

30 December, 2025

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

**The Secretary**  
**BSE Ltd.**  
**25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers**  
**Dalal Street, Fort**  
**Mumbai 400 001**

**NSE SCRIP CODE: CHOLAFIN EQ**

**BSE SCRIP CODE: 511243**

Dear Sir / Madam,

**Sub.: Audio recording of the Investor Call**

Further to our letter dated December 23, 2025 informing you regarding the upload of audio recording of the Investor Call held on the same day, we enclose the copy of the Transcript of the Investor call. The same has also been uploaded on the Company's website in the following link:

<https://www.cholamandalam.com/investors/call-transcript>

We request you to take the above on record.

Thanking you,

Yours faithfully,  
For Cholamandalam Investment and Finance Company Limited

P. Sujatha  
Company Secretary

Encl.:As above

**Cholamandalam Investment and Finance Company Limited**

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**“Cholamandalam Investment and Finance Company  
Limited**

**Conference Call”**

**December 23, 2025**



**MANAGEMENT: MR. VELLAYAN SUBBIAH – EXECUTIVE CHAIRMAN –  
CHOLAMANDALAM INVESTMENT AND FINANCE  
COMPANY LIMITED**

**MR. RAVINDRA KUNDU – MANAGING DIRECTOR AND  
CHIEF EXECUTIVE OFFICER – CHOLAMANDALAM  
INVESTMENT AND FINANCE COMPANY LIMITED**

**MR. ARUL SELVAN – CHIEF FINANCIAL OFFICER –  
CHOLAMANDALAM INVESTMENT AND FINANCE  
COMPANY LIMITED**

**MODERATOR: MR. NISCHINT CHAWATHE – KOTAK SECURITIES  
LIMITED**

**Nischint Chawathe:** Hi, good morning everyone. Welcome to Interaction with Management of Cholamandalam Investment and Finance Company Limited. The Senior Management of Chola is represented by Mr. Vellayan Subbiah, Chairman and Executive Director, Mr. Ravindra Kundu, Managing Director and CEO, Mr. Arul Selvan, Chief Financial Officer. I would now like to hand over the call to Vellayan for his opening comments.

**Management:** Executive Chairman, you can mention Executive Chairman.

**Vellayan Subbiah:** Okay, , Nishant, thank you. Thanks so much.

**Management:** Vellayan Subbiah is our Executive Chairman.

**Nischint Chawathe:** I'm sorry, my bad.

**Vellayan Subbiah:** Yes, good morning everybody and thanks for joining the call at short notice. You know, this is basically with reference to the blogs and posts carried out by an agency in their website where they have, you know, have several charges and allegations that have been made against both Chola, its associates and subsidiaries and some of the other Murugappa Group entities. To avoid market speculation and then obviously kind of, you know, pending examination of all the various allegations they're kind of putting out, we wanted to give our summary responses.

You know, first is that the entire allegations are malicious and baseless and they basically seem to be stated with some other motives in mind that are kind of clearly ulterior. You know, from a financial health perspective, the company really wishes to reassure all of you that the performance of the company, its asset quality and its liquidity position continue to be very robust as disclosed in the audited financial statements of the company for the half year ended September 2025.

There's no revision in our guidance provided in the past and the company will continue to deliver as per its board approved business plan. Liquidity also continues to remain strong with cash and bank balances of INR14,900 crores as of November 30th. ALM across time buckets is also positive, all buckets, and CAR for the period ending November 30th, 2025 was at 19.79%, with Tier 1 capital of 14.53%.

The rating continues to be AA+ from ICRA, India ratings and CARE. The net worth of the company stood at INR26,783 crores as of November 30th, 2025, which is an increase of more than INR3,000 crores over FY25 closing levels.

This includes conversion of INR300 crores of the CCDs issued in FY24 and the balance of INR1,700 crores is expected to be converted in the next three quarters, which will further strengthen the net worth. Second, a few clarifications relating to malicious and fraudulent queries and allegations, and obviously we are holding the conference call because we're happy to kind of take any questions from you in response specifically to any of those questions that you might have as well.

The queries in various mails and in the blog, sent to us and then, kind of there's also some primarily related to our financial practices, related priority transactions and compliances generally, right?

So the first one, the first set of things seems to be around large cash deposits by the company. And I think, as you all know, in our business, because we cater to the needs of SRTOs and Self-Employed Non-Professionals and over 50 lakhs, spread over 1,700 branches, basically our categories of lending are mortgage, unsecured, right, you know, and vehicle finance. Therefore, they bring in financial inclusion for underserved segments in rural and semi-urban geographies across the country.

But some of these borrowers obviously earn and pay in cash, right, including for their EMIs from us. And obviously the amounts we collect in cash have to be deposited in banks. So this has been put as an accusation as to kind of why we are dealing with cash, but obviously this is a business that I think all of you as investors have already understood.

And there's been a clarification also that's been put out by, some of the investors, some of the analyst firms, which is that this is less than, and I'll guess the exact number, but it's less than 20% of our overall kind of collections. This collection process and amount has been subject to, and continues to always be subject to internal and external scrutiny. And this is also covered, by our robust internal systems and subject to statutory audit.

All KYC and income tax compliance for such collection is done in compliance with applicable legal requirements. So this was one of the central points that they basically raised. The second was about related party transactions, and they've kind of talked about three sets of entities broadly, as we can understand. So basically, just to give you all comfort and compliance with legal and accounting requirements, all our RPT are fully disclosed. and in complete detail in our financial statements.

So, for example, CIFCL has transactions covering the borrower's accident and hospitalization, etcetera. And the premium on such policies collected from the borrowers is paid to a fellow subsidiary company, Chola MS General Insurance Company Limited. These policies, firstly and primarily, help our borrowers with sudden hospitalization needs. They also help CIFCL to ensure that no losses are faced on our loan accounts in case borrowers meet immediate health requirements that are expensive.

They've also talked about payments to other related parties, such as entities like CBSL and Murugappa management services. We've always had relationships with these companies. These companies have provided manpower, strategic services, IT, you know, over time. And so, this also has been in the ordinary course and we've always disclosed this, over different points in time. Whenever the entities have been related parties, the requirements of laws has been complied with.

Allegations have also been made that certain individuals are benefiting from the above transactions. And obviously, the company categorically rejects these statements. All payments

to board members, KMP, SMP of CIFCL have been made in compliance with law and have been fully disclosed.

There have been queries raised in relation to payments to rating agencies. And obviously, as you all know, all borrowings are subject to ratings. Without such ratings, lenders will not lend money to the company. And this is standard industry practice. In some years where the borrowing figures are higher or the companies have more borrowing, there will be more ratings and therefore the higher ratings costs have been paid to such agency. And then the final set of related party transactions seems to be around CSR contributions, which are made to respective NGOs and implementation agency in the form of work contracts.

This is also the standard practice in the industry. And CSR, like you all know, is mandatory under law, right? So, these are the broad categories, of questions raised.

And as we can see from this that, a lot of these are like, facts that have been distorted and presented selectively. And they've taken standard industry practice and been twisted in a way that kind of seems like that's been maligned. We confirm that all operations of the company are carried out as per the laws of the land following due compliance of applicable regulatory guidelines.

And we're committed to transparent communication with our investors and other stakeholders and have released this clarification. We also reserve the right to take action against such agency for causing damage to our reputation and interests.

You know, obviously, the reason we're having this call is if any of you have any specific concerns, or you want to get into any specific line item where you'd like our response, we're very happy to give it to you. So, let me stop with that and I'll turn it over to you for any specific questions that you might have. So, we can give you specific responses.

**Nischint Chawathe:** Those who have questions, you can raise your hand and ask a question. We have one or two questions in the queue. I'm just unmuting them. Yes, Viral, your line is unmuted. You can ask your question.

**Viral:** Hello?

**Nischint Chawathe:** Yes, you can ask a question.

**Vellayan Subbiah:** Hello, Viral. How are you?

**Viral:** Hi, good morning, Vellayan. Thank you so much. Yes.

**Vellayan Subbiah:** And I think kind of your clarificatory note also is kind of quite apt, but go ahead. Please Viral, happy to take any questions from you.

**Viral:** Thank you so much, Vellayan, first of all, for being so proactive and doing this at such a short notice. I think most of the allegations, as we have highlighted, don't seem to carry the weight. I

just wanted to understand, Vellayan, from you, like what is, in your opinion, likely the motives of such a kind of, I would say, kind of say a hit job, if I may.

And what are the actions that you intend to take? That is one. And just second, as a clarificatory, there's also an entity called Murugappa Management Services, which has been mentioned that they, it has also paid fees to credit rating agencies, if we can clarify, that was pertaining to the borrowings done by that specific entity and not for the other Group entities?

**Vellayan Subbiah:**

Correct. Right. So, first, in terms of kind of, what is the motive and -- so, Viral like, you know, we were also kind of first informed about this, yesterday evening, right? We are trying to assess the motive, including kind of whether there was any kind of financial motives or kind of, you know, so some of this we're going to also leave to the regulators to kind of help kind of assess for us.

But -- whether there has been any financial motive or kind of anything related to intent to kind of, so that's something that we want to, we don't want to kind of speculate on, but we want the regulators to basically look at and provide a perspective on.

Second, in terms of action that we want to take, I think the thing where we are quite clear, some, we definitely looks like there is clear scope that will, where they, given such erroneous reporting, that there is scope for libel.

So, we will, we are going to basically engage, with legal advisors that will basically help us in terms of taking action against the agency, which we definitely think is warranted, given the nature of how they have kind of just gone out with all this erroneous information and created a stir around it. So, that's definitely something that we're evaluating right now, Viral.

You know, I'll just give you some context on MMS and then Arul will get that specific question in terms of the Ratings Agency question. So, basically, MMS was incorporated as a company to provide consulting and review services to all the 29 businesses of the Murugappa Group, right. And so basically at the Group corporate level, several functions were centralized and focused.

So, everything included review of business plans, large M&A, any capexes, corporate communication, group level HR, group level finance, governance, you know, laying down any group governance norms, all of this were functions provided by MMS.

MMS was staffed with professionals in the area of finance, HR, strategy, PR, IT. In addition, family members were also on the roles of MMS and their services were deputed to various group companies as the situation warranted over time, right? And basically, that was the nature of this thing.

And so, in that situation, to meet some of the expenses of MMS, companies did contribute to MMS and that's kind of part of what they've also seemed to kind of allege in their statement. It's been a way that it's been a fairly standard mechanism of operation and MMS works on a no-profit model, right. So, basically, the charges were matched to the costs incurred.

So, that's the quick point on that. To the specific question on ratings, Arul, kind of help.

**Arul Selvan:** Viral, you are referring to MMS rating or Chola's rating?

**Vellayan Subbiah:** No, I think one of the acquisitions they have made is that ratings, that MMS paid ratings agencies. Correct. So, the question was, did MMS pay for Chola's rating?

**Arul Selvan:** No, no. MMS had its own borrowing.

**Vellayan Subbiah:** Exactly.

**Arul Selvan:** Because they had to, at points in time, that's what I want to say. At points in time, they have to invest in the group companies for their capital determination. So, towards those borrowings, the rating had been taken by MMS for itself. No rating agency will take a fee from that company, for another company.

Chola's rating, we have paid for our borrowings from the market and even bank borrowings require ratings. So, towards that we have paid. And we have ratings from all the large rating agencies, and the payments have been made to them towards the rating and ours is one of the finely priced rating fees incidentally.

**Viral:** No, perfect. Yes, sorry.

**Vellayan Subbiah:** Go ahead. Please, go ahead. Viral, I do not know if that provides kind of clarity to the questions that you had asked.

**Viral:** I think this is perfectly very clear. Just last, if I may, again, with the kind of say, I would say our financial performance has been, and now it has been some time since ICRA has also kind of upgraded the outlook for Chola. Do you anticipate, say, AAA credit rating upgrade, maybe in the next 6 to 12 months?

**Arul Selvan:** Yes, the rating is a little, it's a little bit, a lot of objective decisions also taken by the individual rating committees. So, we will leave it to them to take the call. When we are talking to them, we keep updating them on our performance and our, various criteria that they try to evaluate as well from a quantitative perspective. The qualitative perspective is for them to take a view and give us the rating. Yes, we are in discussions with them, but I cannot give assured timing for this upgrade.

**Management:** We always aspire for that.

**Viral:** No, no, fair enough. Thank you so much.

**Vellayan Subbiah:** Thank you, Viral.

**Nischint Chawathe:** Yes, Shreya Shivani, you can go next.

**Shreya Shivani:** So, just wanted one clarification. You just mentioned that they've also written, they've also put in their blog that they had reached out to with, reached out to you all with the relevant questions. Was it yesterday only before, after they published their blog?

**Vellayan Subbiah:** Yesterday late evening. So, the first communication, Shreya, we got from them was yesterday evening and it was a simultaneous mail that came out from [contact@cobrapost.com](mailto:contact@cobrapost.com) and it was sent out to almost like more than, well, I think 25...

**Management:** Its sent to the company email ids, as well as it was sent out a different email ID.

**Vellayan Subbiah:** Yes. So, they found email IDs and often they've found wrong email IDs. They've sent the wrong email to the wrong people also. So, and just basically kind of, send one of these things saying, you know, please respond by X, otherwise we're going to do the same.

**Shreya Shivani:** So, in a sense, it was a blog was published before they sent out the mails. I'm just trying to understand why they operated and how they operated?

**Vellayan Subbiah:** Honestly, you have to tell us when the blog was published.

**Shreya Shivani:** I think in the afternoon. Yes. Sometime in the afternoon, so.

**Vellayan Subbiah:** So, it sounds like it's gone in parallel, Shreya. Because I think the first mail, we received was around 3.30...

**Management:** 3.30. So, they said they will do it today. They released parallel.

**Vellayan Subbiah:** So, Yes. So, it sounds like they've done everything in parallel, Shreya.

**Shreya Shivani:** Okay. I just wanted that clarification and thank you for holding this call. That's it for me.

**Vellayan Subbiah:** Yes. And again, I think if anybody has, see, the one thing we want to do is ensure that if you all have any specific concerns on any of the points they've raised, we address them head on. Right. So, you please ask any questions that you have and we'll be happy to address.

**Nischint Chawathe:** Sure. Next question comes from Kaitav Shah. Kaitav, you can unmute and ask a question.

**Vellayan Subbiah:** ~~This~~ Pranit Shah has also asked some questions. Okay. Go ahead, Kaitav.

**Kaitav Shah:** Yes, good morning and thank you for taking the time out to address this at such a short notice. I think it's commendable, including the reply that you have already given. So, just one question was on the related party transactions. And of course, there is a lot more on the policy that is available.

But in terms of the numbers that they have probably given out in upwards of INR10,000 crores versus INR2,000 crores reported, do you have any understanding on how they arrived at that number or would you like to dispute it in some factual way? That would be great for us to understand.



- Arul Selvan:** Kaitav, this INR10,000 crores number seems to be over a stretch of years.
- Vellayan Subbiah:** 2017 to 2025, they have taken 8 years and accumulated 8 years data.
- Arul Selvan:** And during the earlier part of this period, certain companies need not be classified as related party as per the regulations by itself, because they were not either a subsidiary or an associate in terms of their definition of related party. And hence, in the earlier part of the years, these were not related party transactions.
- After 2022, we started because the regulation also required and we started including them. So, that is, they are playing on this regulatory requirement to say that it is not disclosed. This is the fact and every point in time as per the prevailing regulation, we have disclosed all the transactions with any institution we are dealing with.
- Kaitav Shah:** Thank you. I think this was the only question.
- Nischint Chawathe:** Next question comes from Nitin Dhyani. Nitin, you can ask your question. You can unmute and ask a question.
- Nitin Dhyani:** Yes. Thanks for the opportunity and for doing it so early. Just one thing, see, we are just going through the documents, whatever the post is and your responses against that. So, in case we have further clarifications, can you like tell us whom to reach out, any contact points?
- Arul Selvan:** Nitin, you can reach out to Company Secretary and CFO.
- Management:** Nitin, you might have to mute, but basically you can reach out to the Company Secretary or the CFO.
- Nitin Dhyani:** Okay. Yes. Thank you.
- Nischint Chawathe:** So, we have one question in the chat window.
- Arul Selvan:** Nischint, you have to mute Nitin.
- Nischint Chawathe:** Yes, sorry about it. So, just one question in the chat window.
- Arul Selvan:** Nischint, there were some chats also open.
- Nischint Chawathe:** Yes, I am just reading that. So, it says that does CBSL primarily provide DSA services?
- Arul Selvan:** The CBSL is providing feet on street to the people. So, not a DSA, it is a feet on street provider. So, it is a hiring and maintaining the feet on street.
- Management:** Since we are actually operating in the rural market, Tier 4, Tier 5, Tier 6, then the employees whom we recruit in the feet on street as a sales executive, collection executive, many times they have not completed their graduation. For all those reasons, since we are into financial inclusion, we are providing employment in those markets as well as also grooming them to become a manager in overtime. So, that is the process.

First, they come in CBSL and then they get promoted and then they join in Chola and that kind of from 5 to 6 years training we give them. And that is the reason CBSL is there for many years. It is not that now. 20 years they are there.

**Management:** It is an exclusive manpower company.

**Arul Selvan:** Yes, it is the practice in the industry in financial services,.

**Management:** It is an outsourcing entity

**Nischint Chawathe:** Correct. What is the quantum of fees paid to rating agencies?

**Arul Selvan:** I will dig out the details and give you the information. It should be in the range of INR10 crores, if I am not mistaken.

**Vellayan Subbiah:** So, it is per year versus what they have tried to do is sum up like 8 years, how much you paid in eight years, right?

**Arul Selvan:** So, they have used a different period for different numbers they have given. So, we are trying to reconcile that, but it will be approximately INR10 crores per agency in a given year.

**Nischint Chawathe:** Sure. In fact, I think since we have you and this is one of the questions?

**Arul Selvan:** Nischint for the ICRA for the past 8 years, it is INR38 crores. So, it would be probably increasing based on the volume of transaction.

**Nischint Chawathe:** INR38 crores over 8 years.

**Arul Selvan:** INR38 crores over 8 years for ICRA-actually ICRA is the largest rating agency for us.

**Vellayan Subbiah:** CRISIL is INR17 crores.

**Nischint Chawathe:** CRISIL is 17.

**Arul Selvan:** CRISIL is INR17 crores. So, likewise the others will be less, but just to give an indication. Primarily, we land with CRISIL for the short-term rating, ICRA for the long-term and the short-term because we need dual rating and India rating for Tier 2 and some of their securitization transactions.

So, depending on securitization transactions, the rating fees may go up, go down over the years where we have larger transactions or lesser transactions because during COVID period, we had very less securitization transactions. In that period, you would have seen a little bit of a lower payment to them.

**Nischint Chawathe:** Could you talk about payments to Isha Foundation and sports bodies?

**Vellayan Subbiah:** So, that is standard CSR. I mean, so this is one of the things that they seem to have raised up. All our CSR is disclosed in the annual report it is there every year by project. All our projects

are audited for the requirement. All projects above 1 crores are audited. So, they seem to have indicated that CSR payments, to entities. So, they have asked why are there payments to NGOs? Why are you paying NGO. So, CSR is mandatory. So the implementation agencies will have work contracts and that has been the standard process.

**Arul Selvan:** We do not give it as donation, we give it as contract because we are also needed to monitor the completion of the project and then give a report. That is why it is given as contract. if I give donation, then we will have no right to monitor it because they can use it for anything they want.

So, we give them specific, for example, where we give for eye surgery. Then we say how many people have conducted eye surgery over the period and that into the rate, that is what we should pay like that is how it is, why this is sounding as a contract.

**Nischint Chawathe:** Got it. Are there any plans to simplify and streamline the related party or group structure?

**Arul Selvan:** Related party, wherever it is required we are engaging with them. Like Chola Insurance gives us the best insurance premium possible for a party either from the borrower's perspective or from our perspective because borrower gets the best coverage and we get a good premium, good commission on that. Likewise, Net Access provides the IT services. CBSL provides the manpower.

We have been engaging and they are giving them this rate. So, these are very, I mean, from a total expenses perspective, these costs are very, very minuscule or very -- not of significant nature and then in critical requirements only we move. Even if you see CBSL also, we have been progressively moving large part into the main company itself for various considerations because some of the employees would like to work in CIFCL rather than an associate company.

So, according to their wishes we also keep shifting them over a period, we have reduced the volume of people engaged through CBSL, but it is a process that will take time. So, these will be continuing for some time, but I think it is, I mean, these are all perfectly disclosed as per the disclosures and pricing is at arm's length. We have even done a third-party verification of the pricing this year, that is last year and this was also verified by the statutory auditors that the pricing for them are at arm's length.

**Management:** Just to add as far as the insurance is concerned, we are also working with many other insurance companies like HDFC, Bajaj Alliance, ICICI Prudential. We are providing term insurance to our customer. Then we are also working with Niva Bupa, providing health insurance to our customer. So, Chola MS is not the only company.

**Management:** These are also extra activity, which are also subject to inspection.

**Management:** And they are also doing the -- they have already gone through the each and every engagement.

**Nischint Chawathe:** Sure. Can you explain the quantum of payments made by Murugappa Management Services to family members and other members of the management?

- Vellayan Subbiah:** So, part of the thing is that this call is for Chola, but I think we, I mean, like what we can -- we can definitely get that in, I mean, information for you. So, if there is a specific request, we can kind of get that information for you. What just so you all know, kind of all they are referring to is the salaries paid to all of these people over time. So they are talking about everybody's kind of, salaries over like an 8-year period, which have always been kind of reviewed. But, I mean, that MMS specific information we do not have yet, which we will kind of study with.
- Nischint Chawathe:** MMS is actually getting fees from all the companies.
- Vellayan Subbiah:** We talked through that. It is not that only from Chola. Yes, that is the other thing, Nischint, that has to be clarified, which is MMS...is not only taking from Chola and distributing to them. Every one of the 29 companies in the group contributes to MMS. And then, then all the professionals who are part of MMS and the family members that are part of MMS, get that, draw their salaries from that.
- Nischint Chawathe:** Is there any plan to change the corporate structure so that such allegations do not reoccur?
- Vellayan Subbiah:** So, we have already done that. So, as you know now no longer do we basically like -- so significantly the role of MMS has been pared down only to do group corporate communication and manage kind of -- FY '22 onwards. Since then kind of all our including kind of my compensation everybody and by the way my compensation was always kind of Chola and this thing, but I am just saying all of the others also kind of their compensation now, kind of is fully disclosed because it is done in the companies in which they work.
- Arul Selvan:** Actually, over the last three years payouts to MMS has reduced to less than INR1 crores per annum.
- Management:** Which were taken by the individual companies.
- Arul Selvan:** Right, because the activities have been taken by the individual.
- Management:** Individual companies themselves. And the Murugappa Corporate Board has been sort of broken into the three large verticals handled by senior members here. So, that is why the payments to MMS has been largely reduced over the last three years after this sort of distribution of responsibility has happened.
- The number which is noted is for the period, again, 2017 to now, where the large part of it is for the earlier periods, where the corporate board structure was prevailing with external and internal members being part of the corporate board, as well as the support, that is the... Support function, group HR, group support function, Group IT head, group corporate communication, etc. Currently, only corporate communication is, group strategy, capital allocation, all this was handled at the group level. But now, it has been sort of, because of the voluminous growth of the group across all different verticals, this has now been broken into three large, subgroups handled by the respective...

**Vellayan Subbiah:** Yes. And there also, Nischint also to give the different people comfort, anyway, obviously, MMS has also been filing income tax returns, and their affairs are also subject to scrutiny, right. So, basically...

**Vellayan Subbiah:** So, they have also basically passed, whatever authorities were basically regulating them.

**Nischint Chawathe:** Are there any steps taken to reduce cash collection? And what proportion of collections are in cash in the last...

**Management:** Cash collection is coming down, Nischint. You know that, no? Our vehicle finance customer, irrespective of funded by Chola or any other finance company, they are collecting cash in the month end, because the customers are depending on the market and the market is also paying them cash. So, that is going on. But the cash collection, which used to be 50% sometime back, long time back, has come down to now 15%. Correct.

So, that is a significant improvement in my view. But cash collection is going to be there. We cannot avoid that, because these are the market load operator in tier 5, tier 6 town. They are supplying the vegetable and patties and then collecting the cash from their customer and is going to pay the money also through cash only. And it is not only for us, all companies are doing like that.

**Nischint Chawathe:** The market practice. Sure. Nitya, your line is unmuted. You can ask the next question.

**Nitya:** Thank you. The question from my side is, sir, you mentioned INR10 crores expenses to credit rating agencies. And also the clarification, you said that borrowings are subject to ratings. Can you highlight on an average, what is the percentage of this expense as a percentage of borrowings? And also, are there any deviations from the market practices here?

**Arul Selvan:** Total borrowings is around INR1,87,000 crores, but that is the current borrowing.

**Nischint Chawathe:** And say like, what is the total kind of cost that we would have?

**Management:** Total borrowing versus total cost.

**Vellayan Subbiah:** No, total fees.

**Nischint Chawathe:** The total fees versus total. Yes. So, how much is it?

**Management:** INR175,000 crores.

**Management:** That is a borrowing. And what is the total fees paid in the last year?

**Management:** INR20 crores across all the three. The INR20 crores of fees, Nitya, against a borrowing of INR1,74,000 crores.

**Nitya:** Okay.

**Vellayan Subbiah:** Okay. So, as a percentage, you can do the math there.

**Nitya:** Well, sure. And are there any deviations from the market practices?

**Vellayan Subbiah:** Nitya, that is totally in line. I would actually say that it is lower than the fees that, like, Arul gets better rates than anybody else.

**Management:** 0.01 percent of the borrowing.

**Vellayan Subbiah:** Yes, it is 0.01% of the borrowing and it definitely is kind of in line with industry, Nitya. There is nothing out of line.

**Management:** Slightly lower than industry.

**Nitya:** Okay. Thank you.

**Vellayan Subbiah:** And obviously, you can get independent verification of this, Nitya. We have given you the number. So, you can get independent verification.

**Nitya:** Sure. Thank you so much.

**Nischint Chawathe:** Jai, your line is unmuted. You can go next. Yes.

**Vinod Rajamani:** Good morning. This is Vinod Rajamani from Nirmal Bang. Just one question on this, in what Cobrapost has put up. They have said that 38 borrower entities have paid CIFCL interest out of which, cash, sorry, charge registers declaring outstanding debt, only some of them have filed. So, did the management get the list of the entities to which this lending was done and what proportion would that be of the lending? And any color on this?

**Arul Selvan:** Jai, Arul, see, most of our borrowers are self-employed non-professionals and small organizations are like partnerships or sole proprietorship. They do not really follow like a corporate borrower of getting their, you know, borrower's charge registration, which is only applicable for corporates. So, I think they are trying to correlate this without understanding the nature of the customer profile we are handling, which I think most of the investors and research analysts like you know.

So, that trying to correlate this to with the charge creation will not be feasible because these are self-employed non-professionals who are taking independent loans under private market -- private residential properties, which is mortgaged. I am talking one sector of the business, which is the lap.

**Nischint Chawathe:** Yes, that is what kind of stuck me as being very, you know, that just did not make sense in this, in what they had put up. Yes, but thanks a lot, sir, for clarifying this.

**Arul Selvan:** Understand the situation.

**Nischint Chawathe:** Yes, there is just two more questions. I think one says that, the report stated that GNPA's disclosed by the company may be understated. So, do you have any clarification on that?

- Arul Selvan:** No, I do not know. GNPA is being verified by the auditors, GNPA is verified by the statutory auditors and the GNPAs are also verified by the internal auditors and the ASM auditors, there is an ASM audit also done by an independent agency appointed by the bank. So, all of them are verified and all of them have been seen and, you know, this cannot be, there can be no secrets about it.
- Vellayan Subbiah:** I think we have shown so much data on our GNPAs, every business, this thing, right. So, I think some of these where they just kind of put out these blanket statements, it is very easy to say, listen, kind of, you know, whatever, you are kind of underreporting kind of all the bad news, this thing, right.
- So, I just think some of these are just like total blanket statements without any fact or honesty. I would be surprised if they could even tell you what GNPA is? Right. Kind of, because you see some of the level of, kind of, some of the accusation, it is quite bizarre. But definitely, I think that for all of you who know us, the level of disclosure we provide on GNPAs and the level of audit that we go through, I do not think that there is anything there, which can potentially -- not be an introduction, in a sense. Yes. We just finished a six-week regulatory inspection. Yes. So, I do not think that, you know, that is, it just seems to be totally, totally speculated as a concept.
- Nischint Chawathe:** Sure. And just one question is essentially on some trends that you could share for third quarter. Now, I think that we have you...
- Management:** Thank you, Nischint. We do not want to...
- Nischint Chawathe:** This is one of the questions that is there, as well.
- Management:** We just wanted to stay, keep this as a response to this thing.
- Arul Selvan:** Disbursement has picked up, you know, and we expect a decent quarter, but, you know, not too far or it could be better than the results of the first half.
- Ravindra Kundu:** Yes, Yes. But if we are, we have mentioned it in even the earning call, it happened after the October month and we said that the vehicle finance business picked up, the disbursement has gone up, HL has also picked up. So, overall disbursement side, this quarter will be turnaround quarter.
- And then we have been saying that always the quarter three, quarter four are good for the delinquency and the delinquency goes down this quarter. So, we are in line with that. So, it is going to be a better number, yes.
- Nischint Chawathe:** Perfect. Those were the questions for today. We do not have any more questions in the queue. So, probably we can end the call now. Thank you everyone for joining us today. Thank you very much management for providing us an opportunity to host the call.
- Vellayan Subbiah:** Yes. Nischint, thank you for hosting and thank you everybody for joining at short notice. And, please, like we said, you know, any other questions that you have, please address them to the

company secretary or to the CFO and we will be happy to clarify. And thanks again for all your support and for joining at short notice. Thank you.