

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

**Review Report to
The Board of Directors
Cholamandalam Financial Holdings Limited**

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

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/1300004


per Aravind K
Partner
Membership No.: 221268



UDIN: 21221268AAAER7260

Place: Chennai
Date: August 4, 2021

CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED
CIN - L65100TN1949PLC002905
Registered Office : DARE HOUSE, 234, NSC Bose Road, Chennai - 600 001
Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2021

Rs. Crores unless specified				
Particulars	Quarter ended			Year ended
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	Unaudited	Audited (Refer Note 2)	Unaudited	Audited
	1	2	3	4
1. Revenue from operations				
-Interest Income	0.13	0.24	0.53	1.50
-Dividend Income	-	48.48	-	48.60
-Service Income	1.99	1.98	1.99	7.95
Total	2.12	50.70	2.52	58.05
2. Other income	-	0.04	-	0.09
3. Total Income (1+2)	2.12	50.74	2.52	58.14
4. Expenses				
a) Finance Cost	2.53	5.44	5.39	21.66
b) Impairment of financial instruments	-	-	-	0.05
c) Employee benefits expense	0.28	0.29	0.26	1.07
d) Depreciation and amortisation expense	-	-	-	0.01
e) Other expenditure	0.24	0.85	0.23	1.45
Total expenses	3.05	6.58	5.88	24.24
5. Profit / (Loss) before tax (3-4)	(0.93)	44.16	(3.36)	33.90
6. Tax expense				
a) Current tax	-	12.19	-	12.19
b) Deferred tax	-	-	-	-
Total Tax expense	-	12.19	-	12.19
7. Profit / (Loss) for the period (5-6)	(0.93)	31.97	(3.36)	21.71
8. Other Comprehensive Income - Gain/(loss)				
a) (i) Items that will not be reclassified to Profit or Loss	0.55	0.12	0.58	0.91
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	(0.03)	(0.29)	(0.07)	(0.38)
b) (i) Items that will be reclassified to Profit or Loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to Profit or Loss	-	-	-	-
Total Other Comprehensive Income	0.52	(0.17)	0.51	0.53
9. Total Comprehensive Income for the period (7+8)	(0.41)	31.80	(2.85)	22.24
10. Paid-up equity share capital (Rs.1/- per share)	18.77	18.77	18.77	18.77
11. Reserves & Surplus (i.e. Other Equity)				1121.98
12. Earnings per Share of Rs.1/- each - not annualised (Rs.)				
a) Basic	(0.05)	1.70	(0.18)	1.16
b) Diluted	(0.05)	1.70	(0.18)	1.16



Independent Auditor's Review Report on the 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

**Review Report to
The Board of Directors
Cholamandalam Financial Holdings Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Cholamandalam Financial Holdings Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint venture for the quarter ended June 30, 2021 attached herewith (the "Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34), "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. a) We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

b) We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.
4. The Statement includes the results of the following entities:
 - a. Cholamandalam Investment and Finance Company Limited ("CIFCL") - Subsidiary
 - b. Cholamandalam MS General Insurance Company Limited ("MSGICL") - Subsidiary
 - c. Cholamandalam MS Risk Services Limited - Joint Venture
 - d. Cholamandalam Securities Limited - Subsidiary of CIFCL
 - e. Cholamandalam Home Finance Limited - Subsidiary of CIFCL
 - f. White Data Systems India Private Limited - Associate of CIFCL
 - g. Vishvakarma Payments Private Limited - Associate of CIFCL (from March 30, 2021)
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 other auditors referred to in Paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. Emphasis of Matter

We draw attention to

- a) Note 4a to the accompanying Statement, which describes the impact of COVID-19 pandemic, and its possible consequential implications with respect to Cholamandalam Investment and Finance Company Limited's (CIFCL) operations and financial metrics, including CIFCL's estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic.
- b) Note 4b to the accompanying Statement, which describes the impact assessment due to COVID-19 pandemic on Cholamandalam MS General Insurance Company Limited (MSGICL), a subsidiary company. The auditors of MSGICL have included an emphasis of matter paragraph in their review report on the financial results of MSGICL for quarter ended June 30, 2021, stating that the impact assessment done by the Management of MSGICL is dependent on the circumstances as they evolve in subsequent periods.

Our conclusion is not modified in respect of the above matters.

7. Other Matters

- a) The accompanying Statement includes unaudited interim financial results of one subsidiary whose interim financial results reflect total revenue of Rs. 1,043.56 Crores and profit after tax of Rs. 28.10 Crores for the quarter ended June 30, 2021. Those financial results have been prepared in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules and the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999 (as amended), the Insurance Regularity and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, Circulars / Orders / Directions issued by the Insurance Regulatory and Development Authority of India ("IRDAI" or 'the Authority') ("Statutory GAAP") and have been reviewed by other auditors. The other auditors of this subsidiary in their report have reported that they have relied on the estimate of the Subsidiary's management which has taken into consideration the appointed actuary's certificate on estimated claims Incurred but Not Reported [IBNR] and claims Incurred but Not Enough Reported [IBNER], including share of liability towards Motor Pool upto 2011. The appointed actuary has certified that the assumptions used for such valuation are in accordance with the Insurance Act, 1938 (as amended) and the regulations issued by the IRDAI and Institute of Actuaries of India in concurrence with IRDAI.

The Subsidiary's management has converted the financial results of such subsidiary from Statutory GAAP to comply with the recognition and measurement principles of Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, including liability adequacy test as per Ind AS 104 based on the appointed actuary's certificate. Our conclusion in so far as it relates to the balances and affairs of such subsidiary is based on the reports of such auditors, reliance on the appointed actuary's certificate and the conversion adjustments prepared by the management of the subsidiary and reviewed by us.

- b) The accompanying Statement includes the interim reviewed financial results / financial information in respect of one joint venture, whose unaudited interim financial results include Group's share of net profit of Rs. 0.20 Crores and Group's share of total comprehensive income of Rs. 0.20 Crores for the quarter ended June 30, 2021, as considered in the Statement whose interim financial results, other financial information have been reviewed by their respective independent auditors.

The independent auditor's report on the interim financial results of this entity has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of this joint venture is based solely on the report of such auditor and procedures performed by us as stated in Paragraph 3 above.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- c) The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of two associates, whose interim financial results includes the Group's share of net loss of Rs. 0.57 Crores and Group's share of total comprehensive loss of Rs. 0.57 Crores for the quarter ended June 30, 2021, in the aggregate.


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

Our conclusion on the Statement is not qualified in respect of the matters stated in Paragraphs 7a, 7b and 7c above.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/1300001



per Aravind K

Partner

Membership No.: 221268



UDIN: 21221268AAAAES6042

Place: Chennai

Date: August 4, 2021

CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED
CIN - L65100TN1949PLC002905
Registered Office : DARE HOUSE, 234, NSC Bose Road, Chennai - 600 001
Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2021

Particulars	Rs. Crores unless specified			
	Quarter ended		30.06.2020 Unaudited	Year ended 31.03.2021 Audited
	30.06.2021 Unaudited	31.03.2021 Audited (Refer Note 2)		
	1	2	3	4
1. Revenue from operations				
-Interest Income	2,546.87	2,537.18	2,218.55	9,886.37
-Dividend Income	0.41	0.58	0.05	1.74
-Gross Premium Income	1,100.48	1,074.57	1,032.61	4,144.38
-Premium ceded to reinsurers	(263.29)	(255.78)	(231.75)	(943.11)
-Fee & Commission Income	161.82	164.46	84.13	536.17
-Net gain/(loss) on fair value change on financial instrument	23.42	(19.46)	113.26	194.23
-Service Income	21.36	20.98	15.83	80.37
Total	3,591.07	3,522.53	3,233.68	13,900.15
2. Other Income	0.29	0.22	0.17	4.75
3. Total Income (1+2)	3,591.36	3,522.75	3,233.85	13,904.90
4. Expenses				
a) Finance costs	1,109.29	1,128.16	1,123.50	4,607.82
b) Insurance Claims (net of reinsurance recoveries)	655.49	630.42	509.90	2,379.77
c) Impairment of financial instruments	553.64	493.47	159.42	1,433.25
d) Employee benefits expense	199.95	308.10	203.24	935.50
e) Depreciation and amortisation expense	38.11	38.78	33.61	145.47
f) Other expenditure	553.23	611.23	408.03	2,002.81
Total expenses	3,109.71	3,210.16	2,437.70	11,504.62
5. Profit before share of profit/(loss) from Associates & Joint Venture and tax (3-4)	481.65	312.59	796.15	2,400.28
6. Share of Profit/(Loss) from Associates & Joint Venture (Net of tax)	(0.37)	0.66	(1.90)	0.32
7. Profit before Tax (5+6)	481.28	313.25	794.25	2,400.60
8. Tax expense				
a) Current tax	175.30	183.88	239.80	900.22
b) Deferred tax	(51.25)	(84.96)	(35.01)	(263.84)
Total Tax expense	124.05	98.90	204.79	636.38
9. Profit after tax (7-8)	357.23	214.35	589.46	1,764.22
Profit for the year attributable to:				
-Owners of the Company	166.40	83.94	288.89	824.64
-Non-Controlling Interest	190.83	130.41	300.57	939.58
10. Other Comprehensive Income- Gain/(loss)				
a. (i) Items that will not be reclassified to Profit or Loss	4.43	(1.66)	4.56	4.75
(ii) Income tax relating to Items that will not be reclassified to Profit or Loss	0.02	0.17	(0.16)	0.05
b. (i) Items that will be reclassified to Profit or Loss	13.26	(94.88)	19.34	(97.38)
(ii) Income tax relating to Items that will be reclassified to Profit or Loss	(3.34)	23.88	(4.87)	23.25
Other Comprehensive Income for the year	14.37	(72.49)	18.87	(64.33)
Other Comprehensive Income for the year attributable to:				
-Owners of the Company	9.12	(44.32)	17.29	(34.14)
-Non-Controlling Interest	5.25	(28.17)	6.58	(30.19)
11. Total Comprehensive Income for the year (9+10)	371.60	141.86	608.33	1,699.89
Total Comprehensive Income for the year attributable to:				
-Owners of the Company	175.52	39.67	301.18	790.50
-Non-Controlling Interest	196.08	102.24	307.15	909.39
12. Paid-up equity share capital (Rs.1/- per share)	18.77	18.77	18.77	18.77
13. Reserves & Surplus (i.e. Other Equity)				5,367.17
14. Earnings per Share of Rs.1/- each - not annualised (Rs.)				
a) Basic	8.85	4.47	15.39	43.93
b) Diluted	8.85	4.47	15.39	43.93



CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED

Notes to the Unaudited Standalone and Consolidated Financial Results

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 04, 2021. A limited review of these financial results has also been carried out by Statutory auditors.
- in respect of standalone and Consolidated financial results, the figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures upto the third quarter ended December 31, 2020 which was subjected to limited review.
- The consolidated financial results of the Company comprising the Company, its Subsidiaries (together 'the Group'), Joint Venture and Associates, include the results of the following entities:

Company	Relationship under Ind AS
Cholamandalam Investment and Finance Company Limited (CIFCL)	Subsidiary
Cholamandalam Securities Limited	Subsidiary of CIFCL
Cholamandalam Home Finance Limited	Subsidiary of CIFCL
White Data Systems India Private Limited	Associate of CIFCL
Vishvakarma Payments Private Limited	Associate of CIFCL (from March 30, 2021)
Cholamandalam MS General Insurance Company Limited (MSGICL)	Subsidiary
Cholamandalam MS Risk Services Limited	Joint Venture

- Impact of COVID-19 pandemic on the Group's operations**

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 Group operates has considerably impacted the business operations during the quarter ended June 30, 2021.
- Cholamandalam Investment and Finance Company Limited (CIFCL)**

The impact of COVID-19 pandemic including the "second wave", and its possible consequential implications on CIFCL's operations and financial metrics. Including the estimates of impairment of loans will depend on the future developments, which are highly uncertain. Management of CIFCL continues to monitor the evolving situation and has considered events up to the date of these financial results, to determine the financial implications including in respect of Expected Credit Loss (ECL) provisioning, as at June 30, 2021, and has made cumulative expected credit loss provision for loans as on June 30, 2021 which aggregates to Rs. 2,926 crores (Rs. 2,444 crores for March 31, 2021). CIFCL holds a management overlay of Rs. 700 crores as at June 30, 2021 (Rs. 1,100 crores - March 31, 2021) as part of its ECL provision. Given the dynamic and evolving nature of pandemic, these estimates are subject to uncertainty caused by the ongoing COVID-19 pandemic including its severity and duration and other related events.
- Cholamandalam MS General Insurance Company Limited (MSGICL)**

MSGICL has assessed the impact of Covid-19, including the "second wave", on its operations, and its financial results. The assessment includes but not limited to valuation of policy related liabilities and solvency position of MSGICL as at June 30, 2021. MSGICL continues to closely monitor the implications of the pandemic on its operations and financial results / position, which are dependent on the circumstances as they evolve in subsequent periods.
- The Company consolidates the financial results of its subsidiary, MSGICL, based on the financial information provided by MSGICL, which received a correspondence dated July 23, 2021 from Insurance Regulatory Development Authority of India (IRDAI), pursuant to which:
 - direct costs relating to acquisition of long-term insurance contracts are being expensed on incurrence effective April 1, 2021, and no longer deferred over the policy period; and
 - costs relating to acquisition of long-term insurance contracts that were previously deferred up to March 31, 2021 are being amortised over the current financial year ending March 31, 2022, consequent to which Rs. 81.63 crores has been charged to Profit & Loss in the current period.
- The listed Redeemable Non - Convertible Debentures of the Company aggregating to Rs. 150 crores as on June 30, 2021 are unsecured in nature.
- 5,000 options were exercised during the quarter ended June 30, 2021. The total outstanding employee stock options as at June 30, 2021 is 58,982. These stock options have been issued by the Company in 2007 and 2016. Pursuant to a scheme of Arrangement ("the scheme"), the manufacturing business undertaking of the Company was vested in / transferred to Tube Investments of India Limited ("the resulting Company") vide the order of the National Company Law Tribunal ("NCLT") dated July 17, 2017 sanctioning the scheme. Consequent to the scheme being effective, the employees of the Company became employees of resulting Company who are the grantees to these options.
- The Company is a Core Investment Company and all the activities of the Company revolve around the main business in India. As such there are no separate reportable segments as defined in Ind AS 108 - "Operating Segments" in respect of the Standalone Financial Results. The Segment Reporting for Consolidated Financial Results is given in Appendix 1.
- The date on which the Code on Social Security, 2020 ("The Code") relating to employee benefits during employment and post-employment benefits will come into effect is yet to be notified and the related rules are yet to be finalised. The Group will evaluate the code and its rules, assess the impact, if any, and account for the same once they become effective.
- Prior period figures have been regrouped wherever necessary to conform to the current period presentation.

On behalf of the Board of Directors

M M Murugappan

Place Chennai
Date : August 04, 2021

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M M Murugappan
Chairman

Segment Information in respect of Unaudited Consolidated Financial Results under Listing Regulations, 2015

	Rs. Crores unless specified			
	30.06.2021 Unaudited	Quarter ended 31.03.2021 Audited (Refer Note 2)	30.06.2020 Unaudited	Year ended 31.03.2021 Audited
	1	2	3	4
1. Segment Revenue				
Financing	2,481.74	2,479.56	2,175.58	9,579.53
Insurance	1,117.83	1,055.99	1,133.86	4,370.03
Others	2.12	50.70	2.52	58.05
Total	3,601.69	3,586.35	3,261.96	14,007.61
Less: Inter-Segment revenue	(10.62)	(63.82)	(78.78)	(107.46)
Net Revenue	3,591.07	3,522.53	3,233.68	13,900.15
2. Segment Results (Profit before tax)				
Financing	443.81	327.30	582.10	2,047.90
Insurance	38.46	(10.63)	217.85	366.82
Others	(0.93)	44.16	(3.37)	33.89
Other net un-allocable income and inter segment eliminations	0.31	(48.24)	(0.43)	(48.33)
Profit Before Share of Profit/(Loss) from Associates & Joint Venture	481.65	312.59	796.15	2,400.28
Add: Share of Profit/(Loss) from Associates & Joint Venture (Net)	(0.37)	0.66	(1.99)	0.37
Profit before Tax	481.28	313.25	794.25	2,400.60
3. Segment Assets				
Financing	73,348.63	73,727.52	67,333.38	73,727.52
Insurance	13,830.51	13,701.52	11,727.80	13,701.52
Others	32.51	39.62	51.38	39.62
Other Unallocable assets	1,407.92	1,336.47	939.64	1,336.47
Inter Segment Assets	(147.89)	(189.57)	(186.57)	(189.57)
Total	88,465.68	88,615.56	79,855.63	88,615.56
4. Segment Liabilities				
Financing	64,265.35	65,002.11	59,316.86	65,002.11
Insurance	12,324.11	12,234.90	10,219.83	12,234.90
Others	154.29	161.31	204.05	161.31
Other Unallocable liabilities	134.64	48.07	-	48.07
Inter Segment Liabilities	(147.89)	(189.57)	(186.57)	(189.57)
Total	76,730.50	77,256.82	69,554.17	77,256.82
5. Capital Employed (Segment Assets - Segment Liabilities)				
Financing	9,083.28	8,725.41	8,016.52	8,775.41
Insurance	1,506.40	1,466.62	1,507.97	1,466.62
Others	(121.78)	(121.69)	(152.67)	(121.69)
Unallocable	1,268.28	1,288.40	939.64	1,288.40
Total	11,736.18	11,358.74	10,311.46	11,358.74

Notes:

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'

In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon by the Statutory Auditor.

Segment information for the previous periods has been restated/regrouped/re-classified wherever necessary, to conform to the current period presentation.



On behalf of the Board of Directors

M M Murugappan

Place: Chennai
 Date: August 04, 2021

M M Murugappan
 Chairman

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Press Release from Cholamandalam Financial Holdings Limited

CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED (CFHL)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

CONSOLIDATED PROFIT AFTER TAX (PAT) FOR Q1 FY22 - Rs.357 Cr

Chennai, August 04, 2021: The Board of Directors of CFHL today approved the unaudited financial results for the quarter ended June 30, 2021.

Consolidated Results

For the quarter ended June 30, 2021, the Company has achieved consolidated PAT of Rs.357 Cr as against Rs.589 Cr in the corresponding quarter of the previous year.

Total income for the quarter is at Rs.3,591 Cr as against Rs.3,234 Cr in the corresponding quarter of the previous year registering a growth of 11%

Cholamandalam Investment & Finance Company Ltd, in which the Company holds about 45.46% stake, was adversely impacted by the second wave of the COVID pandemic leading to shift of focus from business to well-being of the affected persons (borrowers and staff). This resulted in a setback in performance in Q1 on the disbursements and collections front. Disbursements were up by 1% as compared to Q1 of FY 21, as purchase of vehicles were predominantly deferred. Collections also suffered, resulting in increase in Stage 3 assets from 3.96% to 6.79%.

PAT for the quarter ended June 30, 2021 is Rs.327 Cr compared to Rs.431 Cr in the corresponding quarter of the previous year, registering a decline of 24% due to increase in impairment provisions.

Assets under management grew by 7% to Rs. 75,763 Cr as at June 30, 2021 as compared to Rs.70,826 Cr as at June 30, 2020.

Cholamandalam MS General Insurance Company Ltd., a subsidiary in general insurance business, in which the Company holds about 60% stake, registered a Gross Written Premium (GWP) of Rs.997 Cr during the quarter ended June 30, 2021 as against Rs.883 Cr in the corresponding quarter of the previous year, increase of 13%. PAT for the quarter ended June 30, 2021 is at Rs. 29 Cr as against Rs.164 Cr in the corresponding quarter of the previous year. The reduction in PAT for the quarter is primarily on account of COVID claims of Rs 147 Cr and accelerated amortisation of deferred acquisition costs of Rs 61 Cr. relating to long term policies pursuant to regulatory communication.

Cholamandalam MS Risk Services Ltd., a Joint Venture Company, in which the Company holds 49.5% stake, registered total income of Rs. 10.97 Cr for the quarter ended June 30, 2021 as against Rs. 5.28 Cr in the corresponding quarter of the previous year. PAT for the quarter ended June 30, 2021 is Rs.0.40 Cr as against loss of Rs. 3.59 Cr in the corresponding quarter of the previous year.

Standalone Results

The total income for the quarter ended June 30, 2021 is Rs.2.12 Cr as against Rs. 2.52 Cr in the corresponding quarter of the previous year. Loss After Tax for the quarter ended June 30, 2021 is Rs.0.93 Cr as against Rs. 3.36 Cr in the corresponding quarter of the previous year.

For more details, please visit www.cholafhl.com

About Murugappa Group

Founded in 1900, the INR 381 Billion (38,105 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 29 businesses including ten listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., CG Power and Industrial Solutions Ltd., Cholamandalam Financial Holdings Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd. and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Transmission systems, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Sociedad Química y Minera de Chile (SQM), Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 51,000 employees.

For more details, visit www.murugappa.com.

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