

Cholamandalam Investment and Finance Company Limited

January 02, 2026

CARE Ratings Limited (CareEdge Ratings) has taken note of the recent media article published on December 22, 2025, concerning Cholamandalam Investment and Finance Company Limited (CIFCL) and the company's clarification issued through a press release and press conference on December 23, 2025. The article alleged issues relating to related-party transactions and governance practices by CIFCL, which the company has categorically denied.

CareEdge Ratings has also taken note of disclosures made by CIFCL in its annual report, which state that related-party transactions are governed by a Board-approved policy, conducted in the ordinary course of business on an arm's-length basis, and reviewed by the Audit Committee.

Based on the company's clarification and available disclosures, CareEdge Ratings does not consider these developments highlighted in the media article posing an immediate concern to CIFCL's credit profile.

CIFCL's credit profile is supported by its strong market position, diversified portfolio, and strategic advantages of being part of a well-established business group, with healthy profitability and liquidity. Adequate capitalisation provides comfort, though relatively high gearing and asset quality pressures in certain business segments remain key monitorable.

CareEdge Ratings will continue to monitor developments related to this matter. Regulatory observations, governance findings, or other events with potential credit implications, will be evaluated and appropriately factored into future rating assessments.

Please refer to the following link for CareEdge Ratings' previous press release on CIFCL, which captures, among other things, the rationale and key rating drivers with their detailed description, rating sensitivities, liquidity position, and brief financial indicators. [Click here.](#)

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