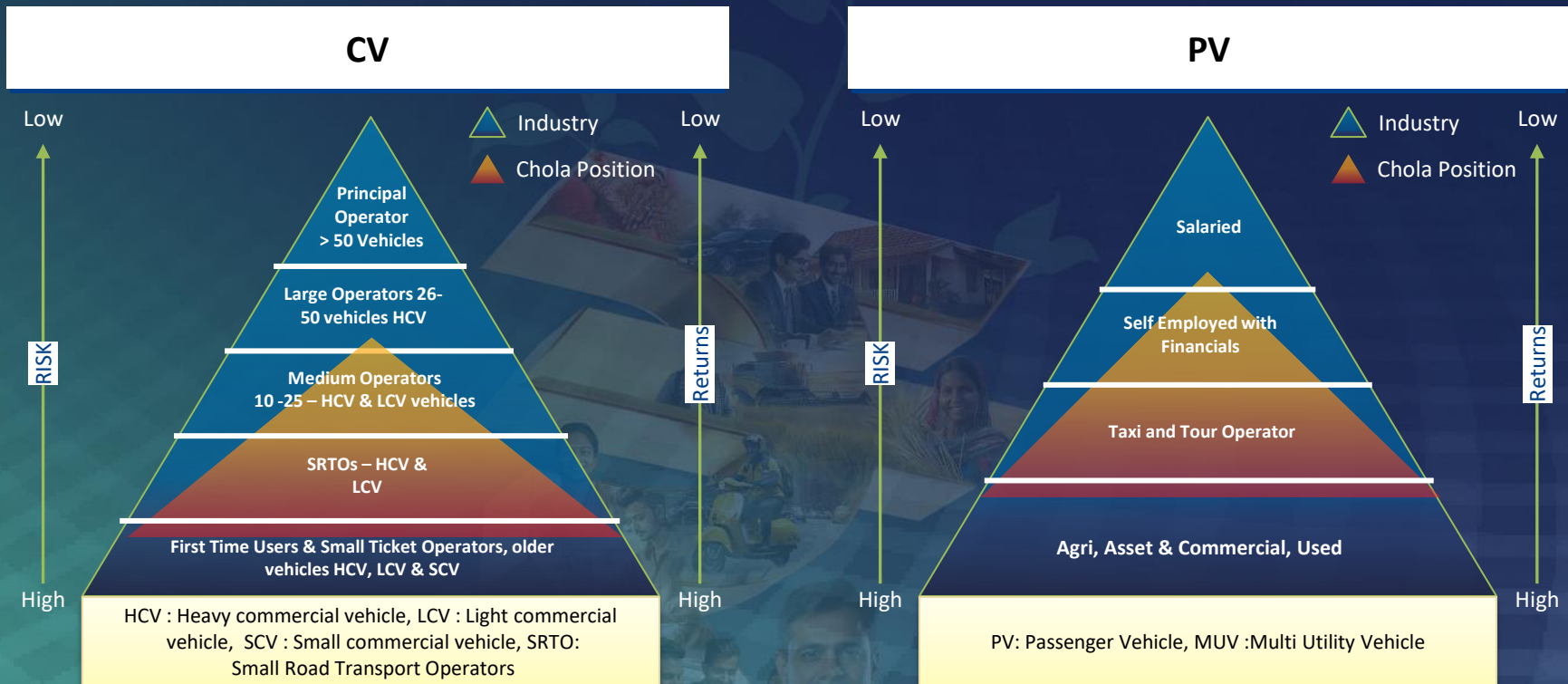
## Trend in Domestic Car & MUV Sales



- Improved industrial activity, steady agricultural output and the government’s focus on infrastructure will aid growth.
- Pick up in construction and mining activities over the long term would drive demand.

- Higher disposable income and introduction of newer models to aid long term demand.
- Increase in rural demand and growing penetration in tier III, tier IV towns will back stable growth.

# Vehicle Finance—Business Model & Positioning



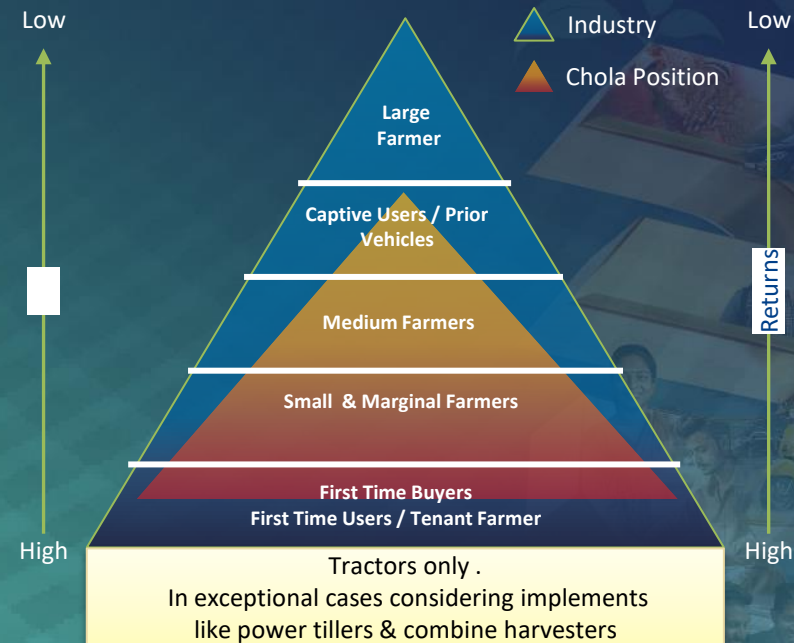
- ~65% of disbursements are to micro & small enterprises and agri -based customer segment
- Chola positioning-
  - Middle of the pyramid through New CVs, Used CVs
  - Top of the Bottom of the pyramid through SCV & older CVs Shubh

- ~ 66% of disbursements are to Chola Existing, Agri & Commercial usage customers
- ~ 34% disbursements are to Self Employed with financials
- Chola positioning-
  - Middle of the pyramid is into Agri, Asset & Commercial



# Vehicle Finance—Business Model & Positioning

## Tractor



## CE

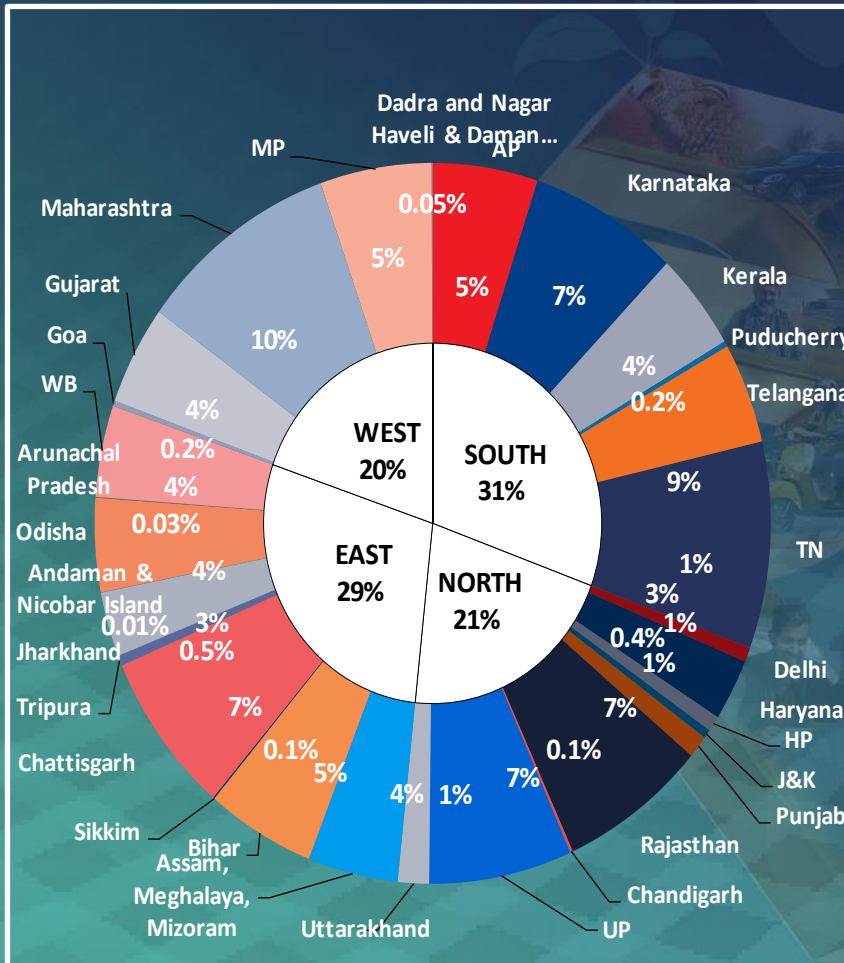


- ~65% of disbursements are to agri -based customer segment
- Application -
  - Agri usage
  - Commercial usage
  - Agri and Commercial usage
- New & Used

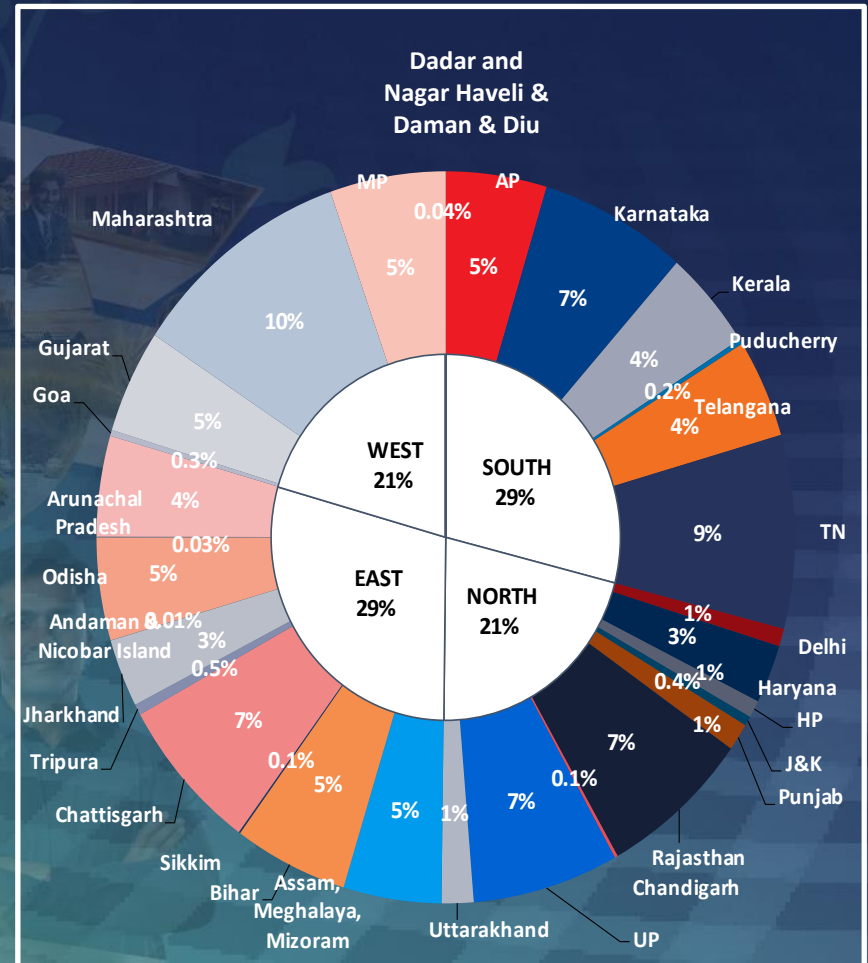
- ~ 69% of disbursements are to retail customer segment
- Application –
  - Captive
  - Hiring
- New & Used

## Well diversified across geography

### Disbursements - State wise

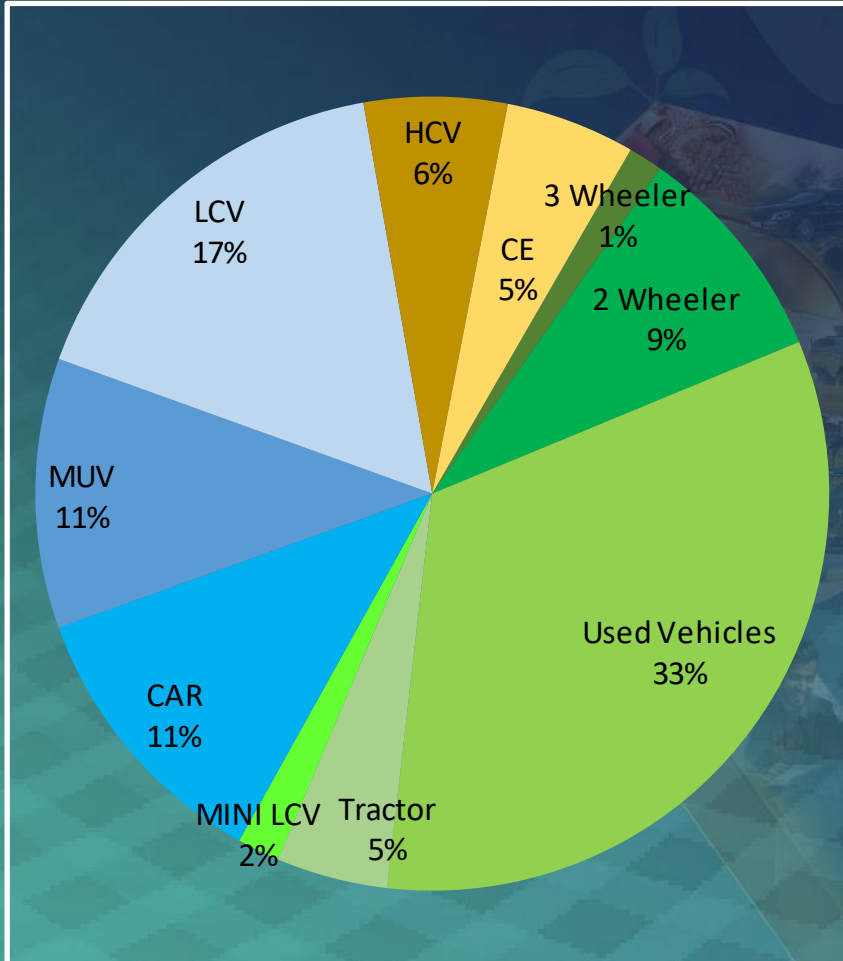


### Portfolio - State wise

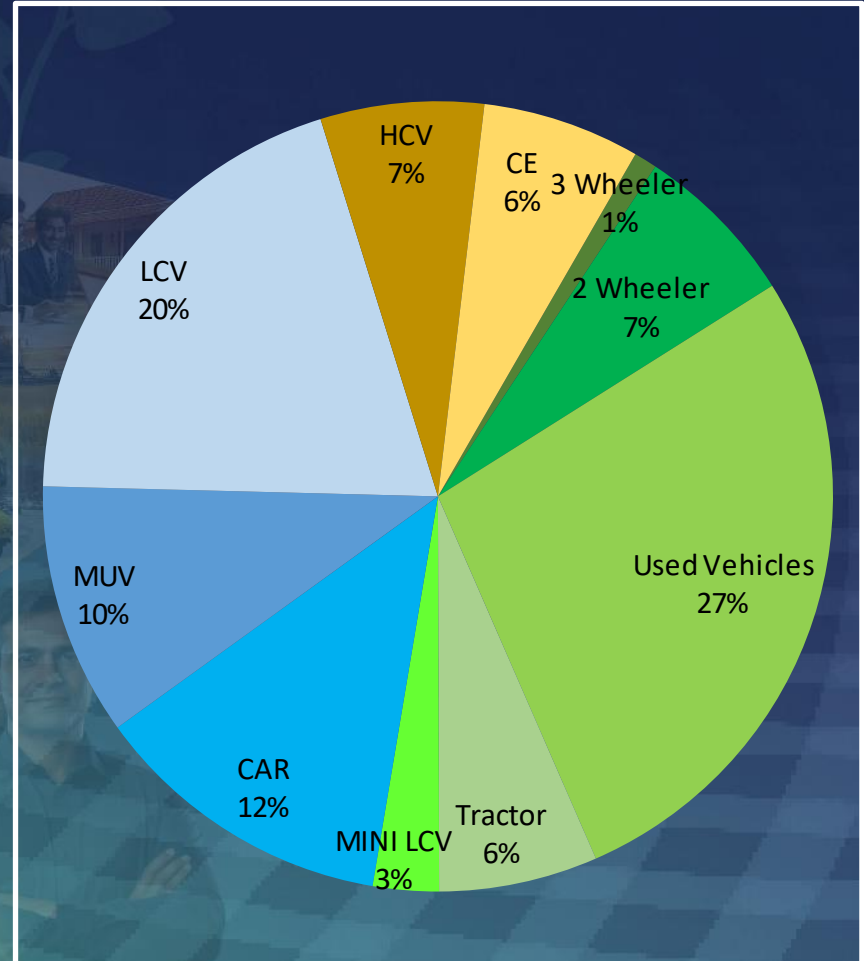


## Well diversified product segments

Disbursements (%) - Product wise



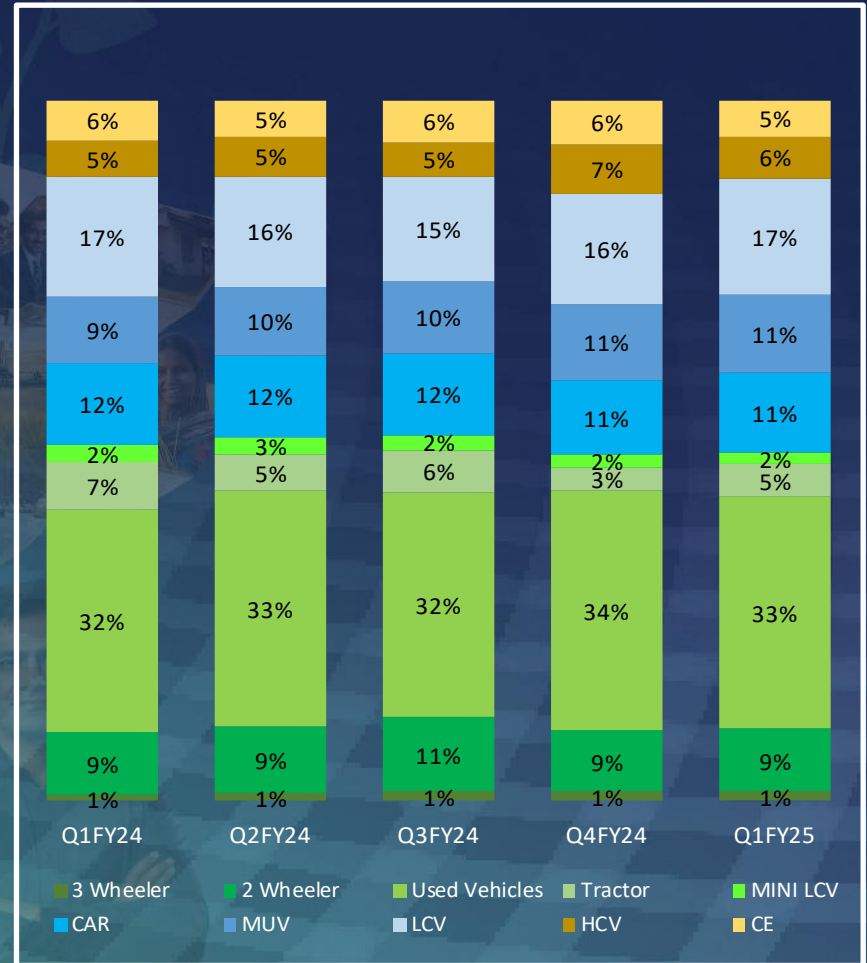
Portfolio (%) - Product wise



Disbursement (₹Cr) - Product wise



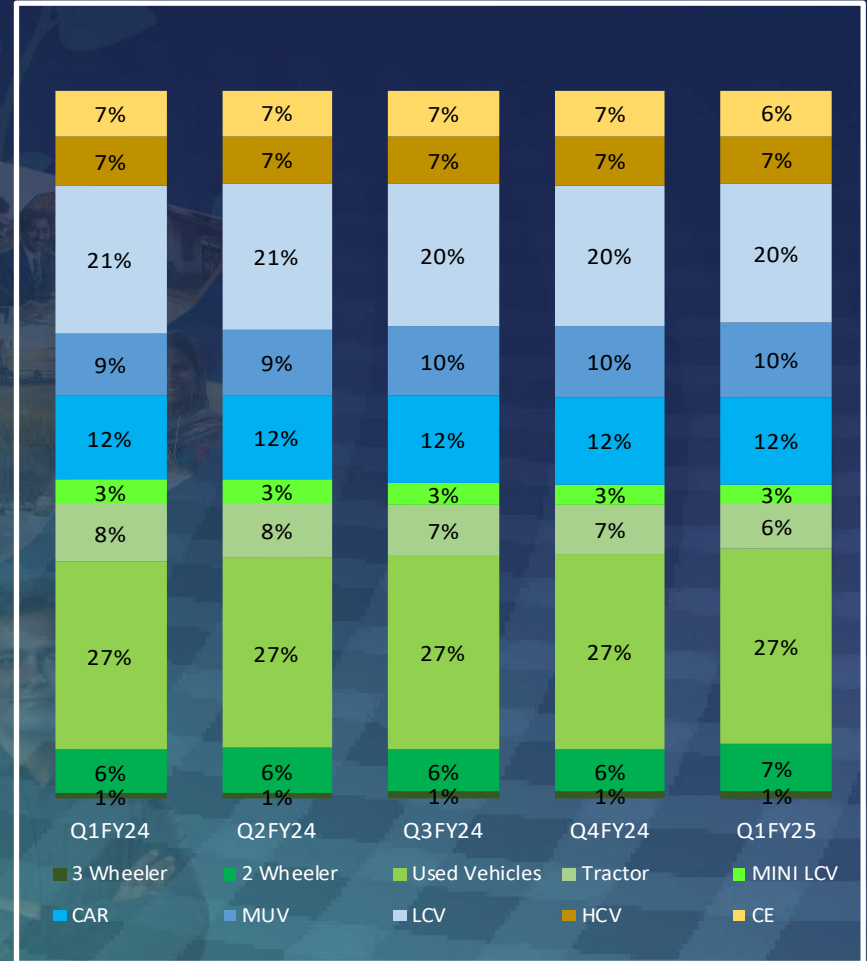
Disbursement (%) – Product wise



Portfolio (₹Cr) - Product wise

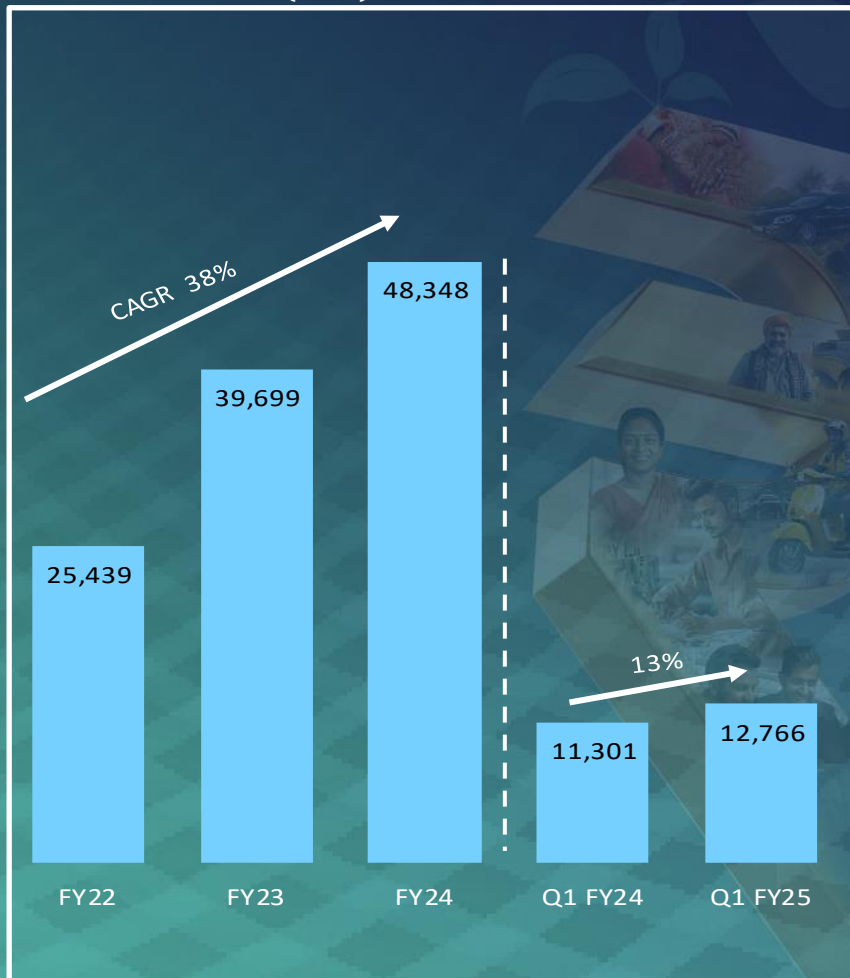


Portfolio (%) – Product wise



## Vehicle Finance - Disbursements and Asset Under Management

Disbursements (₹Cr)

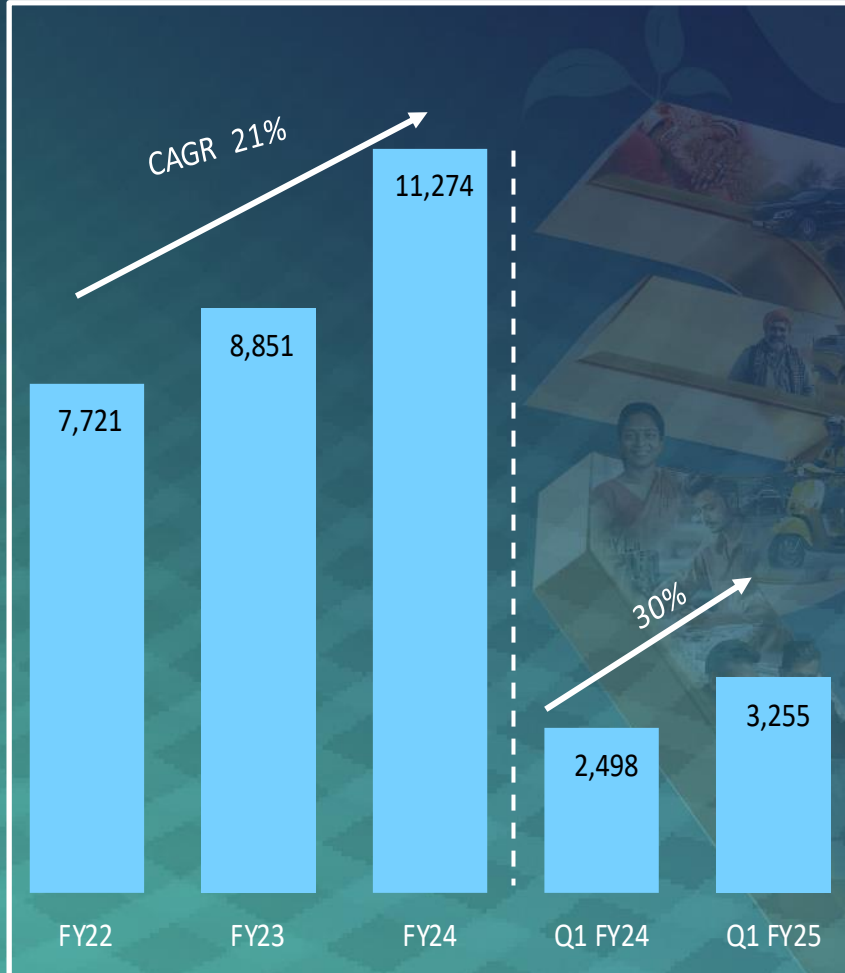


Assets under management (₹Cr)

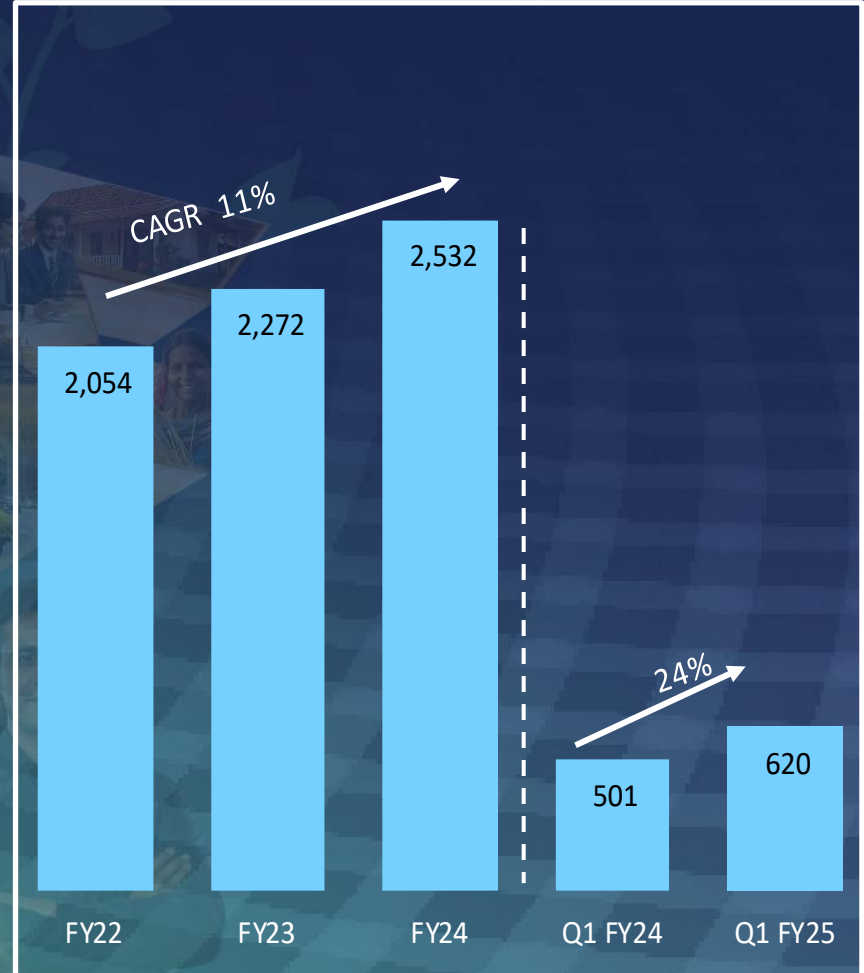


# Vehicle Finance - Income and Profit before tax

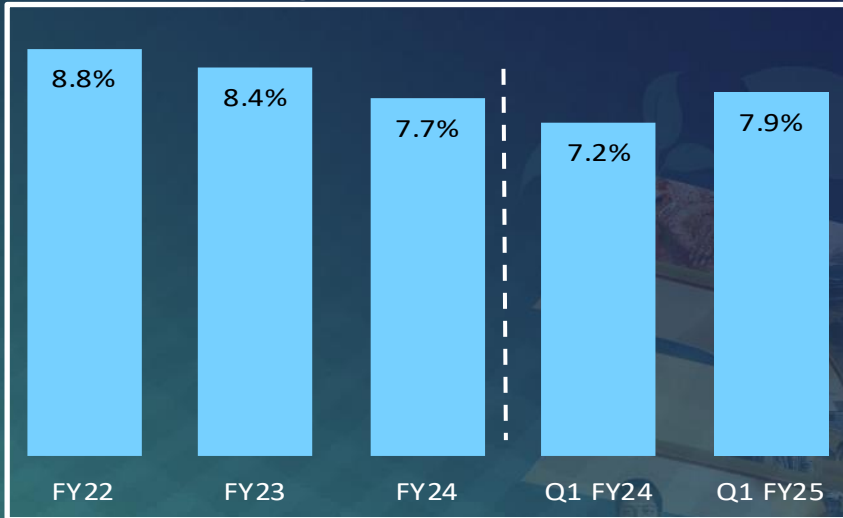
Income (₹Cr)



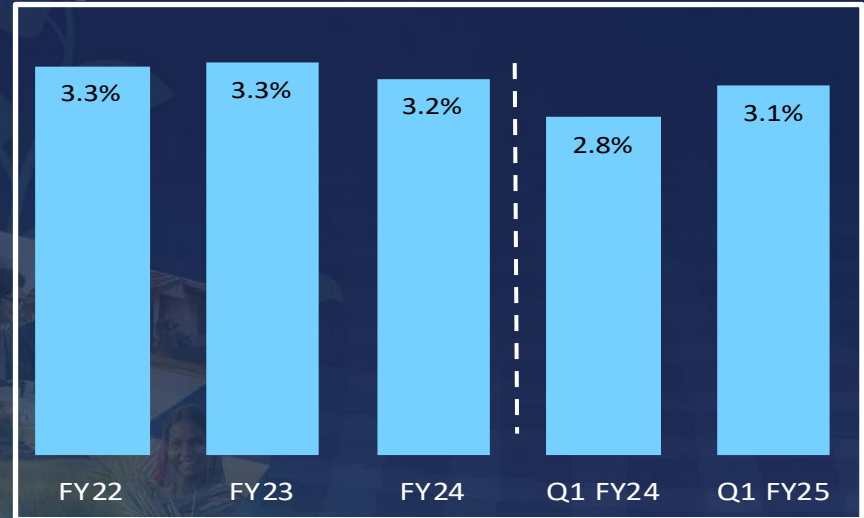
Profit before tax (₹Cr)



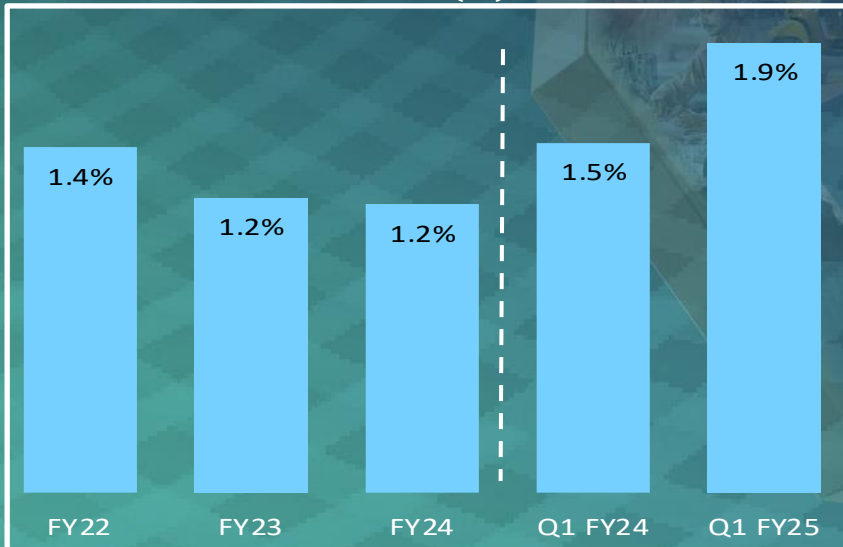
Net Income Margin (%)



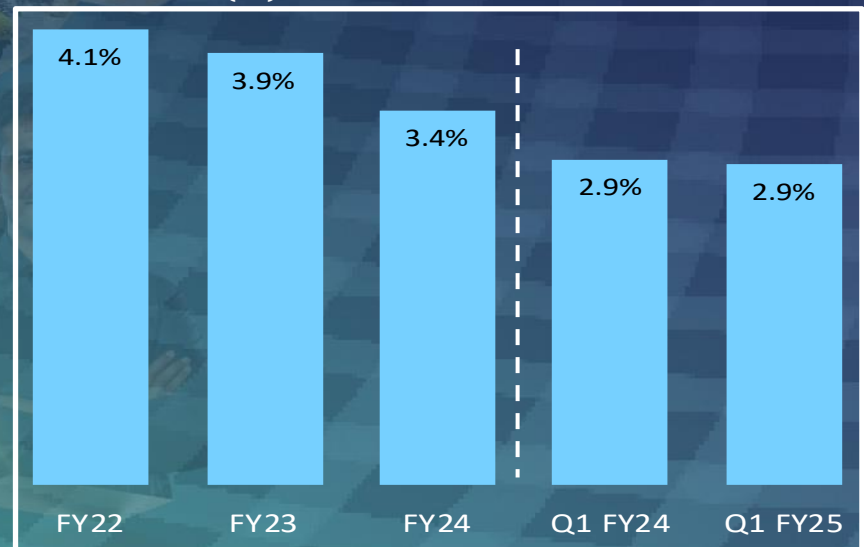
Expense Ratio (%)



Loan Losses & Provisions (%)



ROA - PBT (%)





## Profit and Loss Statement - Vehicle Finance (Managed)

₹ Cr

Particulars	Q4FY24	Q1 FY24	Q1 FY25	Growth % Q1-o-Q1	FY24
<b>Disbursements</b>	<b>12,962</b>	<b>11,301</b>	<b>12,766</b>	<b>13%</b>	<b>48,348</b>
<b>Closing Assets - Managed</b>	<b>84,498</b>	<b>71,065</b>	<b>88,638</b>	<b>25%</b>	<b>84,498</b>
Income	3,144	2,498	3,255	30%	11,274
Finance Charges	1,455	1,258	1,558	24%	5,436
<b>Net Income</b>	<b>1,690</b>	<b>1,239</b>	<b>1,697</b>	<b>37%</b>	<b>5,839</b>
Expenses	706	489	672	38%	2,401
Net Credit Losses	96	250	404	62%	906
<b>PBT</b>	<b>888</b>	<b>501</b>	<b>620</b>	<b>24%</b>	<b>2,532</b>
<b>Asset Ratios</b>					
Income	15.4%	14.6%	15.1%		14.9%
Cost of Funds	7.1%	7.3%	7.2%		7.2%
Net Income Margin	8.3%	7.2%	7.9%		7.7%
Expense	3.5%	2.8%	3.1%		3.2%
Losses & Provisions	0.5%	1.5%	1.9%		1.2%
<b>ROA-PBT</b>	<b>4.4%</b>	<b>2.9%</b>	<b>2.9%</b>		<b>3.4%</b>
Cost to Net Income	41.8%	39.4%	39.6%		41.1%

## Profit and Loss Statement - Vehicle Finance (On Book)

₹ Cr

Particulars	Q4FY24	Q1 FY24	Q1 FY25	Growth % Q1-o-Q1	FY24
<b>Disbursements</b>	<b>12,962</b>	<b>11,301</b>	<b>12,766</b>	<b>13%</b>	<b>48,348</b>
<b>Closing Assets (On B/S)</b>	<b>84,456</b>	<b>70,918</b>	<b>88,611</b>	<b>25%</b>	<b>84,456</b>
Income	3,142	2,491	3,254	31%	11,256
Finance Charges	1,454	1,254	1,557	24%	5,426
<b>Net Income</b>	<b>1,688</b>	<b>1,237</b>	<b>1,697</b>	<b>37%</b>	<b>5,830</b>
Expenses	706	489	672	38%	2,401
Net Credit Losses	96	250	404	62%	906
<b>PBT</b>	<b>887</b>	<b>499</b>	<b>620</b>	<b>24%</b>	<b>2,523</b>
<b>Asset Ratios</b>					
Income	15.4%	14.6%	15.1%		14.9%
Cost of Funds	7.1%	7.3%	7.2%		7.2%
Net Income Margin	8.3%	7.2%	7.9%		7.7%
Expense	3.5%	2.9%	3.1%		3.2%
Losses & Provisions	0.47%	1.5%	1.9%		1.2%
<b>ROA-PBT</b>	<b>4.3%</b>	<b>2.9%</b>	<b>2.9%</b>		<b>3.3%</b>
Cost to Net Income	41.8%	39.5%	39.6%		41.2%

# Loan Against Property



## Loan Against Property – Q1FY25 Performance

### Disbursements

- Disbursements grew by 45% in Q1FY25 to Rs. 3,874 Cr as compared to Q1FY24.

### Asset under management

- AUM has grown by 41% YoY.

### Loss and provisions

- Loan losses at 0.1% in Q1FY25 from -0.1% in Q1FY24

### Profit before tax

- PBT grew by 31% in Q1FY25 to Rs.292 Cr as compared to Q1FY24.

## Sector Outlook

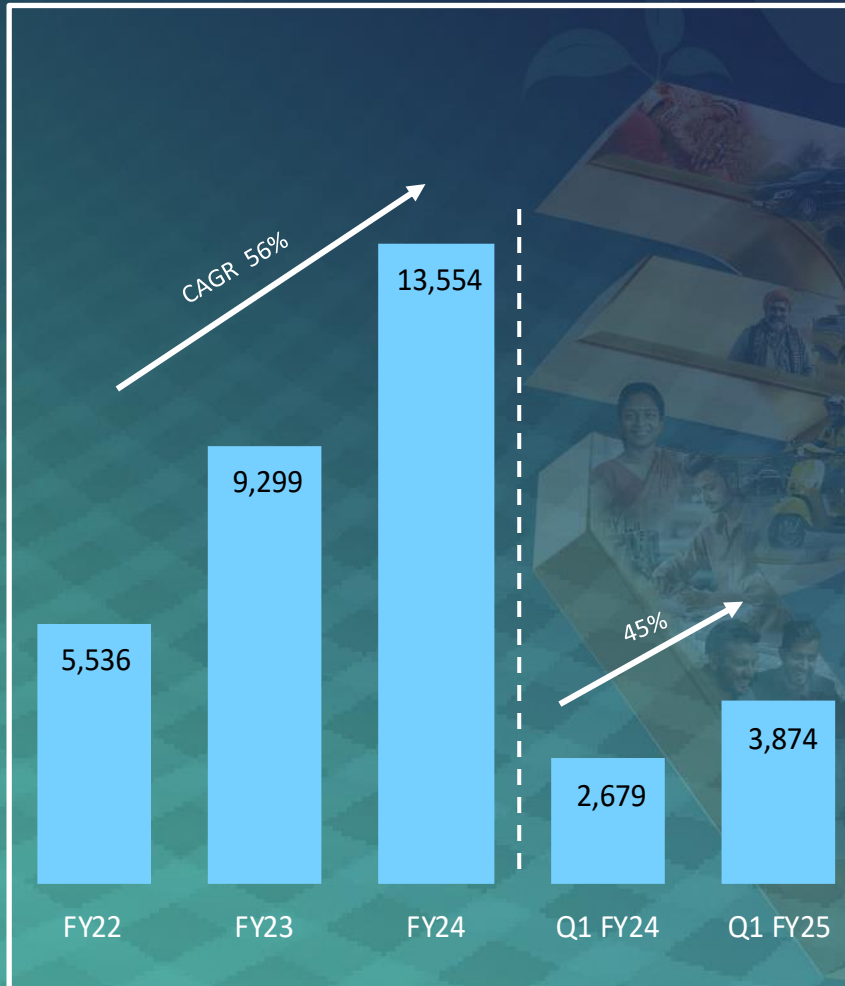
- CRISIL MI&A Research estimates the LAP segment to grow 25-26% for NBFCs in fiscal 2024. Similarly, range bound growth is anticipated in fiscal 2025, with NBFCs likely to grow at a rate of 22-24%
- Ind-Ra believes NBFCs' funding strategy will continue to be in focus for FY25. Furthermore, while net interest margins will be under pressure, other levers including fee income, operating expenses and credit costs will be used to minimize any impact on profitability
- With continued improvement in economic activity, better collection efficiency and strong credit growth, GNPA level decreased compared to previous years and is expected to improve in this fiscal.

## Chola's Position

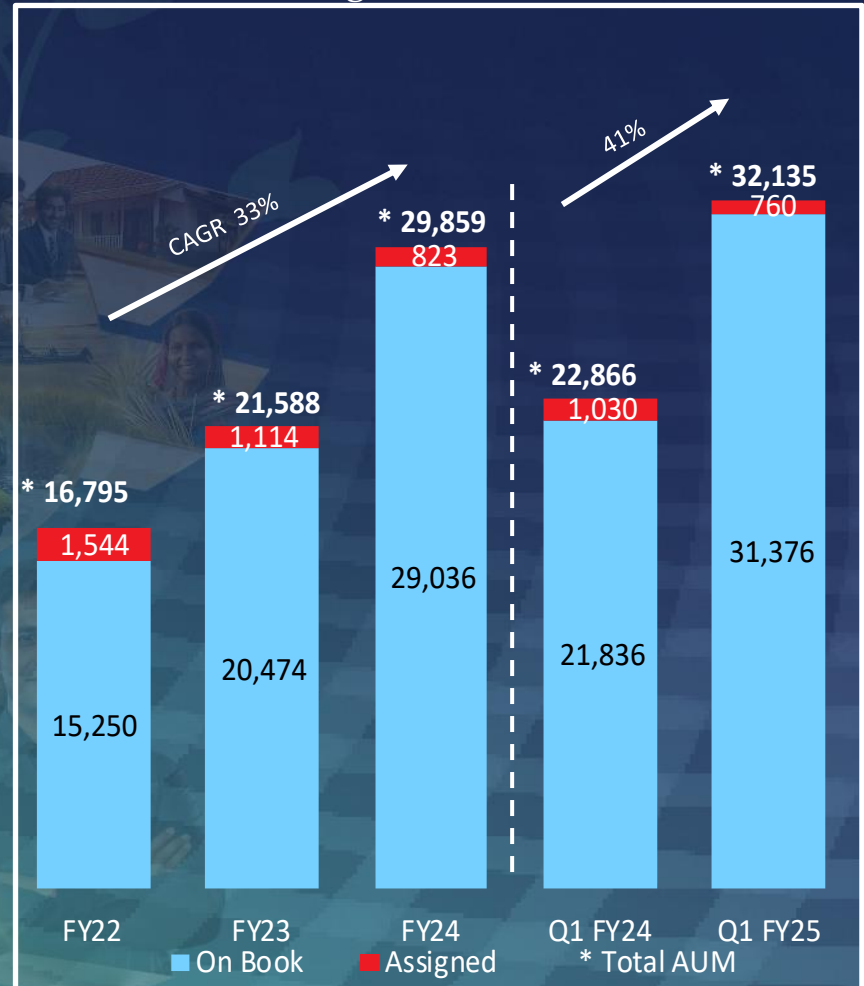
- The focus is on increasing the market share backed by consistent disbursement growth and collections performance. Our focus continues to be on retail customers especially in smaller towns and rural areas.
- We are capitalizing on our pan India geographical presence by going wide in tier 3 and tier 4 markets to improve margins, while continuing to hold significant presence in tier 1 and tier 2 markets.
- We have strengthened our collection & legal process, and the asset quality has shown steady improvement. The stage 3 book has come down with consistent improvement in collection efficiency

# Loan Against Property - Disbursements and Asset Under Management

Disbursements (₹Cr)

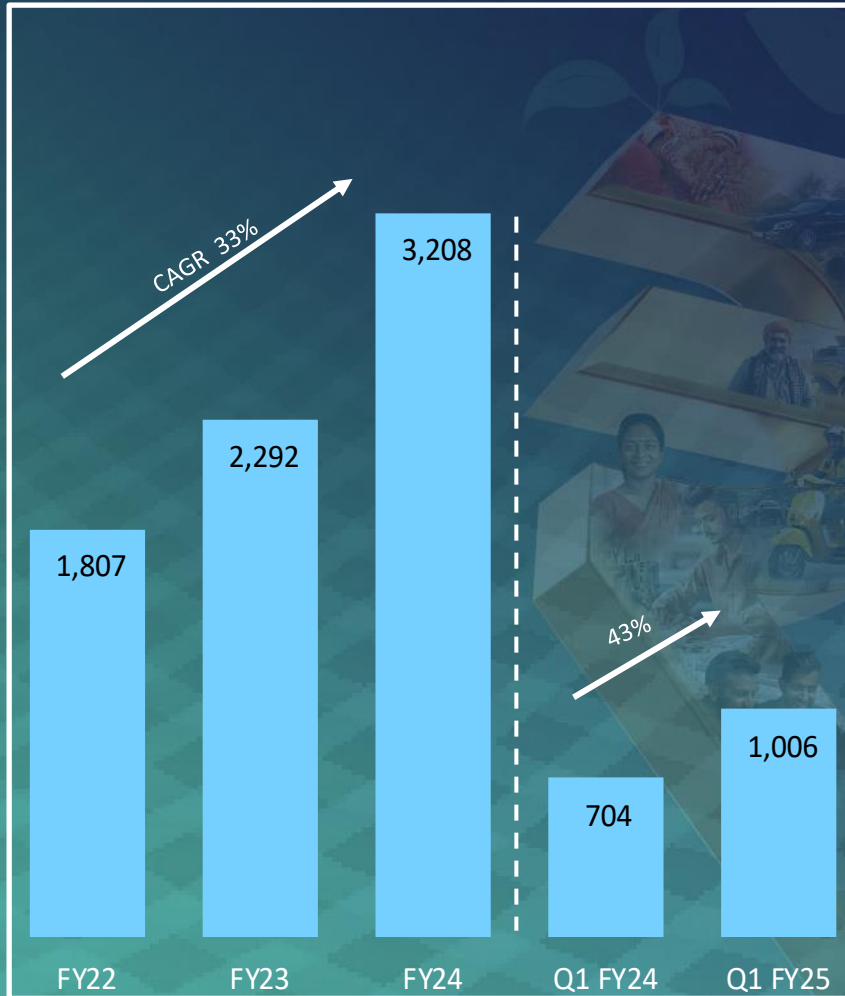


Assets under Management (₹Cr)

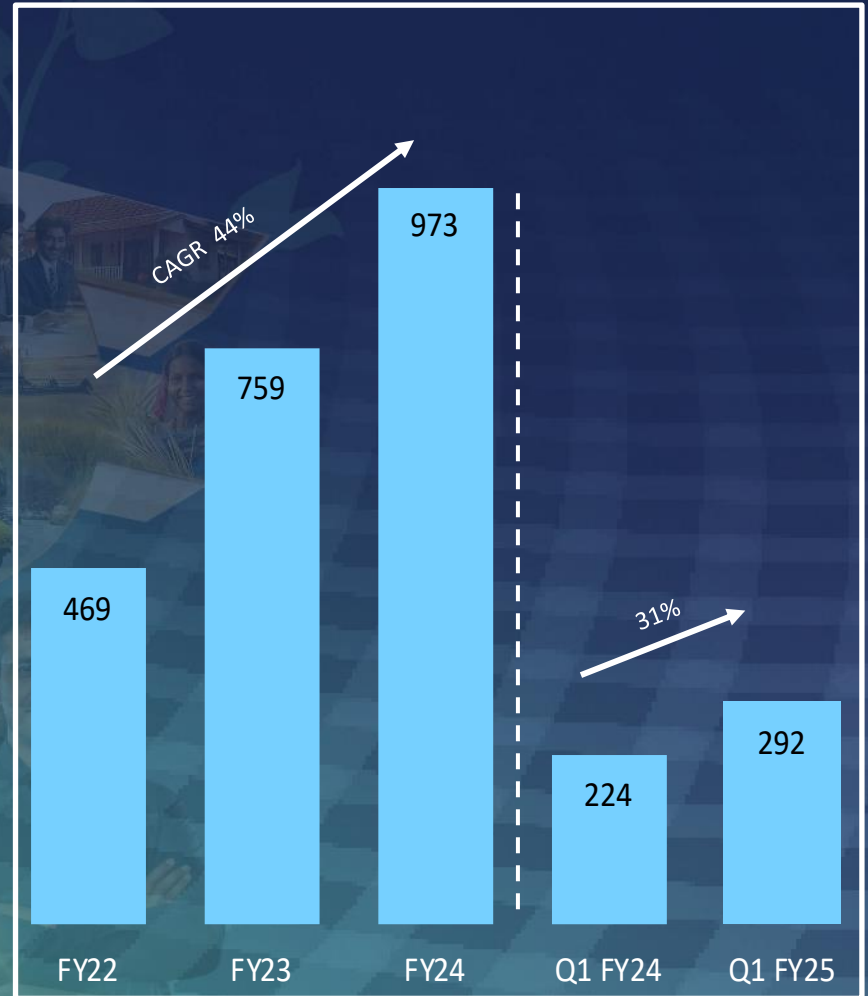


# Loan Against Property – Income and Profit before tax

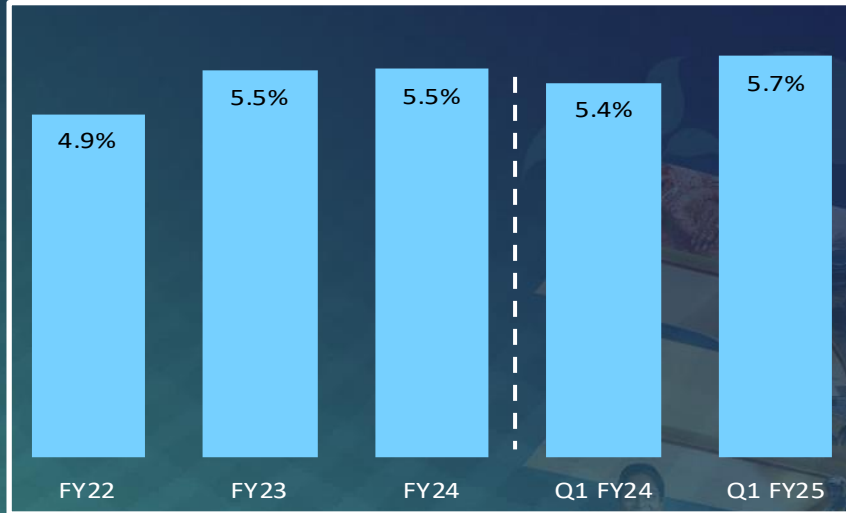
Income (₹Cr)



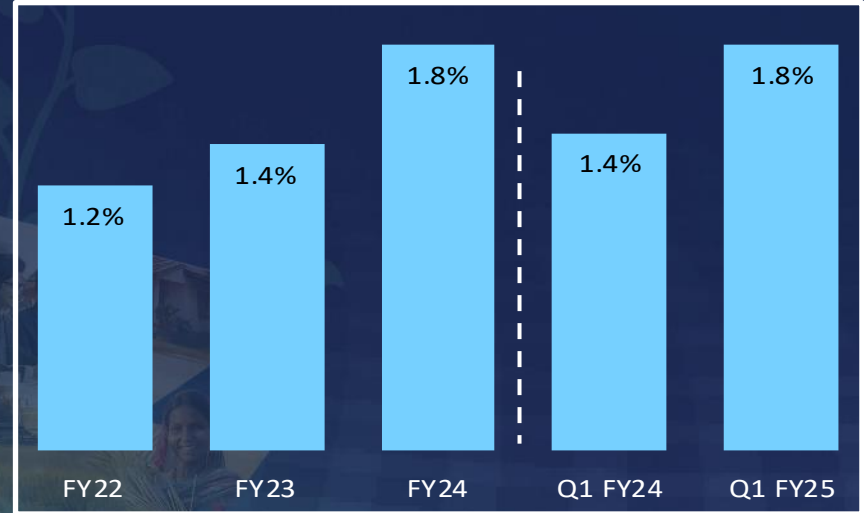
Profit before tax (₹Cr)



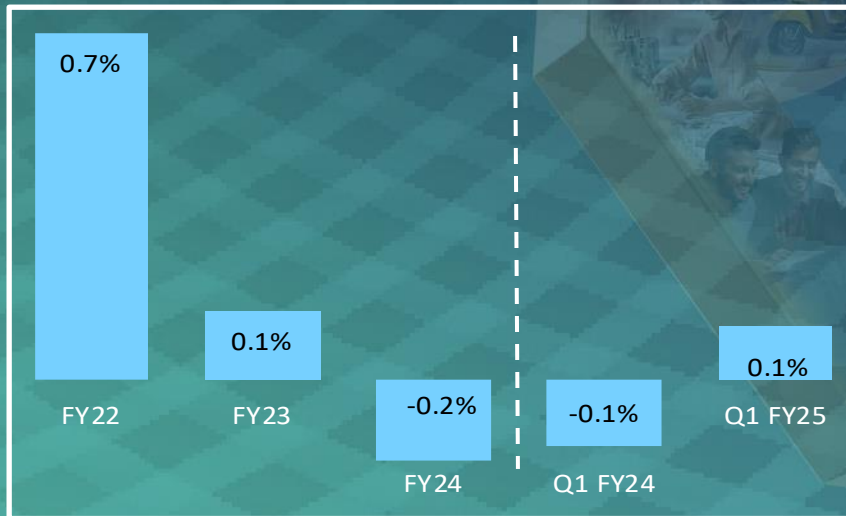
Net Income Margin (%)



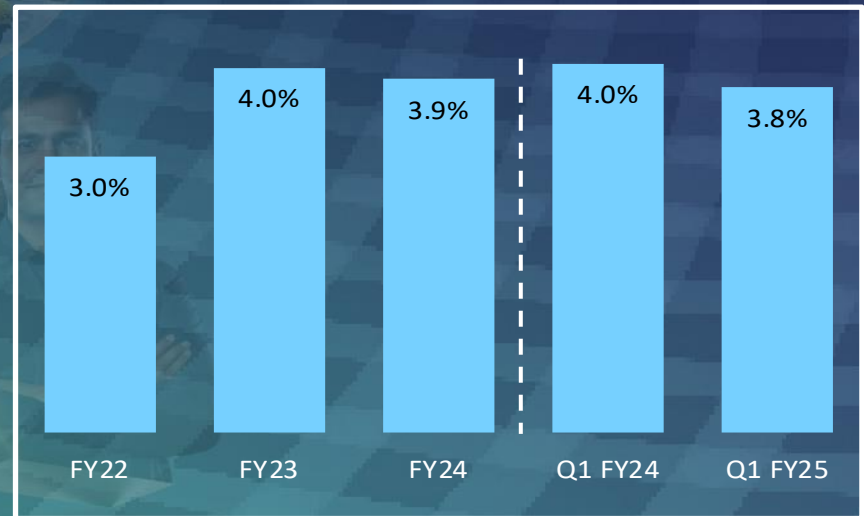
Expenses Ratio (%)



Loan Losses & Provisions (%)



ROA - PBT (%)





## Profit and Loss Statement - Loan Against Property (Managed)

₹ Cr

Particulars	Q4FY24	Q1 FY24	Q1 FY25	Growth % Q1-o-Q1	FY24
<b>Disbursements</b>	<b>4,273</b>	<b>2,679</b>	<b>3,874</b>	<b>45%</b>	<b>13,554</b>
<b>Closing Assets - Managed</b>	<b>29,859</b>	<b>22,866</b>	<b>32,135</b>	<b>41%</b>	<b>29,859</b>
Income	917	704	1,006	43%	3,208
Finance Charges	513	408	563	38%	1,811
<b>Net Income</b>	<b>404</b>	<b>296</b>	<b>443</b>	<b>50%</b>	<b>1,397</b>
Expenses	157	80	142	79%	464
Net Credit Losses	-24	-7	8	215%	-40
<b>PBT</b>	<b>271</b>	<b>224</b>	<b>292</b>	<b>31%</b>	<b>973</b>
<b>Asset Ratios</b>					
Income	13.0%	12.7%	13.0%		12.7%
Cost of Funds	7.3%	7.4%	7.3%		7.2%
Net Income Margin	5.7%	5.4%	5.7%		5.5%
Expense	2.2%	1.4%	1.8%		1.8%
Losses & Provisions	-0.3%	-0.1%	0.1%		-0.2%
<b>ROA-PBT</b>	<b>3.8%</b>	<b>4.0%</b>	<b>3.8%</b>		<b>3.9%</b>
Cost to Net Income	38.9%	26.9%	32.2%		33.2%

## Profit and Loss Statement - Loan Against Property (On Book)

₹ Cr

Particulars	Q4FY24	Q1 FY24	Q1 FY25	Growth % Q1-o-Q1	FY24
<b>Disbursements</b>	<b>4,273</b>	<b>2,679</b>	<b>3,874</b>	<b>45%</b>	<b>13,554</b>
<b>Closing Assets (On B/S)</b>	<b>29,036</b>	<b>21,836</b>	<b>31,376</b>	<b>44%</b>	<b>29,036</b>
Income	890	672	986	47%	3,069
Finance Charges	492	384	545	42%	1,722
<b>Net Income</b>	<b>397</b>	<b>288</b>	<b>441</b>	<b>53%</b>	<b>1,347</b>
Expenses	157	80	142	79%	464
Net Credit Losses	-24	-7	8	215%	-40
<b>PBT</b>	<b>264</b>	<b>215</b>	<b>291</b>	<b>35%</b>	<b>923</b>
<b>Asset Ratios</b>					
Income	13.0%	12.8%	13.1%		12.7%
Cost of Funds	7.2%	7.3%	7.2%		7.1%
Net Income Margin	5.8%	5.5%	5.9%		5.6%
Expense	2.3%	1.5%	1.9%		1.9%
Losses & Provisions	-0.3%	-0.1%	0.1%		-0.2%
<b>ROA-PBT</b>	<b>3.9%</b>	<b>4.1%</b>	<b>3.9%</b>		<b>3.8%</b>
Cost to Net Income	39.6%	27.7%	32.3%		34.4%

# Home Loans



## Disbursements

- Disbursements grew by 22% in Q1FY25 to Rs. 1,778 Cr as compared to Q1FY24.

## Asset under management

- AUM have grown by 53% YoY.

## Loss and provisions

- Loan losses at 0.3% in Q1FY25 from -0.1% in Q1FY24.

## Profit before tax

- PBT grew by 88% in Q1FY25 to Rs.163 Cr as compared to Q1FY24.

## Sector Outlook

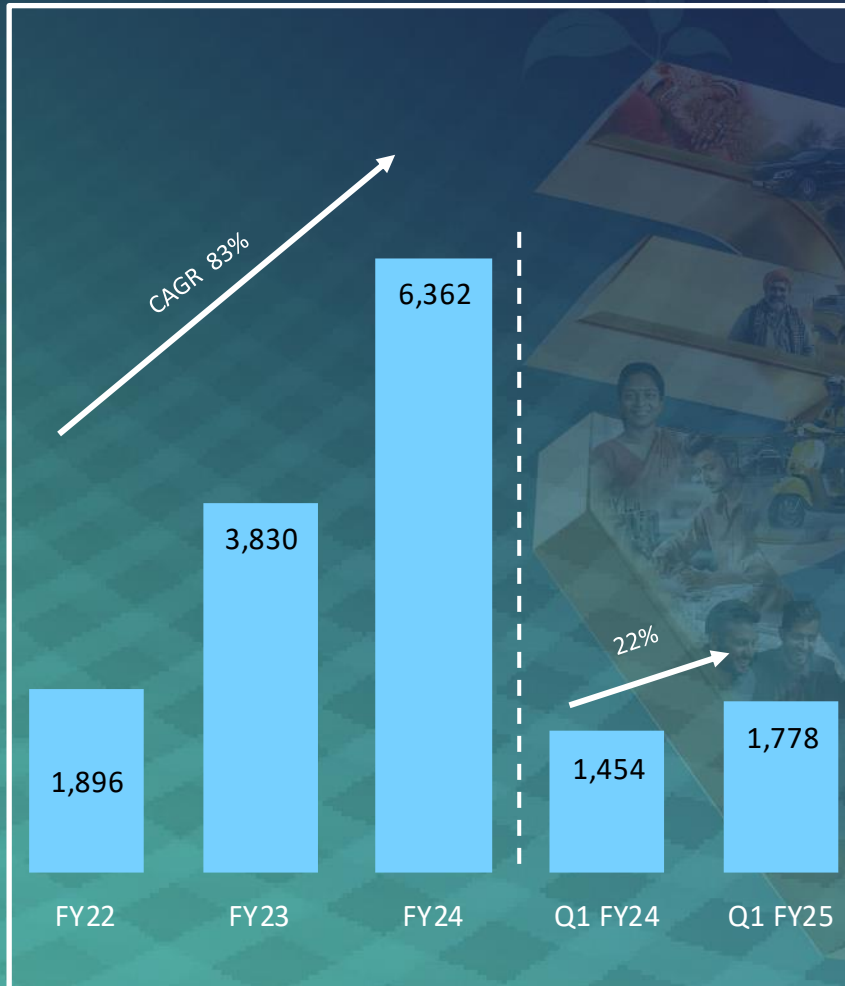
- The overall growth in HFCs is expected to remain at 12-14% in FY25
- GNPA's of AHFCs are expected to stabilize and further recovery in FY25 is anticipated
- Moderation in NIMs expected; however, contained credit costs to support profitability. Adequate capital and liquidity support the entity- level risk profiles.

## Chola's Position

- Chola continues to leverage its strength in penetrating to smallest villages and towns. Chola will focus on penetrating untapped rural areas across India and provide accessibility to home loans for all.
- Chola continues to pursue legal recovery for the higher bucket portfolio & is also continuously improving collection efficiencies through advanced analytics & digital-led collections.
- Chola continues to pursue profitable growth through low-cost expansion, process optimizations, & elimination of inefficiencies across all functions to ensure margins are sustained. Chola will focus on optimizing profitability through differential pricing model based on customer risk profiling.

## Home Loans - Disbursements and Asset Under Management

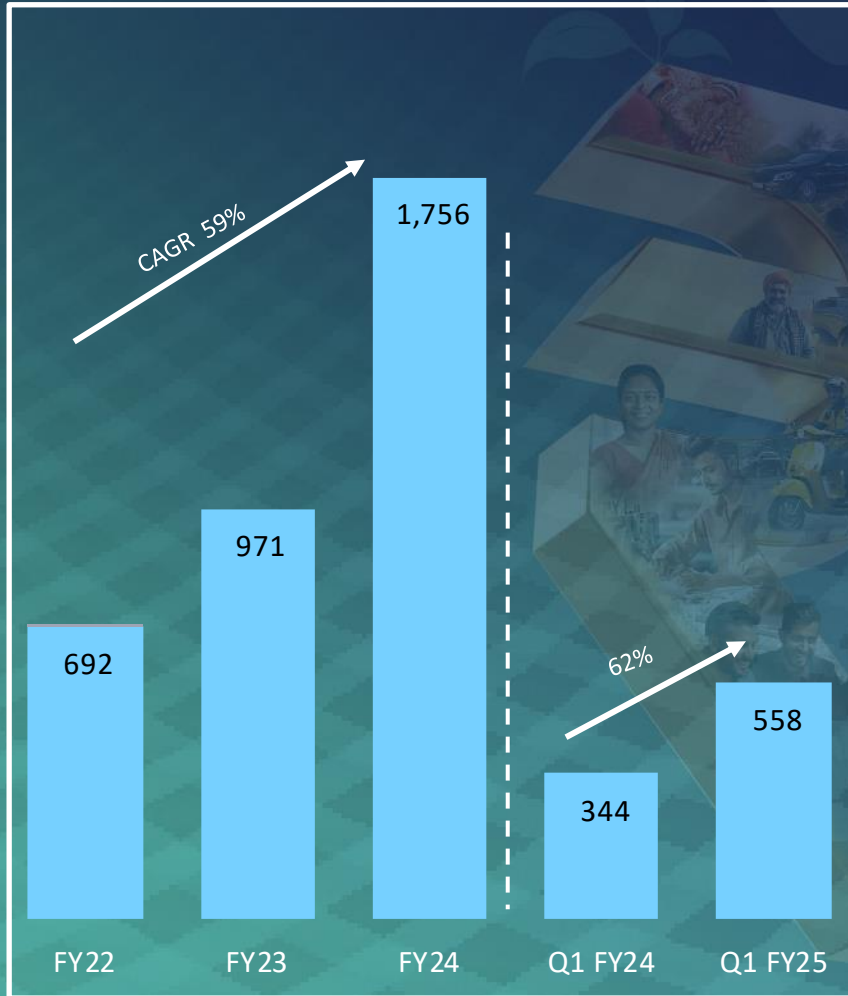
Disbursements (₹Cr)



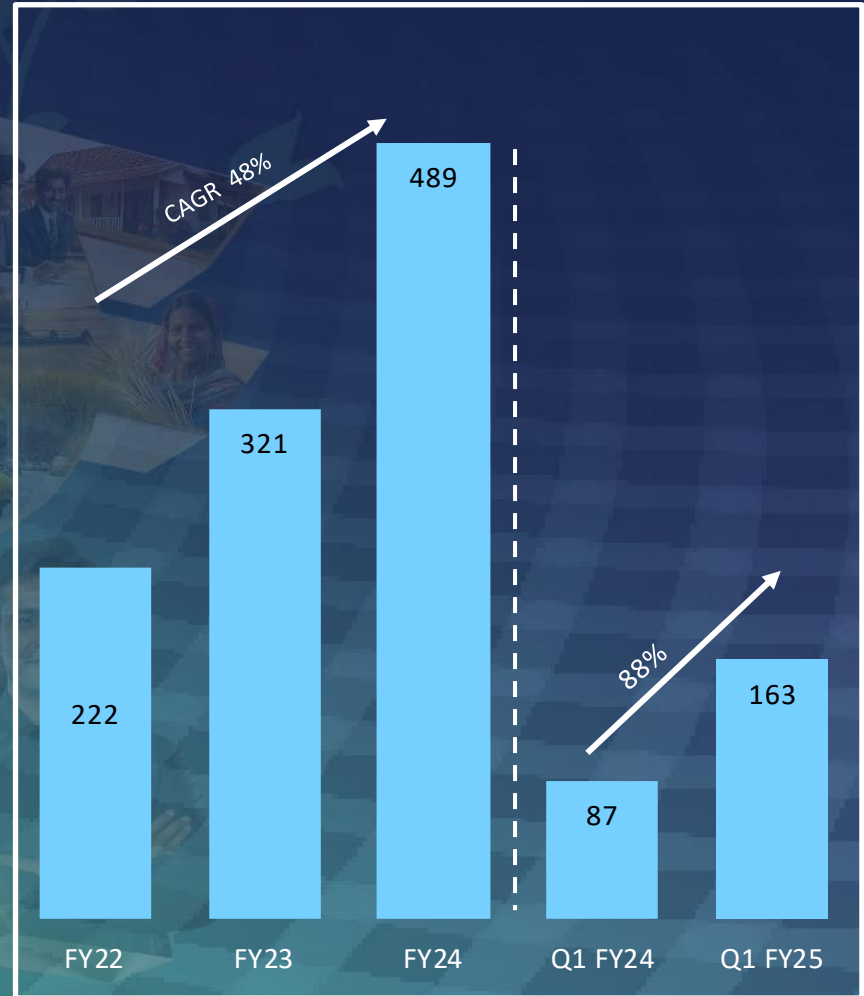
Assets under Management (₹Cr)



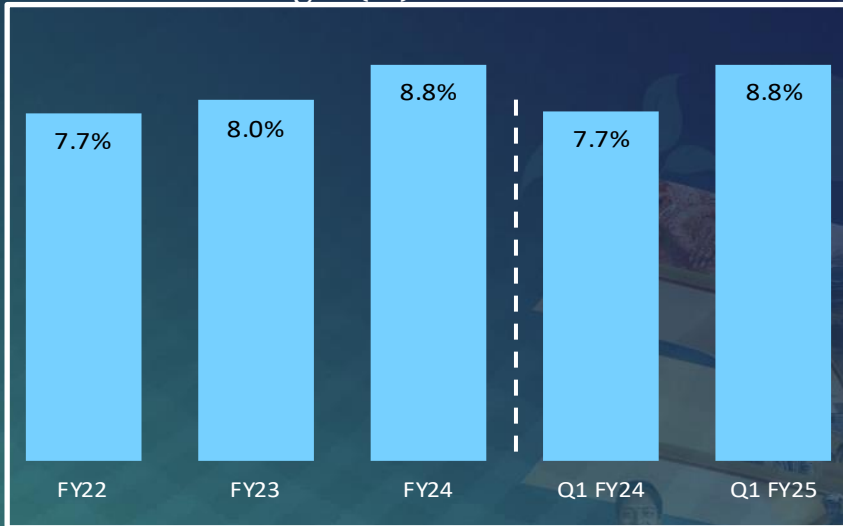
Income (₹Cr)



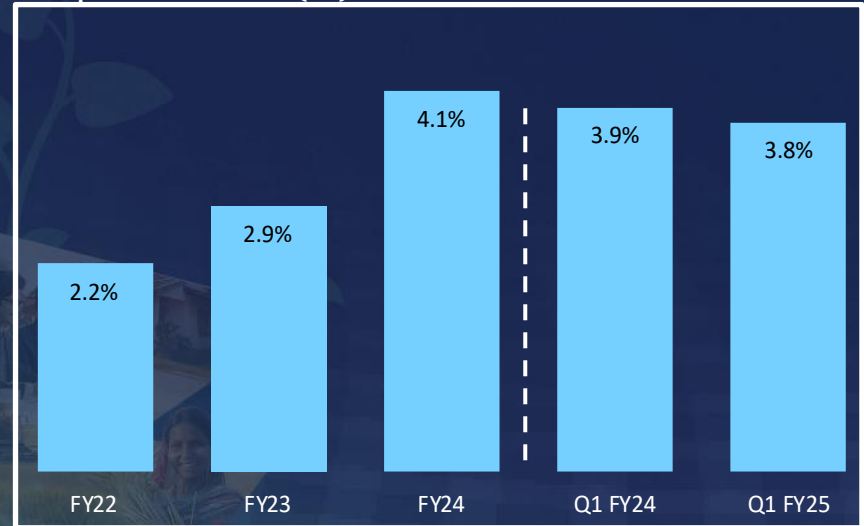
Profit before tax (₹Cr)



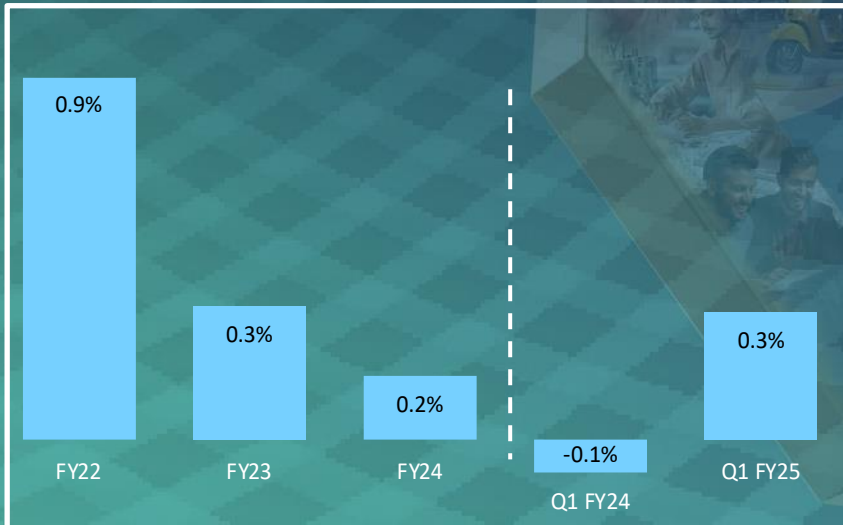
Net Income Margin (%)



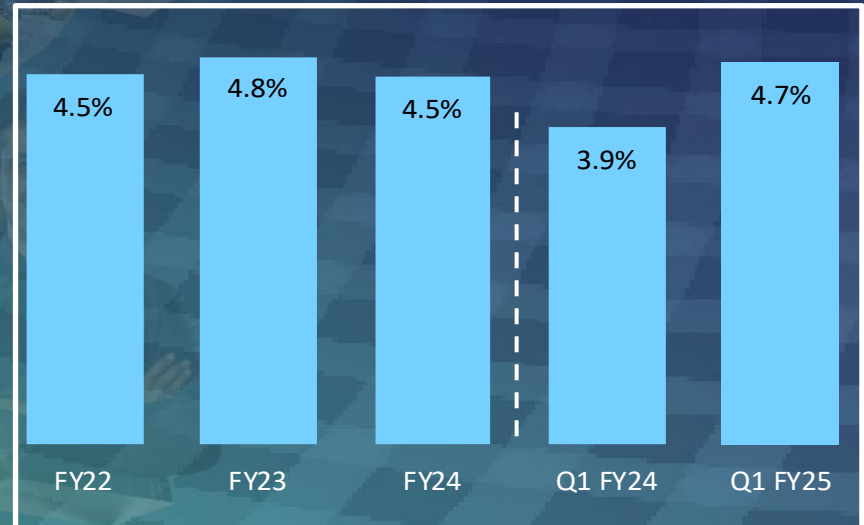
Expenses Ratio (%)



Loan Losses & Provisions (%)



ROA - PBT (%)





## Profit and Loss Statement - Home Loans (Managed)

₹ Cr

Particulars	Q4FY24	Q1 FY24	Q1 FY25	Growth % Q1-o-Q1	FY24
<b>Disbursements</b>	<b>1,747</b>	<b>1,454</b>	<b>1,778</b>	<b>22%</b>	<b>6,362</b>
<b>Closing Assets - Managed</b>	<b>13,404</b>	<b>9,528</b>	<b>14,565</b>	<b>53%</b>	<b>13,404</b>
Income	534	344	558	62%	1,756
Finance Charges	229	171	253	48%	805
<b>Net Income</b>	<b>305</b>	<b>173</b>	<b>306</b>	<b>77%</b>	<b>951</b>
Expenses	137	88	131	50%	444
Net Credit Losses	-1	-2	11	720%	18
<b>PBT</b>	<b>170</b>	<b>87</b>	<b>163</b>	<b>88%</b>	<b>489</b>
<b>Asset Ratios</b>					
Income	16.9%	15.4%	16.0%		16.2%
Cost of Funds	7.2%	7.7%	7.3%		7.4%
Net Income Margin	9.6%	7.7%	8.8%		8.8%
Expense	4.3%	3.9%	3.8%		4.1%
Losses & Provisions	0.0%	-0.1%	0.3%		0.2%
<b>ROA-PBT</b>	<b>5.4%</b>	<b>3.9%</b>	<b>4.7%</b>		<b>4.5%</b>
Cost to Net Income	44.8%	50.8%	42.9%		46.7%

## Profit and Loss Statement - Home Loans (On Book)

₹ Cr

Particulars	Q4FY24	Q1 FY24	Q1 FY25	Growth % Q1-o-Q1	FY24
<b>Disbursements</b>	<b>1,747</b>	<b>1,454</b>	<b>1,778</b>	<b>22%</b>	<b>6,362</b>
<b>Closing Assets (On B/S)</b>	<b>13,048</b>	<b>9,115</b>	<b>14,224</b>	<b>56%</b>	<b>13,048</b>
Income	523	331	547	65%	1,702
Finance Charges	220	162	245	51%	770
<b>Net Income</b>	<b>303</b>	<b>169</b>	<b>302</b>	<b>79%</b>	<b>932</b>
Expenses	137	88	131	50%	445
Net Credit Losses	-1	(2)	11	720%	18
<b>PBT</b>	<b>167</b>	<b>83</b>	<b>159</b>	<b>92%</b>	<b>470</b>
<b>Asset Ratios</b>					
Income	17.0%	15.6%	16.1%		16.3%
Cost of Funds	7.2%	7.6%	7.2%		7.4%
Net Income Margin	9.8%	7.9%	8.9%		8.9%
Expense	4.4%	4.1%	3.9%		4.3%
Losses & Provisions	0.0%	-0.1%	0.3%		0.2%
<b>ROA-PBT</b>	<b>5.4%</b>	<b>3.9%</b>	<b>4.7%</b>		<b>4.5%</b>
Cost to Net Income	45.1%	51.9%	43.4%		47.7%

# NEW BUSINESSES



₹ Cr

Particulars	CSEL		SME		SBPL	
	FY24	Q1FY25	FY24	Q1FY25	FY24	Q1FY25
<b>Disbursements</b>	<b>11,281</b>	<b>3,486</b>	<b>8,106</b>	<b>2,160</b>	<b>1,074</b>	<b>268</b>
<b>Closing Assets - Managed</b>	<b>11,430</b>	<b>12,909</b>	<b>4,977</b>	<b>5,576</b>	<b>1,404</b>	<b>1,618</b>
Income	1,713	613	514	164	227	98
Finance Charges	666	223	320	99	70	28
<b>Net Income</b>	<b>1,047</b>	<b>390</b>	<b>194</b>	<b>65</b>	<b>157</b>	<b>69</b>
Expenses	430	145	96	29	117	37
Net Credit Losses	371	144	17	12	5	2
<b>PBT</b>	<b>246</b>	<b>101</b>	<b>81</b>	<b>24</b>	<b>35</b>	<b>30</b>
<b>Asset Ratios</b>						
Income	20.4%	20.2%	12.4%	12.5%	25.9%	26.0%
Cost of Funds	7.9%	7.4%	7.7%	7.5%	8.0%	7.5%
Net Income Margin	12.4%	12.9%	4.7%	4.9%	17.9%	18.4%
Expense	5.1%	4.8%	2.3%	2.2%	13.4%	9.7%
Losses & Provisions	4.4%	4.7%	0.4%	0.9%	0.6%	0.6%
<b>ROA–PBT</b>	<b>2.9%</b>	<b>3.3%</b>	<b>2.0%</b>	<b>1.8%</b>	<b>3.9%</b>	<b>8.1%</b>
Cost to Net Income	41.1%	37.2%	49.5%	43.9%	74.6%	52.8%

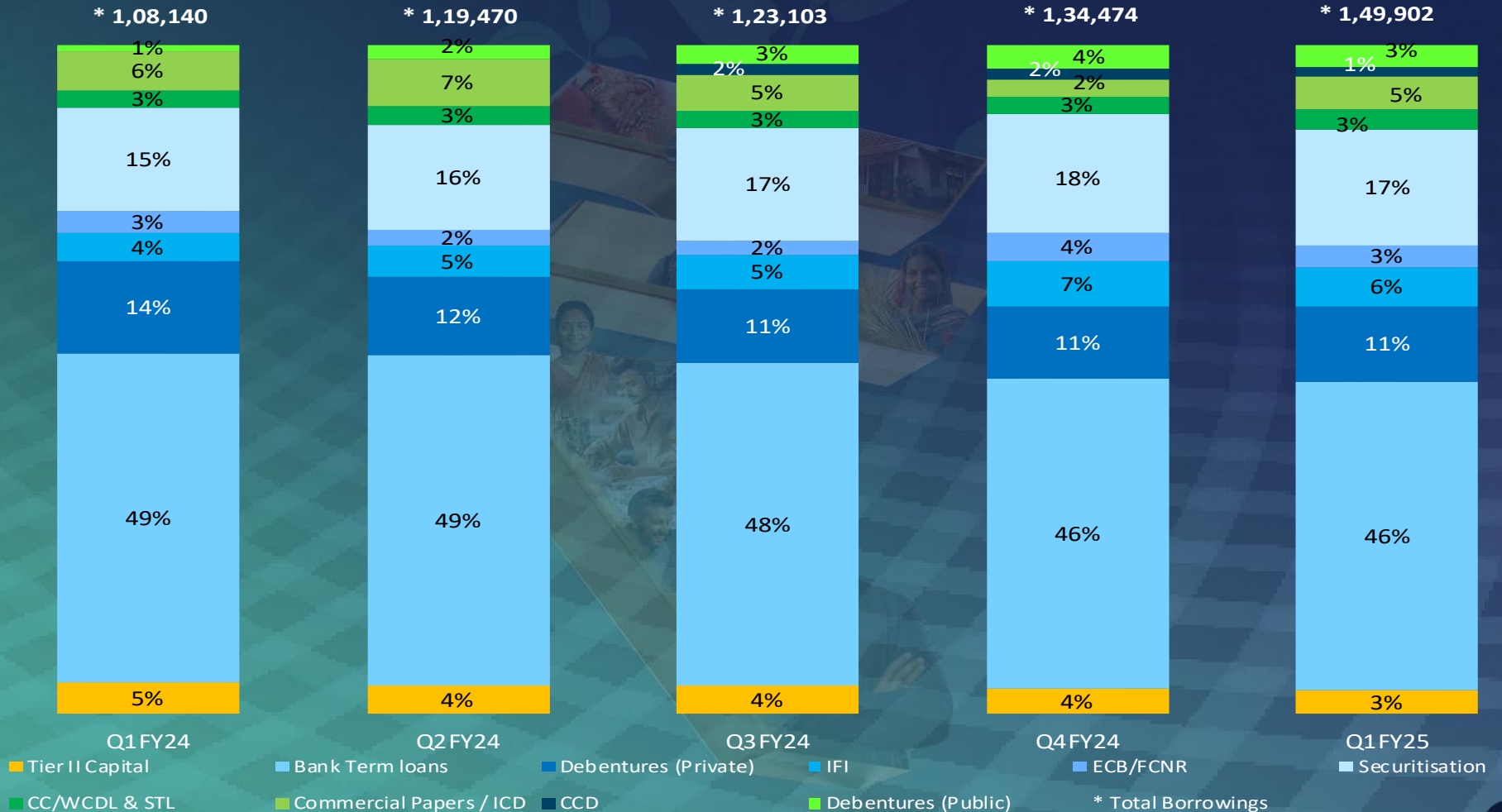
**Note :**

- FLDG recovery is part of Other Income in FY24.
- CSEL loan losses in FY 24 is before FLDG recovery which is around 1%.

# Funding Profile

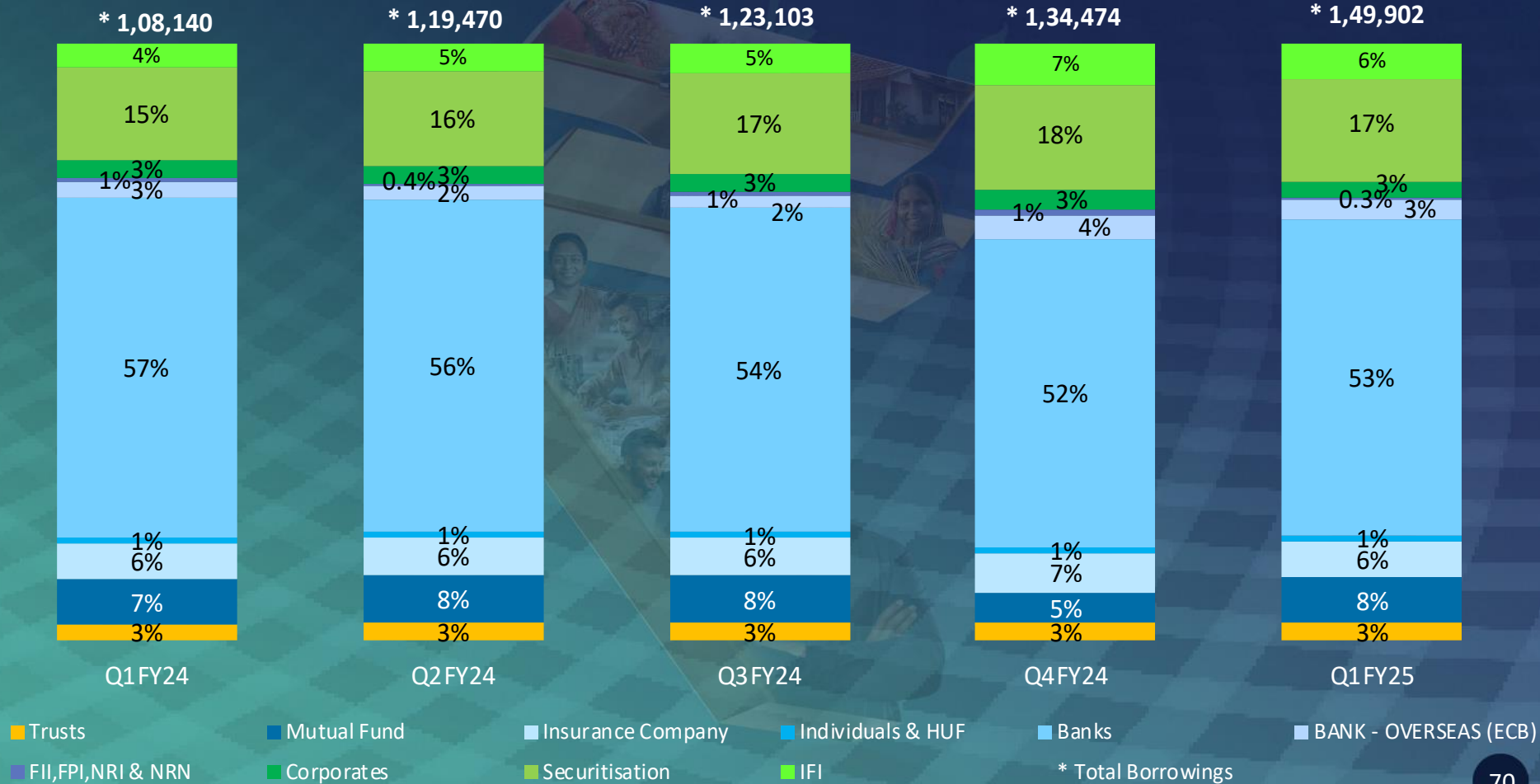


## Borrowing mix by instrument type



(₹Cr)

## Borrowing mix by investor type



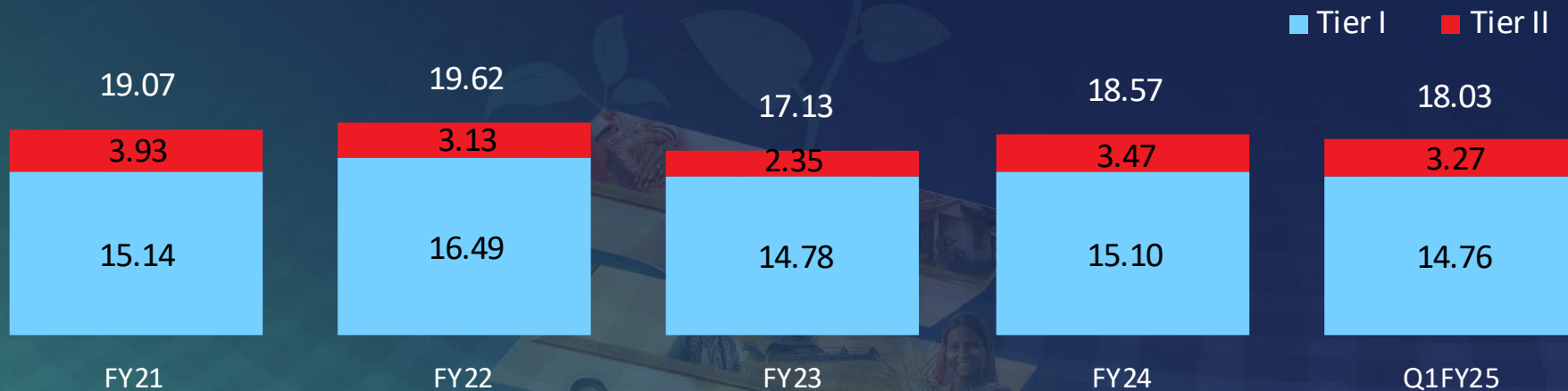
## ALM Statement as of 30<sup>th</sup> Jun 2024 (As per IND AS)

(₹Cr)

ALM snapshot as on 30th Jun 2024									
Particulars	1 m	>1 to 2m	>2 to 3m	>3 to 6m	>6m to 1 yr	>1 to 3 yr	>3 to 5 yr	>5 yr	Total
Cash & Bank Balances	6,904.02	12.73	2,329.23	200.84	417.72	2,063.06	867.47	1,528.94	14,324.00
Advances	5,333.32	5,103.70	3,908.99	14,670.56	23,764.95	62,411.27	23,504.86	17,984.39	1,56,682.06
Trade Receivable & Others	102.71	301.71	1.87	44.48	7.09	107.51	406.65	2,997.91	3,969.93
<b>Total Inflows (A)</b>	<b>12,340.05</b>	<b>5,418.14</b>	<b>6,240.10</b>	<b>14,915.88</b>	<b>24,189.76</b>	<b>64,581.84</b>	<b>24,778.97</b>	<b>22,511.25</b>	<b>1,74,975.99</b>
<b>Cumulative Total Inflows (B)</b>	<b>12,340.05</b>	<b>17,758.19</b>	<b>23,998.29</b>	<b>38,914.17</b>	<b>63,103.93</b>	<b>1,27,685.77</b>	<b>1,52,464.74</b>	<b>1,74,975.99</b>	
Borrowin Repayment-Bank & Others	5,239.96	2,801.89	5,143.00	10,062.97	16,762.60	56,738.06	16,289.45	168.92	1,13,206.85
Borrowin Repayment- Market	2,542.57	2,336.52	1,029.26	3,762.20	4,637.21	10,122.73	8,691.60	3,441.41	36,563.51
Capital Reserves and Surplus	-	-	-	-	-	-	-	20,655.93	20,655.93
Other Outflows	3,243.15	194.53	46.80	125.90	169.54	317.87	391.13	60.78	4,549.70
<b>Total Outflows (C)</b>	<b>11,025.68</b>	<b>5,332.94</b>	<b>6,219.05</b>	<b>13,951.07</b>	<b>21,569.34</b>	<b>67,178.67</b>	<b>25,372.19</b>	<b>24,327.05</b>	<b>1,74,975.99</b>
<b>Cumulative Total Outflows (D)</b>	<b>11,025.68</b>	<b>16,358.62</b>	<b>22,577.67</b>	<b>36,528.74</b>	<b>58,098.09</b>	<b>1,25,276.76</b>	<b>1,50,648.94</b>	<b>1,74,975.99</b>	
<b>E. GAP (A - C)</b>	<b>1,314.37</b>	<b>85.20</b>	<b>21.04</b>	<b>964.81</b>	<b>2,620.41</b>	<b>(2,596.82)</b>	<b>(593.22)</b>	<b>(1,815.80)</b>	
<b>F.Cumulative GAP (B - D)</b>	<b>1,314.37</b>	<b>1,399.57</b>	<b>1,420.61</b>	<b>2,385.42</b>	<b>5,005.84</b>	<b>2,409.02</b>	<b>1,815.80</b>	<b>0.00</b>	
<b>Cumulative GAP as % (F/D)</b>	<b>11.92%</b>	<b>8.56%</b>	<b>6.29%</b>	<b>6.53%</b>	<b>8.62%</b>	<b>1.92%</b>	<b>1.21%</b>	<b>0.00%</b>	



## Capital Adequacy Ratio (CAR) – As per RBI guideline



Minimum CAR Stipulated by RBI is 15% & for Tier I is 10%

Tier 2 includes 1.49% of CCD which is compulsorily convertible into equity in Sep 2026.

## Credit Rating

Loan type	India ratings	Care	ICRA	Crisil
ST CP/WCDL	-	-	[ICRA] A1+	[CRISIL] A1+
LT NCD/CC	IND AA + (ind) stable	CARE AA+/Stable	[ICRA] AA+/Positive	-
NCD (Public Issue)	IND AA+/ Stable	CARE AA+/Stable	[ICRA] AA+/Positive	-
Tier II SD	IND AA+/ Stable	CARE AA+/Stable	[ICRA] AA+/Positive	-
Tier I PDI	IND AA/ Stable	CARE AA /Stable	[ICRA] AA/Positive	-

Note : ICRA has reaffirmed the Ratings and Outlook upgraded to AA+ (Positive) from AA+ (Stable)

# Consolidated Financials



(₹Cr)

Particulars	FY23	FY24	Q1 FY24	Q1FY25	Growth % Q1-o-Q1
Income	13,106	19,420	4,171	5,857	40%
Expenses	9,491	14,815	3,215	4,582	43%
PBT	3,615	4,605	956	1,275	33%
PAT	2,665	3,420	710	947	33%

# Risk Management



# Our Enterprise Risk Management strategy comprehensively covers all aspects of risk

1 Risk vision

## Risk Pillars

2

Capital &  
Liquidity  
risk

3

Credit  
risk

4

Fraud  
risk

5

Cyber &  
Data  
security  
risk

6

Regulatory  
&  
Compliance  
risk

7

Key  
emerging  
risks-  
climate,  
social etc.

7

Risk organization


8

Risk governance & reporting

# We have integrated best-in-class practices across all key risk areas (I/II)

 Category	 Key Highlights
<b>1 Risk vision</b>	<ul style="list-style-type: none"> <li>• <b>Risk Appetite Statement implemented as a strategic lever:</b> Strong linkage to functions with well-defined thresholds and robust governance mechanisms</li> </ul>
<b>2 Capital &amp; Liquidity risk</b>	<ul style="list-style-type: none"> <li>• <b>Well-diversified source of funds</b> with judicious mix of instruments and of investor profiles</li> <li>• <b>Liquidity position</b> assessed regularly.</li> <li>• <b>Strong governance</b> for key parameters like HQLA holdings, funding lines in place</li> </ul>
<b>3 Credit risk</b>	<ul style="list-style-type: none"> <li>• <b>Analytics based decision making embedded</b> across credit and collections processes               <ul style="list-style-type: none"> <li>- <b>Regular</b> finetuning of credit policies and gating criteria basis portfolio review</li> <li>- Robust governance mechanism in place for <b>regular review of all underwriting and collection models</b></li> <li>- <b>Personalized collection treatment strategies</b> basis Early Warning /Roll forward models</li> </ul> </li> <li>• <b>Stress testing capability deployed</b> to refine credit &amp; collection strategies proactively, basis macro-economic forecasts</li> </ul>
<b>4 Fraud risk</b>	<ul style="list-style-type: none"> <li>• <b>Best-in-class preventive controls, tools &amp; SOPs</b> to mitigate frauds across customers, employees &amp; third-parties</li> <li>• Ongoing <b>cross-business sharing of best practices for detection and mitigation</b></li> <li>• <b>Regular employee training and awareness campaigns</b> on fraud detection &amp; prevention</li> </ul>

# We have integrated best-in-class practices across all key risk areas (II/II)

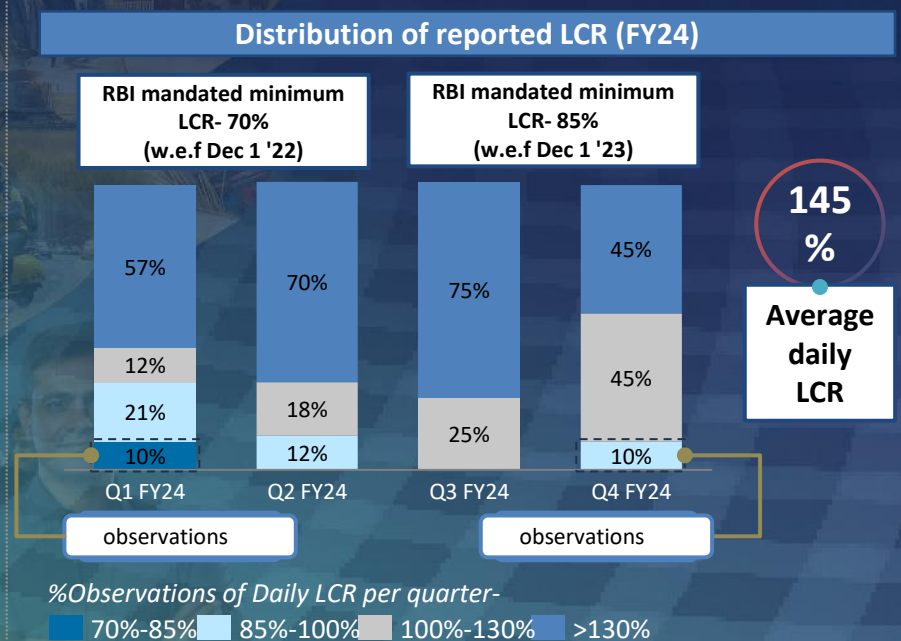
 Category	 Key Highlights
<b>5 Cyber risk</b>	<ul style="list-style-type: none"> <li>• <b>Built/ deployed robust capabilities, processes and toolkits</b> to manage growing cyber risks</li> <li>• Quarterly <b>red-teaming &amp; war gaming assessments</b>; Regular <b>phishing simulations</b> &amp; crisis management drills</li> </ul>
<b>6 Regulatory &amp; compliance risk</b>	<p><b>In-house team of 20+ members</b> with <b>collective experience of 200+ years</b> to independently monitor regulatory compliance</p> <ul style="list-style-type: none"> <li>• Strong performance across annual internal and external audits.</li> </ul>
<b>7 Risk organization</b>	<p><b>Comprehensive risk organizational structure defined with focus on fortifying an active risk function</b></p> <ul style="list-style-type: none"> <li>• Focus on building capabilities in managing new emerging risks</li> <li>• Deeper interlinkage with business, functional coverage &amp; monitoring focus to mitigate all kinds of risks</li> </ul>
<b>8 Risk reporting</b>	<p><b>Comprehensive risk registers for monitoring along with governance mechanism</b> in place</p> <ul style="list-style-type: none"> <li>• In- house team, 300+ risk matrices tracked across businesses &amp; functions with defined frequency for circulation &amp; monthly reviews</li> </ul>

# Capital & Liquidity risk | Well managed with judicious buffers maintained consistently

## ALM: Stringent Internal thresholds

Time bucket	RBI thresholds	Chola internal thresholds
2-7 days	-10%	0%
8-14 days	-15%	0%
15-28 days	-20%	0%

## Liquidity: LCR reported is 1.7-2x of RBI mandate on average

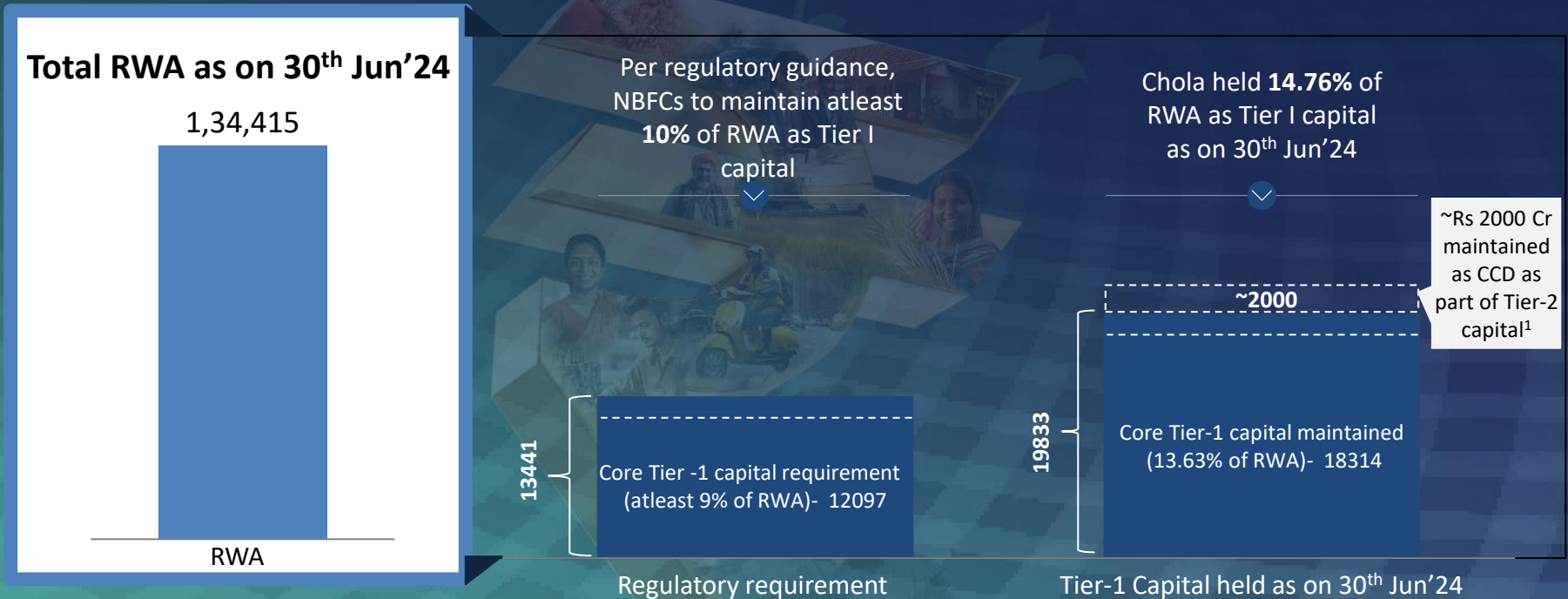


- No cumulative mismatch across time buckets
- No breaches against internal threshold, demonstrating strong adherence to regulatory compliance



# Capital & Liquidity risk | Sufficient Tier 1 capital

(₹Cr)



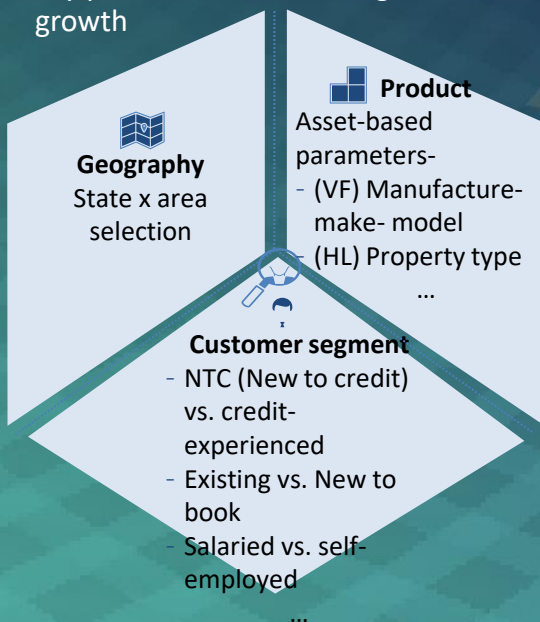
If Rs.2000 Cr CCD is compulsory converted into Equity in FY 26, then the Total Tier I will be at 16.24%

# Holistic risk management for credit risk mitigation



## Robust Business Decision Matrix based on key criteria

Choosing right customer mix upfront for key portfolio decisions - e.g., collections & growth



## Multi-faceted underwriting process

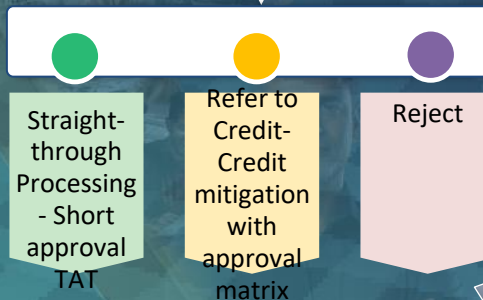
Input variables leveraged-

- Income source
- Existing loan details
- Asset type (For e.g., vehicle type for VF loan)

1100+



Data-driven model created for each product segment



## Proactive portfolio monitoring at a customer level


- Rigorous non-starter/early default monitoring to manage portfolio proactively
- Predictive models and personalized treatment strategies being rolled out across businesses


Use-case	0 DPD	1-90 DPD	90+ DPD
<b>EWS/Bounce</b>	Bounce Prediction		
<b>Collections</b>		Roll-forward models Roll-back models	
		Bureau-based enrichment	
<b>Repo</b>			Repo & settlement models


Feedback loop to refine underwriting models


# Regulatory & compliance risk | Effective governance augmented by a strong compliance function

**Governance & Compliance** form the core of every business and functional process

 **Strong 'Compliance- first' approach tone setting from the Board and senior management** ensures compliance across all levels till field staff

 **"Zero tolerance policy"** to any form of non-compliance

 **Stringent Code of conduct** implemented at all levels including employees, DSAs and collection agents

 **Continuous training to employees at all levels** on various regulatory requirements

 **Fair Practice Code** implemented in letter and spirit

**20+ professionals** with collective experience of **200+ years**



Compliance team

- Real-time tracking & efficient dissemination of all regulatory changes to senior management and other key stakeholders
- Comprehensive compliance audits conducted throughout the year by independent agencies



Centralized Corporate Legal team

- Real-time tracking of all legal notices/cases against the company
- Centralized review and approval of legal documentation for effective control and governance

## Regulatory & compliance risk | Governance further strengthened by robust compliance mechanisms



# Cyber risk | Regular monitoring & strong internal processes to prevent, detect & mitigate cyber risk



## People

- 1 Well-equipped, adept team of security professionals to mitigate cyber risk at organizational level
- 2 Regular employee trainings & readiness exercises
  - Phishing simulations, crisis management drills, etc.



## Process

- 3 Continued effort towards strengthening protocols
  - Code review process
  - Business continuity & Disaster recovery exercises
- 4 Quarterly war gaming & red teaming assessments



## Tools & Technology

- 5 Continuous expansion of suite of tools to monitor threats, potential privacy breaches and improve cyber resilience-
  - User access security (SASE)
  - DevSecOps
  - Cloud container security
  - API security

**50+** initiatives planned for FY25 to further strengthen cyber risk mitigation

# Risk governance & reporting | Clearly defined roles & responsibilities for effective corporate governance

## Organization structure setup to ensure effective governance



## Well-defined tracking mechanism & review cadence

- 1 **RCSA (Risk control and self-assessment)** conducted across businesses periodically
- 2 **Multiple Board-led committees** to monitor org risk-

Name of the committee	Key risk reviewed
<b>Risk Management Committee</b>	Overall enterprise risk management policies & processes across each key risk area
<b>Asset Liability Committee</b>	Capital & liquidity position & risk
<b>Audit Committee</b>	Chola's compliance of policies and processes
<b>Business Committee</b>	Business-wise performance & key risks
<b>IT Strategy Committee</b>	IT & cybersecurity framework; IT disaster recovery process
<b>Stakeholders' Relationships Committee</b>	Reputational risk & shareholders' outlook
<b>CSR Committee</b>	Policies, strategies and programs related to ESG

- 3 **Comprehensive monitoring & tracking thresholds:**
  - **Risk Appetite Statement** to define organizational risk goals
  - **Risk registers defined** encompassing **300+ metrics** with strong linkages to businesses/functions

# Information Technology



## Chola's overall technology focus spread across all layers

### System of Engagements

LOS

CRM

Direct to Customer  
(GB, Chola One)

Partner Integration

### System of Records

Loan  
Management  
Suite

Customer  
Database

Collections

Accounting

Treasury

### System of Intelligence

### Other Core Areas

Data  
Repository

MIS /  
Reporting

Data  
Visualization

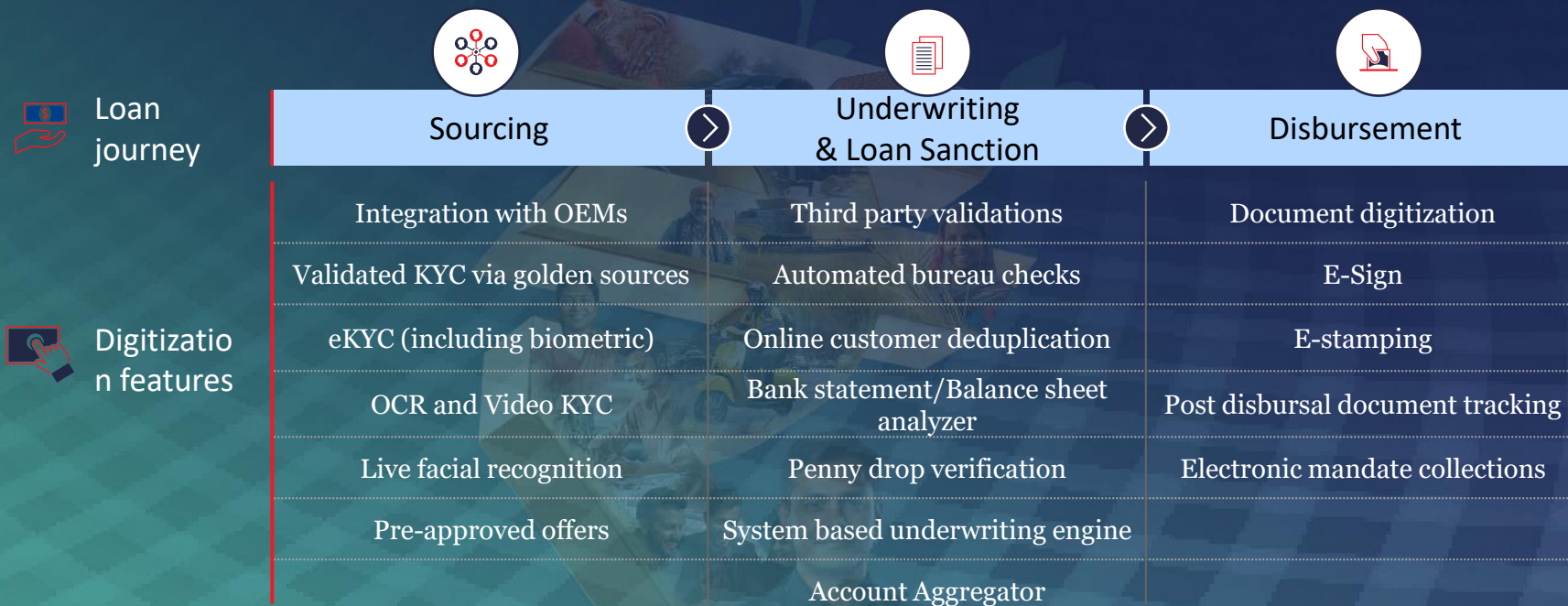
Technology  
Risk

People

Core Function  
Applications

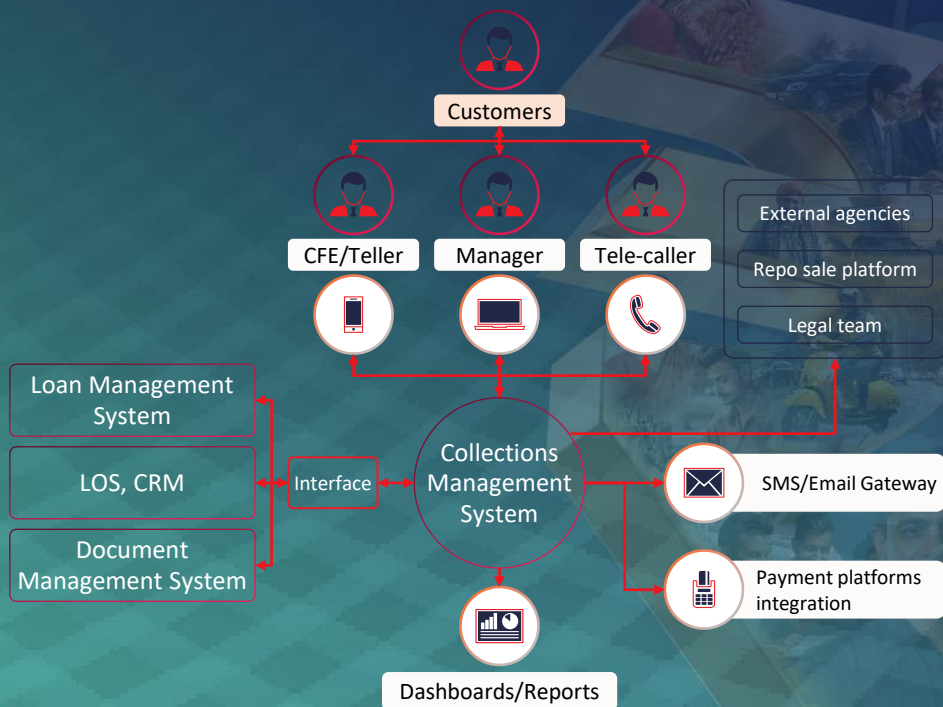


# Organization-wide capabilities built for digitization of Loan Origination System (LOS)



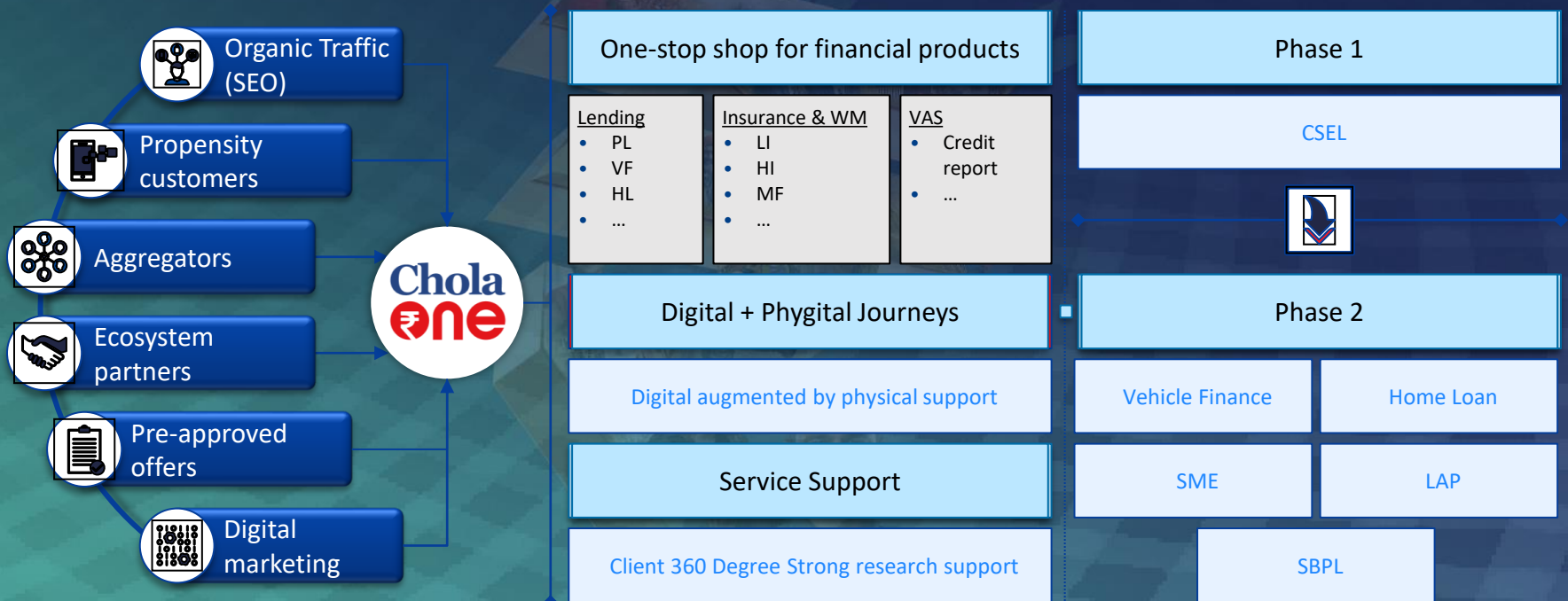
Note: Most capabilities built for all the verticals of Chola - being used wherever applicable and as per business needs

# We have a comprehensive digital Collection Management System to manage end-to-end collection process

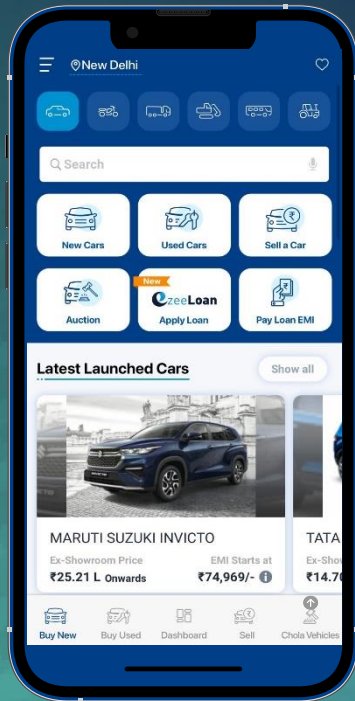


- |  |   |
|--|---|
| 1 Analytics Engine (EWS)   | 10 Easy payment through Bitly link  |
| 2 Allocation Rule Engine (Automatic allocation)                  | 11 Real time view of MIS/reports  |
| 3 E-receipts (view/download)                                     | 12 Integrated contact recording   |
| 4 Challan-less deposit (Airtel, Spice, etc.)                     | 13 Integrated SMS & voice blast solution  |
| 5 Single foreclosure receipting (multiple agreement-single mode) | 14 Multiple times movement of data between LMS  |
| 6 All wallets & BBPS   | 15 Device agnostic platform (mobile/tab/desktop)                                      |
| 7 New receipt types to avoid manual adjustment                   | 16 Cloud based solution (integrated dialer, standard reports, increased productivity) |
| 8 Auto-receipting of RTGS transactions                           | 17 Possible to restrict payment modes   |
| 9 Real time pick-up allocation                                   |   |
- Digitization & automation   
 ● Analytics   
 ● Technology

# Chola One platform envisioned to be a super-app, a one-stop-shop for all our products, lead generation, VAS, customer service



# We are building an E2E integrated ecosystem for VF



**Used vehicle marketplace**

- Vehicle listing for selling
- Dealer info for buying

**New vehicle discovery**

- Recommendations
- Test drive
- OEM offers & discounts

**Repo vehicles sale**

- Subscription fee
- Auction model
- Vehicle valuation



**SEO Score<sup>1</sup>**  
(out of 100)  
**93**

**Monthly Avg. Unique Users**  
(site traffic)  
**1.1M+**

**Page authority**  
(score out of 100)  
**32**

**"Used truck" search rank**  
(Google organic search rank)  
**1**

**Repo Subscribers**  
(#paid repo subscribers)  
**1.5K+**

**New listings**  
(vehicles/ month)  
**13K+**

**Vehicles sold**  
(per month)  
**3K+**

**Dealer portal**  
(#dealers)  
**2.9K+**

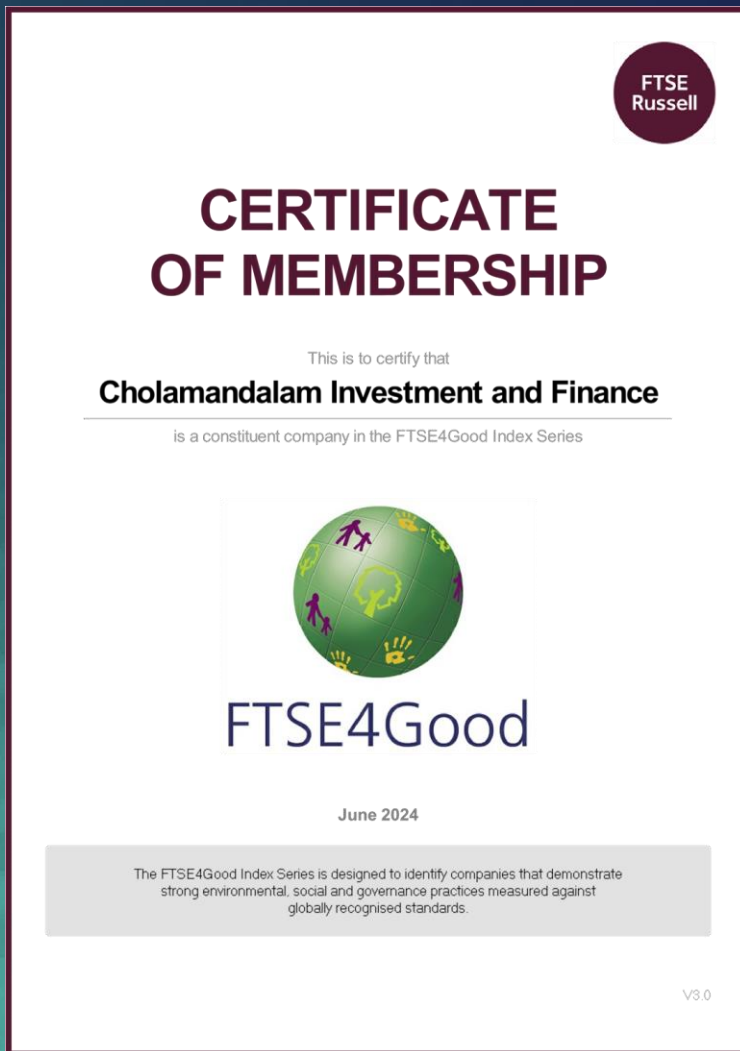
**% Service requests Automated**  
(service requests)  
**99%**

# Our Data and Analytics team works across the entire value chain of customer journey



# Environmental Social Governance





FY21

- **FTSE Russell** - Included in FTSE4 Good Index series

FY22

- **FTSE Russell** - Reaffirmed as constituent of FTSE4Good Index Series in June 2021.

FY23

- **FTSE Russell** - Reaffirmed as constituent of FTSE4Good Index Series in June 2022.
- **CRISIL ESG rating – STRONG**

FY24

- **FTSE Russell** - Reaffirmed as constituent of FTSE4Good Index Series in June 2023.

FY25

- **FTSE Russell** – Reaffirmed as constituent of FTSE4Good Index Series in June 2024.

# We Believe In Making A Positive Impact In The Society



## Environmental

As an environmentally responsible company, we focus on sustainability and carbon footprint reduction.

## Social

To enable better opportunity for all, we ensure financial inclusion of marginalized groups of people through financial products and services enabling socio-economic upliftment.

## Governance

The company has strong commitment to values and ethical business conduct and the highest standards of corporate governance in all its activities and processes.





## Board

**Board** - major policy and sustainability reports related to ESG

## CSR Committee

**CSR Committee** –Chairman, an independent Director and a non-executive Director to support and advise Board on the company’s policies, strategies and programs related to ESG

Internal working groups for effective and sustained implementation of ESG activities in the organization through *Enterprise Risk Management (ERM) division and SPOCs from lines of business and functions, directly engaged into ESG to implement initiatives at the ground level, data obtaining, submission of reports, regulatory compliance etc.*

- ~ Policy for **Sustainable Sourcing**.
- ~ **E-receipts** are issued to customers in place of physical receipts.
- ~ Financing **Electric Vehicles** for a green and clean future – Rs 298 cr disbursed in FY 24 (Rs 91 Cr was disbursed in FY 23).
- ~ Adoption of **SEMS** – Socially & Environmentally Managed System, part of credit policy.
- ~ **Reduction of GHG scope-1 emissions** to 194 mt from 267 mt of previous year, .
- ~ **Reduction of Water consumed** per rupee of turnover to 2.80kl from 3.17kl of previous year. All Chola branches are fitted with water aerators.
- ~ There is **no hazardous waste generated** by the company.
- ~ **Green Awareness campaign** conducted at all branches.
- ~ **Digitization** including customer onboarding, credit underwriting process etc. saving of paper sheets per year paper & A4 sheets at HO/CPU are sourced sustainably.



## CSR in Chola

CIFCL is rooted towards its commitment for the social welfare. Rooted in a commitment to national development and inclusion, Chola exemplifies this ethos through its steadfast dedication to Corporate Social Responsibility (CSR) initiatives across India.

## FY 2023-24

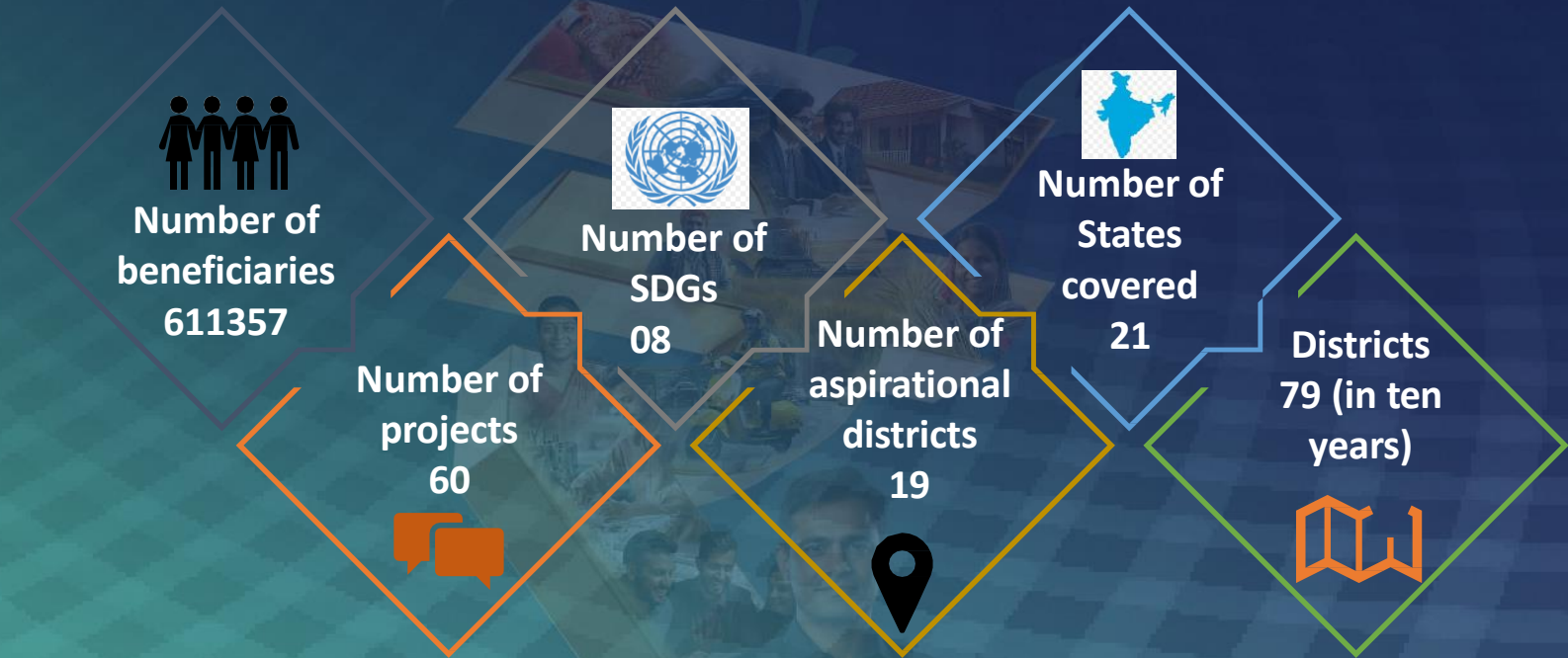
Rs 56.98 cr. spent on CSR

## Themes

- Education
- Health
- Rural Development
- Art and Culture

## Impact Assessment

**REES** – Relevance, Effectiveness, Efficiency, Sustainability and Social Impact.





- Livelihood skills for the marginalized section
- No. of projects-02



- Ensure healthy lives and promote well-being for all at all ages
- No. of projects- 23



- Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Number of projects- 13



- Training of players of blind women's football- 10
- Female Golf Players- 04



8  
SDGs



- Ensure availability and sustainable management of water and sanitation for all
- No. of projects- 02



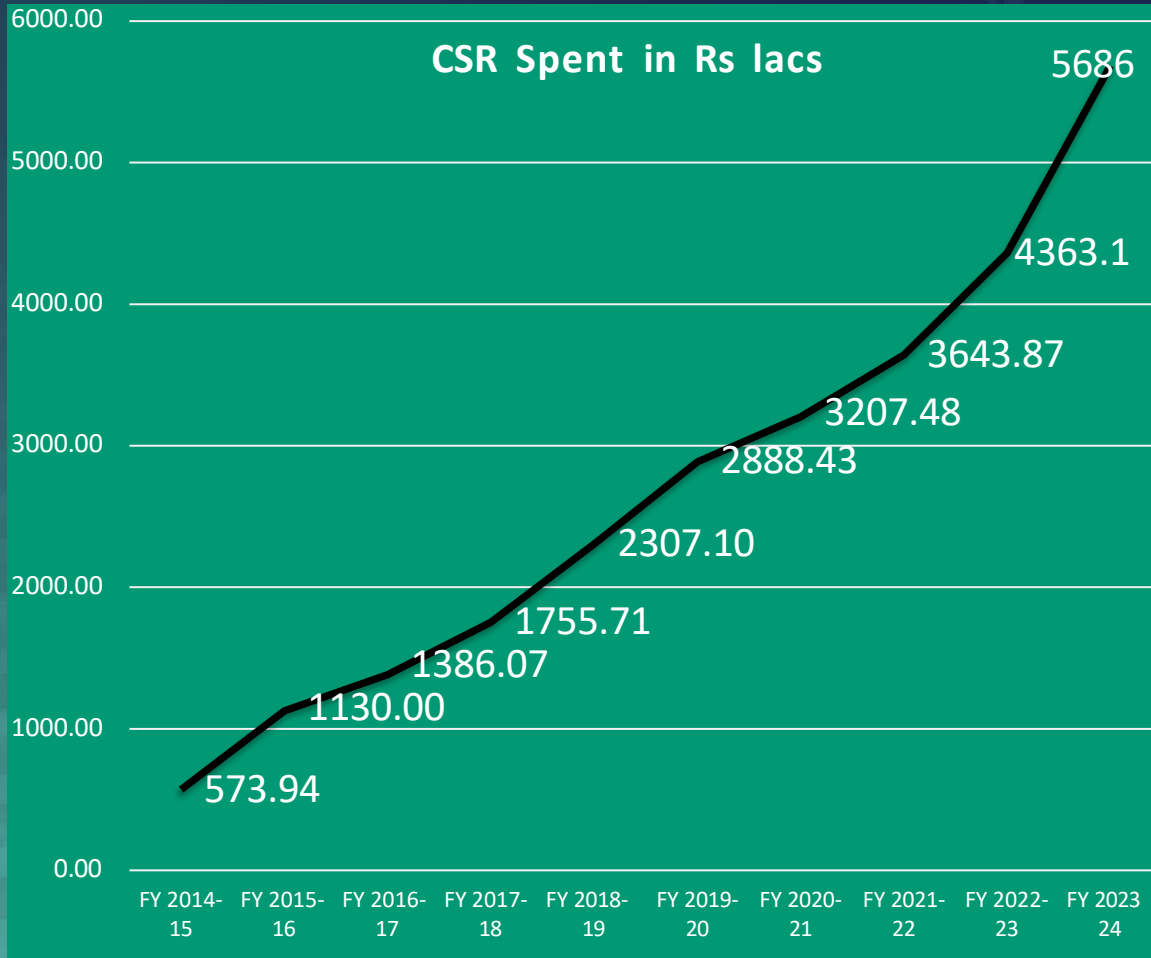
- Ensure access to affordable, reliable, sustainable and modern energy for all
- No. of projects- 03



- Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- No. of projects- 01



- Strengthen the means of implementation and revitalize Global Partnership for Sustainable Development



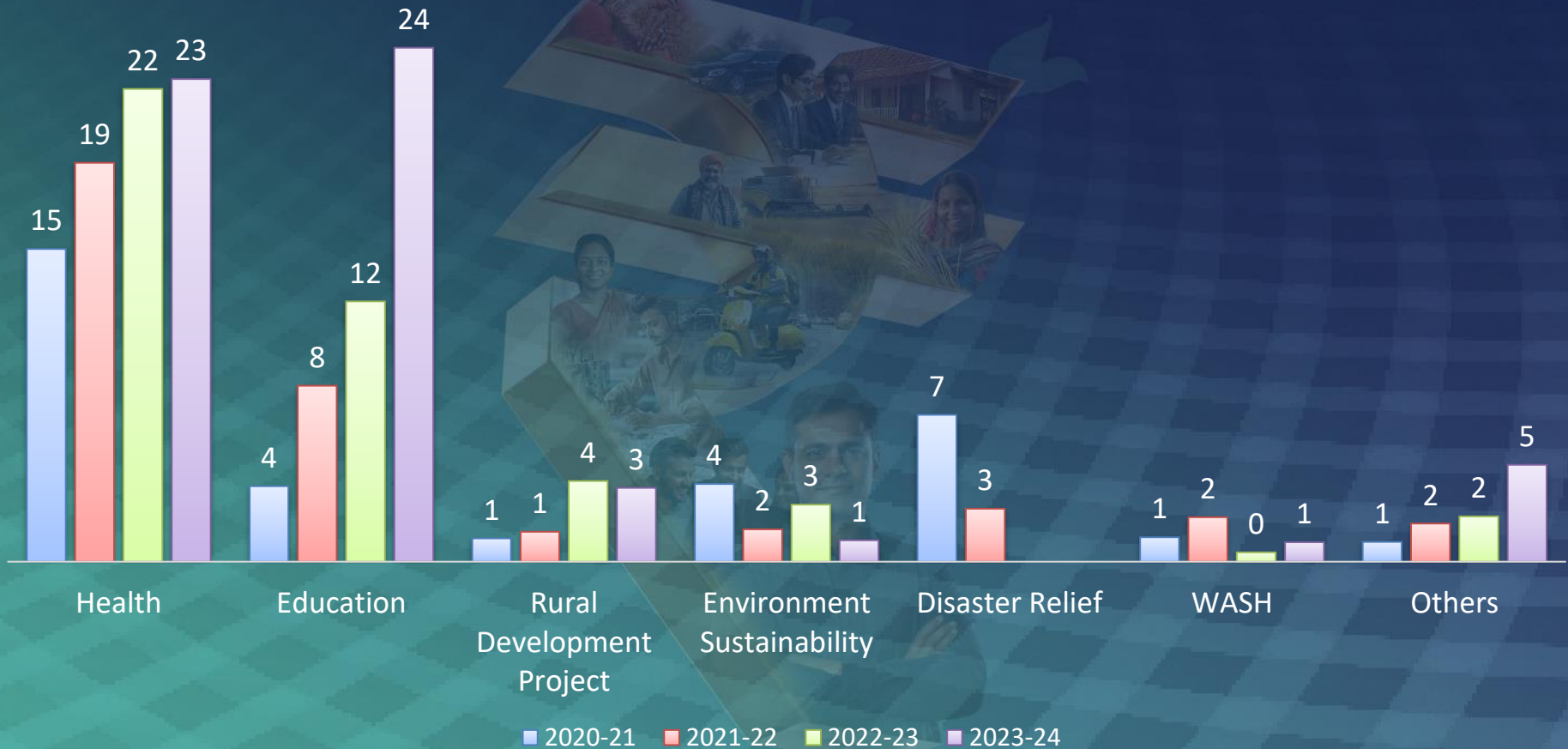
CSR Spent over ten years



Lives impacted over ten years

# SOCIAL RESPONSIBILITY YEARWISE THEMATIC ALLOCATION

(₹ Cr)





- ~ **Vehicle Finance:** New to credit customers, women borrowers, low-income groups, electric vehicles, transport entrepreneurs in geographies with limited presence of banks & financiers.
- ~ **Loan Against Property:** Small business entrepreneurs for self-occupied residential property.
- ~ **Affordable Housing:** Focus on underserved customers in tier III, IV, V, VI cities ; unorganized segments; women borrowers.
- ~ **Consumer & Small Enterprise Loans :** Unsecured lending to retail customers including New To Credit (NTC) customer to support lower income segment people.
- ~ **Small & Medium Enterprise Loans:** Micro, Small and Medium Enterprises (MSME) customers, Factoring and Inventory Funding to support SME customers.
- ~ **Secured Business & Personal Loans:** Funding to the under-served self-employed non- professional customers (e.g. grocery shop, dairy owners, unskilled laborers, low salaried/cash salaried workers).
- ~ *80% of branches in Tier-III, Tier-IV, Tier V and Tier-VI towns. Business expansion through 226 branches in the under-banked districts.*

**Governance Philosophy** - *“The fundamental principle of economic activity is that no man you transact with will lose; then you shall not.”*

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

## **Governance Policy**

- ~ Code of Conduct and Ethics Policy. Whistle Blower Policy.
- ~ Risk Management Policy.
- ~ Policy on Related Party Transactions.
- ~ Policy for Prevention of Sexual Harassment in line with POSH Act.
- ~ Compensation Policy/Remuneration Policy.
- ~ IT Strategy & policy.
- ~ Business Responsibility Policy.
- ~ Code of Conduct for Directors and Senior Management. Policy on Board Diversity.
- ~ Equal Opportunity policy as per the Rights of Persons with Disabilities Act, 2016.
- ~ Recruitment Policy (*no child labour/no discrimination*).
- ~ Grievance Redressal.
- ~ Business Continuity Policy.

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