



Capri Global Capital Limited

Registered and Corporate Office: 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India;

Tel: +91 22 4088 8100;

Contact Person: Yashesh Pankaj Bhatt, Company Secretary and Compliance Officer; E-mail: secretarial@capriglobal.in

Website: www.capriloads.in; Corporate Identity Number: L65921MH1994PLC173469

Our Company was originally incorporated as “Daiwa Securities Limited” in Calcutta on November 15, 1994, as a public limited company under the Companies Act, 1956, with a certificate of incorporation granted by the Registrar of Companies, West Bengal at Calcutta. Our Company received the certificate of commencement of business from the Registrar of Companies, West Bengal at Calcutta on November 28, 1994. Subsequently, the name of our Company was changed to “Dover Securities Limited” and a fresh certificate of incorporation was granted by the Registrar of Companies, West Bengal at Calcutta, on May 19, 1999. The name of our Company was further changed to “Money Matters Financial Services Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai (“RoC”) on October 6, 2008. The name of our Company was further changed to “Capri Global Capital Limited” and a fresh certificate of registration was issued by the RoC on July 24, 2013. For further details see “General Information” on page 281.

Issue of up to [●] equity shares of face value of ₹ 1 each of our Company (the “Equity Shares”) at a price of ₹ [●] per Equity Share (the “Issue Price”), including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million (the “Issue”). For further details, see “Summary of the Issue” on page 29.

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”), SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013, AS AMENDED, (THE “COMPANIES ACT, 2013”) READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”) AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER, EACH AS AMENDED.

Our Company’s outstanding Equity Shares are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”, and together with BSE, the “Stock Exchanges”). The closing price of the outstanding Equity Shares on BSE and NSE as on June 6, 2025, was ₹151.90 and ₹152.04 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “SEBI Listing Regulations”) for listing of the Equity Shares to be issued pursuant to the Issue, from BSE and NSE each dated June 9, 2025. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBS (AS DEFINED HEREINAFTER) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013 AND THE RULES PRESCRIBED THEREUNDER, AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBS. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBS WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO: (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE COMPANIES ACT, 2013, SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ “RISK FACTORS” ON PAGE 53 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND THE COMPANY AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES ISSUED PURSUANT TO THE ISSUE. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORIZED FINANCIAL ADVISOR AND / OR LEGAL ADVISOR.

A copy of this Preliminary Placement Document, which includes disclosures prescribed under Form PAS-4 (as defined hereinafter), has been delivered to the Stock Exchanges. A copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) shall be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), the Stock Exchanges, the RoC or any other regulatory or listing authority, and is intended only for use by Eligible QIBs (as defined hereinafter). This Preliminary Placement Document has not been and shall not be registered as a prospectus with the RoC, shall not be circulated or distributed to the public in India or any other jurisdiction, and the Issue shall not constitute a public offer in India or any other jurisdiction.

Invitations for subscription, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document, together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined herein). For further details, see “Issue Procedure” on page 216. This Preliminary Placement Document and the Placement Document relates to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and no offer is being made to the public or any other class of investors. The distribution of this Preliminary Placement Document or the disclosure of its contents without our Company’s prior consent to any person other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act (“Rule 144A”)) (“U.S. QIB(s)”) pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act; for avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as “QIBs”; and (b) outside the United States, in “offshore transactions” as defined in and in reliance upon Regulation S under the U.S. Securities Act (“Regulation S”) and the applicable laws of the jurisdiction where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under the sections “Selling Restrictions” and “Transfer Restrictions” on pages 230 and 238, respectively.

The information on the website of our Company and Subsidiaries, any website directly or indirectly linked to the website of our Company or Subsidiaries or on the respective websites of the Book Running Lead Managers (as defined hereinafter) or of their respective affiliates does not form part of this Preliminary Placement Document and prospective investors should not rely on any such information contained in or available through any such websites for their investment in this Issue.

This Preliminary Placement Document is dated June 9, 2025.

BOOK RUNNING LEAD MANAGERS		
		
ICICI SECURITIES LIMITED	JM FINANCIAL LIMITED	NUVAMA WEALTH MANAGEMENT LIMITED

The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for QIBs on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. This Preliminary Placement Document is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be Allotted pursuant to the Placement Document.

TABLE OF CONTENTS

NOTICE TO INVESTORS.....	3
REPRESENTATIONS BY INVESTORS.....	6
OFFSHORE DERIVATIVE INSTRUMENTS	12
DISCLAIMER CLAUSE OF THE STOCK EXCHANGES	13
PRESENTATION OF FINANCIAL AND OTHER INFORMATION	14
INDUSTRY AND MARKET DATA.....	16
FORWARD-LOOKING STATEMENTS	17
ENFORCEMENT OF CIVIL LIABILITIES	18
EXCHANGE RATES	19
DEFINITIONS AND ABBREVIATIONS	20
SUMMARY OF BUSINESS	26
SUMMARY OF THE ISSUE.....	29
SELECTED FINANCIAL INFORMATION.....	31
SELECTED STATISTICAL INFORMATION.....	36
RELATED PARTY TRANSACTIONS.....	52
RISK FACTORS	53
MARKET PRICE INFORMATION	77
USE OF PROCEEDS	79
CAPITALIZATION STATEMENT	87
CAPITAL STRUCTURE.....	88
DIVIDENDS.....	92
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.....	93
INDUSTRY OVERVIEW	116
OUR BUSINESS	178
ORGANIZATIONAL STRUCTURE	204
BOARD OF DIRECTORS AND SENIOR MANAGEMENT	205
SHAREHOLDING PATTERN OF OUR COMPANY	212
ISSUE PROCEDURE	216
PLACEMENT.....	228
SELLING RESTRICTIONS	230
TRANSFER RESTRICTIONS.....	238
THE SECURITIES MARKET OF INDIA.....	242
DESCRIPTION OF THE EQUITY SHARES	246
INDIAN TAXATION	250
CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS.....	257
LEGAL PROCEEDINGS	262
INDEPENDENT STATUTORY AUDITORS.....	280
GENERAL INFORMATION	281
FINANCIAL INFORMATION	283
PROPOSED ALLOTTEES	526
DECLARATION	527
SAMPLE APPLICATION FORM.....	530

NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company and its Subsidiaries (the “**Group**”), as applicable, and the Equity Shares, which we consider material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Group, as applicable, and the Equity Shares are true and correct in all material aspects, and are not misleading in any material respect, and the opinions and intentions expressed in this Preliminary Placement Document regarding our Group, as applicable and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available with our Company. There are no other facts in relation to our Group, as applicable and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

Unless otherwise stated, the information contained in this Preliminary Placement Document has been provided as of the date of this Preliminary Placement Document and neither our Company nor ICICI Securities Limited, JM Financial Limited and Nuvama Wealth Management Limited (together, the “**Book Running Lead Managers**”), have any obligation to update such information to a later date. Further, the information has been provided by our Company and from other sources identified herein. The Book Running Lead Managers have made reasonable enquiries but have not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Managers nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with our Group, as applicable and the Issue of the Equity Shares or their distribution. Each person receiving this Preliminary Placement Document acknowledges that such person has neither relied on any of the Book Running Lead Managers nor on any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with such person’s investigation of the accuracy of such information or such person’s investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company, or by or on behalf of the Book Running Lead Managers. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including SEBI, the United States Securities and Exchange Commission (“**SEC**”), any other federal or state authorities in the United States or the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States, only to persons who are U.S. QIB(s) pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act; for avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as “QIBs”; and (b) outside the United States, in “offshore transactions” as defined in and in reliance upon Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. The Securities are transferable only in accordance with the restrictions described in “*Selling Restrictions*” and “*Transfer Restrictions*” on pages 230 and 238, respectively.

The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of the Company to any person, other than Eligible QIBs specified by the Book Running Lead Managers or their representatives, and those retained by Eligible QIBs to advise them with respect to their subscription of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Preliminary Placement Document does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our

Company and the Book Running Lead Managers which would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document, nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

In making an investment decision, the prospective investors must rely on their own examination of our Group, as applicable, and the Equity Shares and the terms of the Issue, including the merits and risks involved. The prospective investors should not construe the contents of this Preliminary Placement Document as legal, tax, accounting or investment advice. The prospective investor should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Book Running Lead Managers are making any representation to any investor, purchaser, offeree or subscriber to the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company.

Each Bidder, investor, purchaser or subscriber of the Equity Shares is deemed to have acknowledged, represented and agreed that it is an eligible QIB and is eligible to invest in India and in our Company under Indian law, including under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and that it is not prohibited by SEBI or any other statutory, regulatory or judicial authority in India or any other jurisdiction from buying, selling or dealing in securities including the Equity Shares or otherwise accessing the capital markets in India. Each subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

Our Company and the Book Running Lead Managers are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and the QIBs shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

Neither our Company nor the Book Running Lead Managers undertake to update the Placement Document to reflect subsequent events after the date of the Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Company. Neither the delivery of this Preliminary Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of our Company since the date hereof.

This Preliminary Placement Document contains summaries of certain terms of documents, which are qualified in their entirety by the terms and conditions of such documents. This Preliminary Placement Document does not purport to contain all the information that any Eligible QIB may require. Further, this Preliminary Placement Document has been prepared for information purposes to this Issue only and upon the express understanding that it will be used for the purposes set forth herein.

The information on website of our Group, including the website of our Company, i.e. www.capri loans.in, and any website directly and indirectly linked to the website of our Group or on the websites of the Book Running Lead Managers and of their affiliates, does not constitute or form part of this Preliminary Placement Document. The prospective investors should not rely on any such information contained in, or available through, any such websites.

The Equity Shares are transferable only in accordance with the restrictions described under “*Selling Restrictions*” in this Preliminary Placement Document. Purchasers of the Equity Shares will be deemed to make the representations, warranties, acknowledgements and agreements set forth in “*Representations by Investors*”, “*Selling Restrictions*” and “*Transfer Restrictions*” on pages 6, 230 and 238, respectively of this Preliminary Placement Document.

This Preliminary Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. The information contained in this Preliminary Placement Document has been provided by our Company and other sources identified herein. Distribution of this Preliminary Placement Document to any person other than the offeree specified by the Book Running Lead Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorized, and any disclosure of its contents, without prior written consent of our Company, is prohibited.

Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, see “*Selling Restrictions*” and “*Transfer Restrictions*” on pages 230 and 238, respectively.

Any information of the website of our Company, or any other website directly or indirectly linked to such websites, or the websites of the Lead Managers or its affiliates, does not constitute nor form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such website for investments in this Issue.

REPRESENTATIONS BY INVESTORS

All references to “you” and “your” in this section are to the prospective investors in this Issue. By Bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have made the representations, warranties, acknowledgements and agreements set forth in the sections “*Notice to Investors*”, “*Selling Restrictions*” and “*Transfer Restrictions*” on pages 3, 230 and 238, respectively, and to have represented, warranted and acknowledged to and agreed with our Company and the Book Running Lead Managers as follows

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Group which is not set forth in this Preliminary Placement Document;
2. You are a “**Qualified Institutional Buyer**” as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under the applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under applicable laws in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;
3. You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;
4. If you are a person resident outside India and a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office) having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial information, and are eligible to invest in India under applicable law, including the FEMA Rules, SEBI FPI Regulations and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and that you are investing under Schedule II of the FEMA Rules. Further, since FVCIs are not permitted to participate in the Issue, you confirm that you are not an FVCI under the SEBI FVCI Regulations. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws;
5. You acknowledge that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis;
6. You will provide the information as required under the Companies Act, 2013, the PAS Rules, the applicable provisions of the SEBI ICDR Regulations and any other applicable laws, for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number, occupation, nationality, category and bank account details and other such details as may be prescribed or otherwise required even after the closure of the Issue;
7. If you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares so acquired, for a period of one year from the date of Allotment (hereinafter defined), except on the floor of the Stock Exchanges and in accordance with any resale restrictions applicable to you. Please note additional restrictions may apply if you are in the United States. For further details, see “*Selling Restrictions*” and “*Transfer Restrictions*” on pages 230 and 238, respectively;
8. You are aware that this Preliminary Placement Document and the Placement Document have not been, and will not be, registered as a prospectus with the RoC or SEBI under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by SEBI, the RBI, the RoC, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has been filed and the Placement Document shall be filed with the Stock Exchanges for record purposes only and be displayed on the websites of our Company and the Stock Exchanges;
9. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents and authorities, as may be required and complied and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto (including without limitation, in the

case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

10. You are aware that the Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and shall rank *pari passu* in all respects with the existing Equity Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the Equity Shares after the date of issue of the Equity Shares, as applicable;
11. Neither our Company, the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates has any duty or responsibility to you and are not in any way acting in any fiduciary capacity;
12. All statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Preliminary Placement Document. None of our Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;
13. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category of investors other than the Eligible QIBs and the Allotment shall be on a discretionary basis at the discretion of our Company in consultation with the Book Running Lead Managers;
14. You have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out under "*Issue Procedure*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 216, 230 and 238, respectively;
15. You have been provided a serially numbered copy of this Preliminary Placement Document, and have read it in its entirety, including in particular the "*Risk Factors*" on page 53;
16. In making your investment decision, you have (i) relied on your own examination of our Company and its Subsidiaries (collectively, the "**Group**"), and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Group, as applicable, the Equity Shares and the terms of the Issue based on such information as is publicly available, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iv) relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;
17. Neither our Company, the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares). You will obtain your own independent tax advice from a service provider solely engaged by you and will not rely on the Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the purchase, ownership and disposal of Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, either of the Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;
18. You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions; and you and any managed accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers,

employees, counsels, representatives, agents or affiliates, for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;

19. If you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and make (and you hereby make) the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;
20. You are not a 'promoter' (as defined under the Companies Act and the SEBI ICDR Regulations) of our Company and are not a person related to our Promoters, either directly or indirectly and your Bid does not directly or indirectly represent our 'Promoter', or 'Promoter Group' (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;
21. You have no rights under a shareholders' agreement or voting agreement entered into with our Promoters or members of the Promoter Group or persons related to the Promoters, no veto rights or right to appoint any nominee director on our Board (as defined hereinafter), other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);
22. You have no right to withdraw your Bid or revise your Bid downwards after the Issue Closing Date (as defined hereinafter);
23. You are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;
24. The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations (as defined hereinafter);
25. The number of Equity Shares Allotted to you under the Issue, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size (as defined hereinafter). For the purposes of this representation:
 - a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and
 - b. 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations;
26. You are aware that in relation to the Issue, (i) in-principle approval has been received from each of the Stock Exchanges, and (ii) final applications will be made for obtaining listing and trading approvals from the Stock Exchanges only after Allotment, and that there can be no assurance that such approvals will be obtained on time or at all. None of our Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;
27. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;
28. You are aware that in terms of the requirements of the Companies Act, 2013, upon Allocation, the Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers;
29. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that the Issue is subject to our Company making necessary filings with the RoC as may be required under the Companies Act, 2013;

30. You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;
31. You are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required by the SEBI Listing Regulations, will be filed by our Company with the Stock Exchanges;
32. You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their websites and you consent to such disclosures being made by our Company;
33. You are aware that in terms of the SEBI FPI Regulations (as defined hereinafter) and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total paid-up equity share capital of our Company (i.e. up to 100% under the automatic route) on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to our Company. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis; and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be reclassified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;
34. You are aware and understand that the Book Running Lead Managers have entered into a placement agreement with our Company, whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use their best efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;
35. The contents of this Preliminary Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Managers nor any person acting on its or their behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Managers or our Company or any other person and neither the Book Running Lead Managers nor our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them and the Book Running Lead Managers and their respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;
36. Neither the Book Running Lead Managers nor any of their respective affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;
37. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;
38. Either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents with regard to our Company or this Issue (the “**Company Presentations**”); or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have the knowledge of the statements that our Company or its agents may have made at such Company

Presentations and are therefore unable to determine whether the information provided to you at such Company Presentations included any material misstatements or omissions, and, accordingly you acknowledge that Book Running Lead Managers have advised you not to rely in any way on any such information that was provided to you at such Company Presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material or price sensitive information relating to our Company and this Issue that was not publicly available;

39. You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. For more information, see “*Selling Restrictions*” and “*Transfer Restrictions*” on pages 230 and 238, respectively;
40. If you are within the United States, you are a U.S. QIB, who is acquiring the Securities for your own account or for the account of an institutional investor who also meets the requirements of a U.S. QIB, for investment purposes only, and not with a view to, or for reoffer or resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part;
41. If you are outside the United States, you are subscribing for the Securities in an “offshore transaction” as defined in and in reliance on of Regulation S and the applicable laws of the jurisdiction where those offers and sales are made;
42. You are not acquiring or subscribing for the Securities as a result of any “general solicitation” or “general advertising” (as those terms are defined in Regulation D under the U.S. Securities Act) or “directed selling efforts” (as defined in Regulation S) and you understand and agree that offers and sales (a) in the United States, are being made in reliance on an exemption to the registration requirements of the Securities Act provided by Section 4(a)(2) under the Securities Act or another available exemption from registration under the Securities Act, and the Securities may not be eligible for resale under Rule 144A thereunder; and (b) outside the United States, are being made in “offshore transactions” as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. You understand and agree that the Securities are transferable only in accordance with the restrictions described in “*Selling Restrictions*” and “*Transfer Restrictions*” on pages 230 and 238, respectively;
43. You represent and agree that you will only reoffer, resell, pledge or otherwise transfer the Securities (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in transactions exempt from the registration requirements of the U.S. Securities Act or; (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act; and (B) in accordance with the applicable laws of the jurisdictions where those offers and sales are made;
44. You represent that you are not an affiliate of our Company or the Book Running Lead Managers or a person acting on behalf of such affiliate;
45. You understand that our Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (“**Investment Company Act**”) and you will not be entitled to the benefits of the Investment Company Act;
46. You confirm that neither is your investment from an entity of a country which shares land border with India nor is the beneficial owner of your investment situated or in a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, Government of India, and Rule 6 of the FEMA Rules;
47. You are aware and understand that submission of a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the Book Running Lead Managers;
48. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Book Running Lead Managers and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
49. You acknowledge that our Company, the Book Running Lead Managers, their respective affiliates, directors, officers, employees and controlling persons and others can rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Managers on their own behalf and on behalf of our Company, and are irrevocable; and

50. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in New Delhi, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (“**SEBI FPI Regulations**”), FPIs including the affiliates of the Book Running Lead Managers, who are registered as category I FPIs can issue, subscribe and deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) (all such offshore derivative instruments are referred to herein as “**P-Notes**”) and persons who are eligible for registration as category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such P-Notes. Such P-Notes can be issued post compliance with all applicable laws, including the KYC norms and such other conditions as specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless the conditions specified under Regulation 21 of SEBI FPI Regulations are complied with. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document or the Placement Document. Any P-Notes that may be issued are not securities of the Company and do not constitute any obligation of, claims on or interests in the Company. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50.00% or common control) is not permitted to be 10.00% or above of our post-Issue paid-up Equity Share capital on a fully diluted basis. The SEBI has, vide a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the “**FPI Operational Guidelines**”), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50.00% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI investments and P-Notes position held in the underlying company. Further, the Eligible FPIs are permitted to invest in the Equity Shares of our Company, subject to the restrictions and limits on the Foreign Portfolio Investment as specified in the section “*Issue Procedure*” on page 216.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of P-Notes.

For information on the limits of foreign investment in our Company, please see “*Risk Factors – Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares*” on page 75.

Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLM do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLM and do not constitute any obligations of or claims on the BRLM.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes, or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations. Also see “*Selling Restrictions*” and “*Transfer Restrictions*” on pages 230 and 238, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

- (1) warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document; or
- (2) warrant that the Equity Shares to be issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or
- (3) take any responsibility for the financial or other soundness of our Company, our Subsidiaries, our Promoters, our management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

Disclaimer clause of the RBI

The Company is having a valid certificate of registration dated November 5, 2007, issued by the RBI under Section 45 IA of Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for the repayment of deposits / discharge of liabilities by the Company.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to ‘you’, ‘your’, ‘offeree’, ‘purchaser’, ‘subscriber’, ‘recipient’, ‘investors’, ‘prospective investors’ and ‘potential investor’ are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to the ‘Company’, the ‘Issuer’ are to Capri Global Capital Limited and references to ‘we’, ‘us’ or ‘our’ are to Capri Global Capital Limited together with its Subsidiaries, on a consolidated basis.

Currency and units of presentation

In this Preliminary Placement Document, all references to ‘INR’, ‘₹’, ‘Rs.’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of India, and references to ‘USD’, ‘U.S. Dollars’ and ‘US\$’ are to the legal currency of the United States. All references herein to ‘India’ are to the Republic of India and its territories and possessions and the ‘Government’ or the ‘Central Government’ or the ‘State Government’ of ‘GoI’ are to the Government of India, central or state, as applicable. All references herein to the ‘US’ or the ‘U.S.’ or the ‘United States’ or the ‘U.S.A.’ are to the United States of America, its territories and possessions.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. In this Preliminary Placement Document, references to “lakh(s)” represent “100,000”, “million” represents “10 lakhs” or “10,00,000”, “crore(s)” represents “1,00,00,000” or “10 million” or “100 lakhs”, and “billion” represents “1,00,00,00,000” or “1,000 million” or “100 crore”.

Page numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial data and other information

Our Company publishes its financial statements in Indian Rupees and in millions. The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular ‘financial year’, ‘Fiscal Year’, ‘Fiscal’ or ‘FY’ are to the twelve month period ended on March 31 of that year and references to a particular ‘year’ are to the calendar year ending on December 31 of that year.

As required under the applicable regulations, and for the convenience of prospective investors, we have included in this Preliminary Placement Document each of the audited consolidated financial statements of our Company and its Subsidiaries, as at and for financial years ended 2025, 2024 and 2023, prepared in accordance with Ind AS which comprises the consolidated statement of assets and liabilities, the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the statement of changes in equity, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, as prescribed under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (collectively, the **“Audited Consolidated Financial Statements”**);

The audited consolidated financial statements for the year ended March 31, 2024 and 2023 were audited by the previous statutory auditors of our Company, M M Nissim & Co LLP, Chartered Accountants, on which they have issued the audit reports for dated May 8, 2024 and May 22, 2023, respectively.

The audited consolidated financial statements for the year ended March 31, 2025 have been audited by the current statutory auditors of our Company, M S K A & Associates, Chartered Accountants, on which they have issued the audit report dated May 5, 2025.

For further information on the Audited Consolidated Financial Statements, see *“Financial Information”* on page 283.

The Audited Consolidated Financial Statements should be read along with the respective audit reports, and the Unaudited Consolidated Financial Results should be read along with the corresponding review report. The Unaudited Consolidated Financial Results have been subjected to review conducted in accordance with Standard on Review Engagement (SRE) 2410 “Review of interim financial statement performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India (“ICAI”).

Except as specifically indicated otherwise and unless the context requires otherwise, all the consolidated financial information as at and for Fiscal 2025, Fiscal 2024 and Fiscal 2023 included in this Preliminary Placement Document have been derived from the Audited Consolidated Financial Statements.

Our Company prepares its financial statements in accordance with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. (“**U.S. GAAP**”) or International Financial Reporting Standards (“**IFRS**”). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor does our Company provide a reconciliation of its Audited Consolidated Financial Statements to IFRS or U.S. GAAP. Accordingly, the degree to which the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader’s familiarity with the respective Indian accounting standards or principles. Any reliance by persons not familiar with Indian accounting standards on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. Prospective investors are advised to consult their advisors before making any investment decision. Please see “*Risk Factors*” on page 53.

Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed or any discrepancies between the amounts disclosed in this Preliminary Placement Document and our past quarterly or annual financial disclosures are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Certain Non-GAAP Measures

We have included certain non-GAAP financial measures relating to our operations and financial performance such as Adjusted Revenue, EBITDA and Adjusted EBITDA (together, “**Non-GAAP Financial Measures**” and each, a “**Non-GAAP Financial Measure**”), as well as certain other metrics based on or derived from those Non-GAAP Financial Measures in this Preliminary Placement Document. These Non-GAAP Financial Measures are not required by or presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of the refractory businesses, many of which provide such Non-GAAP Financial Measures and other statistical and operational information when reporting their financial results. However, note that these Non-GAAP Financial Measures and other statistical information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies. The presentation of these Non-GAAP Financial Measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Preliminary Placement Document. Prospective investors should read this information in conjunction with the financial statements included in “*Financial Information*” and “*Risk Factors*” on pages 283 and 53.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and certain other industry data forecasts pertaining to our businesses contained in this Preliminary Placement Document consists of estimates based on data and reports compiled by government bodies, professional organizations, industry publications and analysts, data from other external sources and knowledge of the markets in which we compete. The statistical information included in this Preliminary Placement Document relating to the various sectors in which we operate has been reproduced from various trade, industry, regulatory / government publications and websites, and more particularly described in the section titled “*Industry Overview*” on page 116.

Unless stated otherwise, statistical information, industry and market data used throughout this Preliminary Placement Document has been obtained from the report titled ‘*Report on Loans and Financial Services Industry in India*’ dated June 2025, (“**CRISIL Report**”) prepared by CRISIL Limited, which is a report exclusively commissioned and paid for by our Company pursuant to an engagement letter dated December 13, 2024, in connection with the Issue. References to various segments in the “*Industry Overview*” section on page 116 and information derived from therein are references to industry segments and in accordance with the presentation, analysis and categorisation in the CRISIL Report.

This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. Accordingly, investment decisions should not be based solely on such information. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors – Certain sections of this Preliminary Placement Document disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks*” on page 70. Thus, neither our Company nor the Book Running Lead Managers can assure you of the correctness, accuracy and completeness of such data. Accordingly, investment decisions should not be based solely on such information.

Disclaimer of CRISIL Report

The CRISIL Report is subject to the following disclaimer:

“About Crisil Intelligence

Crisil Intelligence (Formerly known as Crisil Market Intelligence & Analytics), a division of Crisil Limited, provides independent research, consulting, risk solutions, and data & analytics to its clients. Crisil Intelligence operates independently of Crisil’s other divisions and subsidiaries, including, Crisil Ratings Limited. Crisil Intelligence has informed insights and opinions on the economy, industry, capital markets and companies drive impactful decisions for clients across diverse sectors and geographies.

For the preparation of this report, Crisil Intelligence has relied on third party data and information obtained from sources which in its opinion are considered reliable. Any forward-looking statements contained in this report are based on certain assumptions, which in its opinion are true as on the date of this report and could fluctuate due to changes in factors underlying such assumptions or events that cannot be reasonably foreseen. This report does not consist of any investment advice and nothing contained in this report should be construed as a recommendation to invest/disinvest in any entity. The Company will be responsible for ensuring compliance and consequences of non-compliances for use and distribution of the report or part thereof outside India.”

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute 'forward-looking statements'. The prospective investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'goal', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'seek to', 'should', 'will', 'will continue', 'will pursue', 'would', 'expected to', 'will likely result', 'is likely', 'are likely', 'will achieve' or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements and appear in a number of places throughout this Preliminary Placement Document. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements contained in this Preliminary Placement Document (whether made by our Company or any third party), are projections, predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by such forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- Inability to obtain debt on acceptable terms and at competitive rates or raise equity share capital when needed.
- Vulnerability to volatile interest rates.
- Inability to control the level of Stage 3 Assets / NPAs in our portfolio effectively, or inability to maintain adequate provisioning coverage.
- Inability to comply with the covenants and obligations as per our financing arrangements.
- Inability to assess and recover the full value of collateral, or amounts outstanding under defaulted loans in a timely manner, or at all.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections titled "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 53, 116, 178 and 93, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure the prospective investors that such expectations will prove to be correct. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and our Company or the Book Running Lead Managers undertake no obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document. Our Company and the Book Running Lead Managers expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward looking statement contained herein to reflect any changes in our Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. Majority of our Directors, Key Managerial Personnel and members of Senior Management are resident citizens of India and a substantial portion of the assets of our Company and of such persons are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India vis-à-vis the civil liabilities of our Company or such directors and executive officers under laws other than Indian laws, including judgements under the civil liability provisions of the federal securities laws of the United States.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Procedure Code, respectively. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except:

- (a) where the judgment has not been pronounced by a court of competent jurisdiction;
- (b) where the judgment has not been given on the merits of the case;
- (c) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;
- (d) where the proceedings in which the judgment was obtained are opposed to natural justice;
- (e) where the judgment has been obtained by fraud; and
- (f) where the judgment sustains a claim founded on a breach of any law then in force in India.

Section 44A of the Civil Procedure Code provides that a foreign decree rendered by a superior court (within the meaning of that section) in any country or territory outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that such judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record, but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards, even if such an award is enforceable as a decree or judgment. The execution of a foreign decree under Section 44A of the Civil Procedure Code is also subject to the exception under Section 13 of the Civil Procedure Code.

Each of the United Kingdom, Republic of Singapore, United Arab Emirates and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

Our Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court will enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with public policy, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all or that conditions of such approvals would be acceptable.

EXCHANGE RATES

Fluctuations in the exchange rate between the Indian Rupee and foreign currencies will affect the foreign currency equivalent of the Indian Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Indian Rupees on the Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rates between the Indian Rupee and the U.S. dollar (in ₹ per USD). The exchange rates are based on the reference rates released by the RBI/ FBIL. No representation is made that any Indian Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

1. US dollar

	(₹ per US\$)			
	Period end ⁽¹⁾	Average ⁽²⁾	High ⁽³⁾	Low ⁽⁴⁾
Fiscal ended				
March 31, 2025	85.58	84.57	87.59	83.07
March 31, 2024	83.37	82.79	83.40	81.65
March 31, 2023	82.22	80.51	83.20	76.09
Months ended				
May 31, 2025	85.48	85.19	85.69	83.86
April 30, 2025	85.05	85.56	86.62	85.05
March 31, 2025	85.58	86.64	87.38	85.58
February 28, 2025	87.40	87.05	87.58	86.64
January 31, 2025	86.64	86.27	86.64	85.71

(Source: www.rbi.org.in and www.fbil.org.in)

The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;

- (1) Average of the official rate for each working day of the relevant period;
(2) Maximum of the official rate for each working day of the relevant period; and
(3) Minimum of the official rate for each working day of the relevant period.

Notes:

- If the RBI/ FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.
- The RBI/ FBIL reference rates are rounded off to two decimal places.

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the sections titled “Indian Taxation”, “Industry Overview”, “Financial Information”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Legal Proceedings” on pages 250, 116, 283, 93 and 262, respectively, shall have the meaning given to such terms in such sections.

General Terms

Term	Description
“the Company” or “our Company” or “the Issuer”	Capri Global Capital Limited, a public limited company incorporated under the Companies Act, 1956, and having its registered and corporate office at 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, our Company together with our Subsidiaries as applicable, on a consolidated basis

Company Related Terms

Term	Description
“Articles of Association” or “AoA”	Articles of association of our Company, as amended
Audit Committee	The audit committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and as described in “Board of Directors and Senior Management” on page 205
Audited Consolidated Financial Statements	Each of the audited consolidated financial statements of our Company and its Subsidiaries, as at and for Financial Year 2024-2025 audited by M S K A & Associates, Chartered Accountants, and Financial Year 2023-2024 and 2022-2023 audited by M M Nissim & Co LLP, Chartered Accountants, prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, which comprises the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity, and notes to the consolidated financial statements, including a summary of material/significant accounting policies and other explanatory information.
“Auditor” or “Statutory Auditor”	Current statutory auditor of our Company, namely, M S K A & Associates, Chartered Accountants
“Board” or “Board of Directors”	Board of directors of our Company, and where applicable or implied by context, includes a duly constituted committee thereof
CGHFL	Capri Global Housing Finance Limited
Chairperson	The chairperson of the Board of our Company, being Lingam Venkata Prabhakar
CLCPPL	Capri Loan Car Platform Private Limited
“CFO” or “Chief Financial Officer”	Partha Chakraborti, the chief financial officer of our Company
“Company Secretary” and “Compliance Officer”	Yashesh Pankaj Bhatt, the company secretary and compliance officer of our Company
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in “Board of Directors and Senior Management” on page 205
CRISIL	CRISIL Ratings Limited, appointed by our Company as a monitoring agency, pursuant to the engagement letter dated December 13, 2024
CRISIL Report	Report titled “Report on Loans and Financial Services Industry in India” dated June 2025, issued by Crisil Intelligence (formerly known as CRISIL Market Intelligence and Analytics) and commissioned by our Company for an agreed fees exclusively in connection with the Issue
Director(s)	Director(s) on the Board of our Company
ESOP 2009	Money Matters Employee Stock Option Plan 2009
Equity Shares	Equity shares of face value of ₹ 1 each of our Company
Executive Director	A executive, non-independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For details, see “Board of Directors and Senior Management” on page 205

Term	Description
Independent Directors	Independent directors on our Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as disclosed in in “ <i>Board of Directors and Senior Management</i> ” on page 205
Indirect Lending	Loans to other NBFCs and loans to borrowers secured by debt securities
Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 205
Material Subsidiaries	CGHFL
“Memorandum of Association” or “MoA”	Memorandum of association of our Company, as amended
Managing Director	The managing director of the Board of our Company, being Rajesh Sharma
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in “ <i>Board of Directors and Senior Management</i> ” on page 205
Non-Executive Director	A non-executive, non-independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For details, see “ <i>Board of Directors and Senior Management Personnel</i> ” on page 205
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations
Promoters	The promoters of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013, namely, Rajesh Sharma, Jinisha Sharma, Jahnvi Sharma, Raghav Sharma, Ramesh Chandra Sharma
Registered and Corporate Office	Registered and corporate office of our Company located at 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India
“Registrar of Companies” or “RoC”	Registrar of Companies, Maharashtra at Mumbai
Risk Management Committee	The risk management committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in “ <i>Board of Directors and Senior Management</i> ” on page 205
Senior Management	Senior management of our Company, as described in “ <i>Board of Directors and Senior Management</i> ” on page 205
Shareholders	Equity shareholders of our Company, from time to time
Subsidiaries	Subsidiaries of our Company, being CGHFL and CLCPPL
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in “ <i>Board of Directors and Senior Management Personnel</i> ” on page 205

Issue Related Terms

Term	Description
“Allocated” or “Allocation”	Allocation of Equity Shares, by our Company in consultation with the Book Running Lead Managers, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
“Allotment” or “Allotted” or “Allot”	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Successful Bidders to whom Equity Shares are issued and allotted pursuant to the Issue
Application Form	Serially numbered, specifically addressed bid cum application form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue
Application Amount	With respect to a Bidder shall mean the aggregate amount paid by such Bidder at the time of submitting a Bid in the Issue, including any revisions thereof determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form
Bid(s)	Indication of a Bidder’s interest including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term “Bidding” shall be construed accordingly
Bidder(s)	Any Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
“Book Running Lead Managers” or “BRLMs” or “Lead Managers”	Collectively, ICICI Securities Limited, JM Financial Limited and Nuvama Wealth Management Limited
“CAN” or “Confirmation of Allocation Note”	Note or advice or intimation to Successful Bidders confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●]
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees’ demat accounts, as applicable to the relevant Allottees
Eligible FPIs	FPIs under FEMA, the SEBI FPI Regulations and any other applicable law, other than individuals, corporate bodies and family offices, that are eligible to participate in this Issue, participating through Schedule II of the FEMA Rules

Term	Description
Eligible QIBs	QIBs that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations. In relation to the Issue, this term shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs. Subject to (ii) above, in the United States, persons reasonably believed to be “qualified institutional buyers” as defined in Rule 144A under the U.S. Securities Act may participate in the Issue. Further, except as provided in (ii) above, other non-resident QIBs (including FVCIs) are not permitted to participate in the Issue
Escrow Account	Special non-interest bearing, no-lien, current bank accounts, without any cheques or overdraft facilities, opened with the Escrow Agent, subject to the terms of the Escrow Agreement, into which the Application Amount shall be deposited by the Bidders and from which refunds, if any, shall be remitted to unsuccessful Bidders, as set out in the Application Form
Escrow Agent	Yes Bank Limited
Escrow Agreement	Agreement dated June 6, 2025, entered into by and amongst our Company, the Escrow Agent and the Book Running Lead Managers for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Floor Price	Floor price of ₹153.93 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Shareholders accorded on September 19, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
GIR	General index registration
Issue	Offer, issuance and Allotment of Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	[●], 2025 the date after which our Company (or Book Running Lead Managers on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Issue Opening Date	June 9, 2025, the date on which our Company (or the Book Running Lead Managers on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Application Amount
Issue Price	A price per Equity Share of ₹ [●], including a premium of ₹ [●]
Issue Size	Aggregate size of the Issue, up to ₹ [●] million
Monitoring Agency	CRISIL Ratings Limited
Monitoring Agency Agreement	Agreement dated June 6, 2025 entered into by and between our Company and the Monitoring Agency in relation to the responsibilities and obligations of the Monitoring Agency in accordance with regulation 173A of the SEBI ICDR Regulations, for monitoring the Proceeds
Mutual Fund	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Placement Agreement	Placement agreement dated June 9, 2025 by and among our Company and the Book Running Lead Managers
Placement Document	Placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	This preliminary placement document cum application form, dated June 9, 2025 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
“QIB” or “Qualified Institutional Buyer”	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with the applicable rules of the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue
Regulation S	Regulation S under the U.S. Securities Act
Relevant Date	June 9, 2025, which is the date of the meeting in which the Committee of Directors decided to open the Issue
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount and who will be Allocated Equity Shares
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Business and Industry Related Terms

Term	Description
AI	Artificial intelligence
ALM	Asset-liability management
AML	Anti-money laundering
Net Interest Margin	Ratio of Net Interest Income to Average Total Interest-Earning Assets
ARCs	Asset reconstruction companies

Term	Description
AUM	Assets under management, comprising net principal outstanding, principal overdue, interest overdue and accrued on standard loans, excluding excess received.
Average Interest-Earning Assets	For Fiscal 2025, Fiscal 2024 and Fiscal 2023 are total interest-earning assets calculated on the basis of the average of the opening balance at the start of the relevant fiscal year and the closing balances as at year end in the relevant fiscal year
Average Interest-Earning Loans	For Fiscal 2025, Fiscal 2024 and Fiscal 2023 are Interest-Earning Loans calculated on the basis of the average of the opening balance at the start of the relevant fiscal year and the closing balances as at year end in the relevant fiscal year
Average Total Interest-Bearing Liabilities	For Fiscal 2025, Fiscal 2024 and Fiscal 2023 are total interest-bearing liabilities calculated on the basis of the average of the opening balance at the start of the relevant fiscal year and the closing balances as at year end in the relevant fiscal year
Average Total Interest-Earning Assets	For Fiscal 2025, Fiscal 2024 and Fiscal 2023 are total interest-earning assets calculated on the basis of the average of the opening balance at the start of the relevant fiscal year and the closing balances as at year end in the relevant fiscal year
BRE	Business rule engine
C&I	Commercial and industrial
CAD	Current account deficit
CAM	Credit appraisal memorandum
CFT	Combating of financing of terrorism
CLM	Co-lending model
Cost of Funds	Ratio of finance costs net off lease liability to Average Total Interest-Bearing Liabilities
Cost to Income Ratio	Operating Expenses (excluding fees and commission expense) as a percentage of Net Income
CRAR	Capital to risk-weighted assets ratio
CPI	Consumer Price Index
DA	Direct assignment
ECB	External commercial borrowing
ECL	Expected credit losses
EMIs	Equated monthly instalments
GNPA	Gross non-performing assets
GVA	Gross value added
HFC	Housing finance company
HQLA	High-quality liquid assets
IBJA	Indian Bullion and Jewellers Association
IMF	International Monetary Fund
Interest-Earning Assets	Interest-Earning Loans, investments and fixed deposits
Interest-Earning Loans	Gross loans net of expected credit loss provisions
KYC	Know your customer
LCR	Liquidity Coverage Ratio
LGD	Loss given default, which is the amount of money a financial institution loses when a borrower defaults on a loan, after taking into consideration any recovery, represented as a percentage of total exposure at the time of loss.
LOS	Loan origination system
LRD	Lease rental discounting
LTV	Loan to value
Micro LAP	Micro loans against property
MPC	Monetary Policy Committee
MSF	Marginal Standing Facility
NACH	National Automated Clearing House
NBFC	Non-banking financial company
NCDs	Non-convertible debentures
NEFT	National Electronic Funds Transfer
Net Income	Net Interest Income plus non-interest income (net of fee and commission)
Net Interest Income	Interest earned (excluding interest on security deposit) less our finance costs (excluding interest on lease liability)
Net Interest Margin	Net Interest Income divided by Average Interest-Earning Assets
NNPA	Net non-performing assets
NPA	Non-performing assets, and in relation to the RBI Master Directions, shall have the meaning ascribed to it in the RBI Master Directions
NSS	National Sample Survey
OCR	Optical character recognition
PTC	Pass-through certificate
“Provision Coverage Ratio” or “PCR”	Provisions as a percentage of Gross NPAs
PFIC	Passive foreign investment company
RoA	Return on Assets
REITs	Real-estate investment trusts
ROU	Right-of-use
SCB	Scheduled commercial bank

Term	Description
SENPs	Self-employed non-professionals
SHGs	Self-help groups
SMEs	Small and medium enterprises
SORP	Self occupied residential property
Spread	Difference between Yield on Average Total Interest-Earning Assets and Cost of Funds
TAM	Total Addressable Market
TAT	Turnaround Time
UPI	Unified payment interface
Yield on Average Total Interest-Earning Assets	Ratio of interest earned to Average Total Interest-Earning Assets
Yield on Average Interest-Earning Loans	Ratio of interest earned on loans divided by Average Interest-Earning Loans

Conventional and General Terms/ Abbreviations

Term	Description
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
Arbitration Act	The Arbitration and Conciliation Act, 1996
Assessment Year	Period of 12 months ended March 31 of that particular year in respect of our Company unless otherwise stated
BSE	BSE Limited
CAGR	Compound annual growth rate
Calendar Year	Year ending on December 31
CDSL	Central Depository Services (India) Limited
CEO	Chief executive officer
CIN	Corporate identity number
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act	The Companies Act, 1956 or the Companies Act, 2013, each, as applicable
Companies Act, 1956	The erstwhile Companies Act, 1956, and the rules made thereunder
Companies Act, 2013	The Companies Act, 2013, and the rules made thereunder
CSR	Corporate social responsibility
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
“Depository Participant” or “DP”	A depository participant as defined under the Depositories Act
DP ID	Depository participant identification number
DPIIT	Department for Promotion of Industry and Internal Trade
EGM	Extraordinary general meeting
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign direct investment
FDI Policy	Consolidated FDI policy issued by the DPIIT, Government of India, with effect from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999, and the regulations issued thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII	Foreign institutional investors
FIR	First information report
“Financial Year” or “Fiscal Year(s)” or “Fiscal”	Period of 12 months ended March 31 of that particular year in respect of our Company unless otherwise stated
Form PAS-4	Form PAS-4 as prescribed under the PAS Rules
“FPI”	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations
FPI Operational Guidelines	SEBI circular dated November 5, 2019 which issued the operational guidelines for FPIs
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 and registered with SEBI thereunder
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
General Meeting	AGM or EGM
“Government” or “GoI”	Government of India, unless otherwise specified
GST	Goods and services tax
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
“Income Tax Act” or “IT Act”	The Income Tax Act, 1961, along with the relevant rules made thereunder

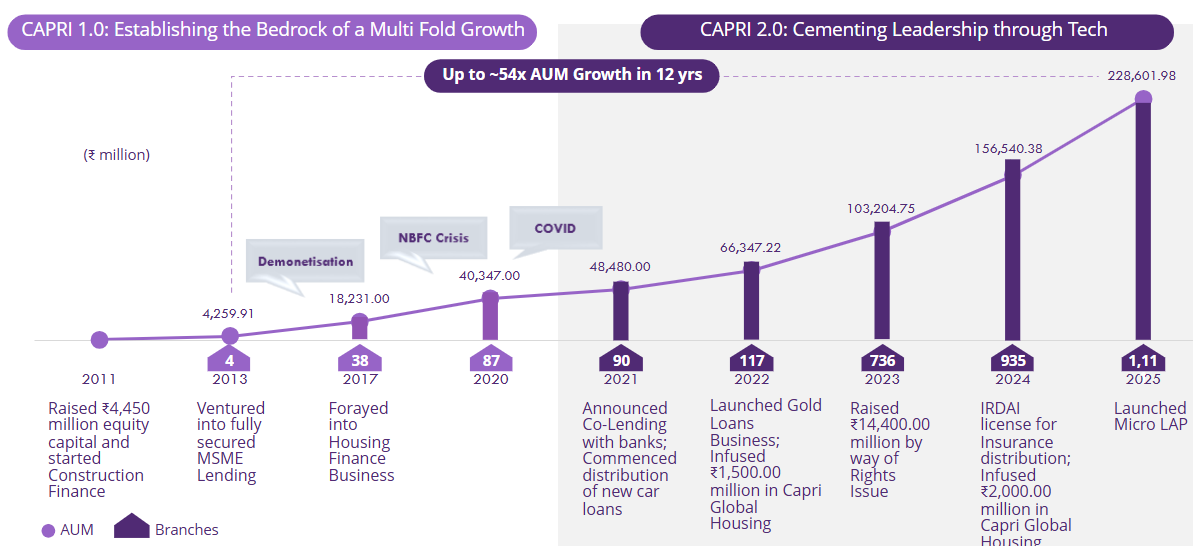
Term	Description
“Indian Accounting Standards” or “Ind AS”	Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standard) Rules, 2015, as amended
“INR” or “Rupees” or “₹” or “Indian Rupees” or “Rs.”	Indian Rupees
IPC	Indian Penal Code, 1860
MCA	The Ministry of Corporate Affairs, Government of India
NBFC	Non-Banking Financial Companies
NBFC-ICC	a financial institution carrying on as its principal business – asset finance, the providing of finance, whether by making loans or advances or otherwise, for any activity other than its own and the acquisition of securities, and granted a certificate of registration under Section 45IA of the Reserve Bank of India Act, 1934; and is not any other category of NBFCs as defined by the RBI.
NCLT	National Company Law Tribunal
NCLA	National Company Law Appellate Tribunal
NHB	National Housing Bank, Ministry of Finance, Government of India
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014
RBI	The Reserve Bank of India
Rule 144A	Rule 144A under the U.S. Securities Act
SAT	Securities Appellate Tribunal
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012
SCRA	The Securities Contracts (Regulation) Act, 1956
SCR	The Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
SEC	United States Securities and Exchange Commission
SFA	The Securities and Futures Act, 2001 of Singapore
SI-NBFC	Systemically important non-banking financial companies
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Supreme Court	Supreme Court of India
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
“U.S.\$” or “U.S. dollar” or “USD”	United States Dollar, the legal currency of the United States of America
“USA” or “U.S.” or “United States”	The United States of America and its territories and possessions
U.S. Securities Act	The United States Securities Act of 1933

SUMMARY OF BUSINESS

We are a well-diversified retail-focused systemically important non-deposit taking non-banking financial company ("NBFC") operating in India. We offer a wide range of secured and collateralized loans through our four primary lending segments, comprising MSME loans, housing loans, gold loans and construction finance. Under our MSME loans, we have recently launched micro loans against property ("**Micro LAP**") and rooftop solar loans as new products. We also hold a corporate agent composite license for the distribution of life insurance, general insurance and health insurance policies. We received a certificate of registration as a housing finance company in July 2016 from the NHB, and started our Housing Finance business through our wholly owned subsidiary Capri Global Housing Finance ("**CGHFL**") in December 2016. Further, through our wholly-owned Subsidiary, Capri Loans Car Platform Private Limited ("**CLCPPL**"), we are also a corporate selling agent for third-party new car loans. Our customers, particularly in relation to our MSME loan, housing loan and gold loan segments, primarily comprise of self-employed non-professionals and salaried individuals, who may not have adequate formal income proof or may lack access to formal credit channels.

As at March 31, 2025, our AUM was ₹ 228,601.98 million which grew at 46.03% year-over-year and at a CAGR of 48.83% between March 31, 2023 to March 31, 2025. As at March 31, 2025, our Gross Loans was ₹ 185,177.63 million which grew at 35.42% year-over-year and at CAGR of 38.51% since March 31, 2023. For the Fiscal 2025, our Company's disbursements increased by 58.16% year-over-year and at CAGR of 80.61% since Fiscal 2023. For the Fiscal 2025, our Company's profit after tax increased by 71.27% year-over-year and at CAGR of 52.91% since Fiscal 2023. As at March 31, 2025, we had 1,111 branches, including 803 gold loan branches, 205 MSME, housing finance and construction finance branches, 84 Micro LAP branches and 19 car loan origination branches with presence across 31 states and union territories in India. In addition, we have also established dedicated technology centres in Gurugram, Bengaluru and Noida, focused on developing our technology and data science capabilities in-house. As at March 31, 2025, our Company had total employee strength of 11,410 and total customer base of 0.55 million.

The image below highlights our growth trajectory and significant milestones since inception:



We launched our third-party new car loan distribution business in February 2021 and are a corporate selling agent for new car loan products of 12 partner banks and financial institutions across India. Our car loan originations have grown from ₹ 56,939.20 million in Fiscal 2023 to ₹ 105,518.76 million in Fiscal 2025 at CAGR of 36.13%. As at March 31, 2025, our third-party new car loan distribution business had 1,579 employees in 814 locations across 31 states and union territories, and generated a net fee income amounting to ₹ 963.04 million in Fiscal 2025. In December 2023, we received a composite license from IRDAI for distribution of insurance policies and have subsequently partnered with 18 insurance companies and have generated a net premium income of ₹ 1,289.42 million and net fee income of ₹ 727.12 million in Fiscal 2025.

We have won numerous awards over the years. We were recognized as one of the "Best BFSI Brands" by the Economic Times in 2019 and 2021. We received the "Best Brands – 2024" award at the ET Now Best Brands Conclave 2024, Great Place to Work awarded for Fiscal 2025, 2024, 2023 and 2022, and our Promoter and Managing Director, Rajesh Sharma, was awarded the "Most Promising Business Leader of Asia" by the Economic Times in 2020-2021.

The table below sets forth certain information relating to our operations and financial performance as at and for the periods indicated:

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(₹ in millions, except ratios and percentages)		
No. of customers	546,606	326,996	141,692
No. of branches	1,111	935	736
No. of employees	11,410	10,060	9,076
AUM⁽¹⁾	228,601.98	156,540.38	103,204.75
<i>Of which:</i>			
MSME loans (including co-lending) ⁽²⁾	52,789.37	50,174.29	43,579.50
Housing loans (including co-lending) ⁽³⁾	52,019.41	42,091.04	26,656.87
Gold loans (including co-lending) ⁽⁵⁾	80,422.35	34,909.97	11,255.71
Construction finance ⁽⁴⁾	41,329.13	26,212.79	18,301.08
Other Loans ⁽⁶⁾	2,041.72	3,152.29	3,411.60
Gross Loans	182,515.02	134,211.83	94,753.52
Average Interest-Earning Assets ⁽⁷⁾ [A]	161,228.05	120,660.70	85,694.10
Interest income excluding interest on security deposit ⁽⁸⁾ [B]	26,044.96	18,211.43	11,656.56
Finance costs net of lease liability ⁽⁹⁾ [C]	12,408.41	8,016.76	5,163.56
Net Interest Income ^{(10)(*)} [D = B-C]	13,636.55	10,194.67	6,493.00
Net Interest Margin ^{(11)(*)} (%) [E = D/A]	8.46%	8.45%	7.58%
Non-interest income (adjusted for fee & commission expense) (G)	5,019.23	3,837.06	2,735.65
Operating Expenses ^(*)	12,758.61	10,556.03	6,161.75
Operating Expense (excluding Fee & Commission expense) (F)	11,314.44	9,462.55	5,903.99
Cost / Income Ratio [H = F/(D+G)]	60.65%	67.44%	63.97%
Operating Profit (I = D+G-F)	7,341.34	4,569.18	3,324.66
Impairment of financial instruments (expected credit loss) [J]	1,008.16	912.78	641.82
Credit cost ^(*) (%) [K = J/A]	0.63%	0.76%	0.75%
Profit before tax [L = I-J]	6,333.18	3,656.40	2,682.84
Net profit after tax [M]	4,785.33	2,794.06	2,046.54
Average total assets ⁽¹²⁾ [N]	179,907.40	134,755.08	94,736.92
Return on average total assets ^(*) (%) [O = M/N]	2.66%	2.07%	2.16%
Average total equity ⁽¹³⁾ [P]	40,703.34	37,010.19	27,439.68
Return on average total equity ^(*) (%) [Q = M/P]	11.76%	7.55%	7.46%
Gross Stage 3 Assets (GNPAs)	2,866.98	2,660.81	1,703.96
Gross Stage 3 Assets (GNPAs) (%)	1.53%	1.92%	1.74%
Net Stage 3 Assets (NNPAs)	1,670.24	1,458.36	1,177.51
Net Stage 3 Assets (NNPAs) (%)	0.90%	1.06%	1.21%
Provision Coverage Ratio ⁽¹⁴⁾ (%)	41.74%	45.19%	30.90%
Total Borrowings	155,768.11	104,069.13	75,112.79
Total Borrowings / Total Equity	3.70	2.76	2.14
CRAR (standalone) (%)	22.84%	26.62%	39.86%

Notes:

- (1) AUM comprises net principal outstanding, principal overdue, interest overdue and accrued on standard loans, excluding excess received, if any. Excess received from customers amounting to ₹ 455.04 million was netted off against the loan book of ₹ 138,223.75 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 187,784.20 million is presented without this adjustment, and the excess received from customers amounting to ₹ 577.96 million is regrouped under 'other financial liabilities'.
- (2) In relation to MSME loans, excess received from customers amounting to ₹ 281.81 million was netted off against the loan book of ₹ 41,728.22 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 42,764.58 million is presented without this adjustment, and the excess received from customers amounting to ₹ 319.33 million is regrouped under 'other financial liabilities'.
- (3) In relation to housing loans, excess received from customers amounting to ₹ 122.38 million was netted off against the loan book of ₹ 38,905.77 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 46,056.25 million is presented without this adjustment, and the excess received from customers amounting to ₹ 223.42 million is regrouped under 'other financial liabilities'.
- (4) In relation to construction finance, excess received from customers amounting to ₹ 7.02 million was netted off against the loan book of ₹ 26,212.79 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 41,329.13 million is presented without this adjustment, and the excess received from customers amounting to ₹ 1.12 million is regrouped under 'other financial liabilities'.
- (5) In relation to gold loans, excess received from customers amounting to ₹ 5.08 million was netted off against the loan book of ₹ 28,235.67 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 55,612.66 million is presented without this adjustment, and the excess received from customers amounting to ₹ 5.04 million is regrouped under 'other financial liabilities'.
- (6) Other loans includes indirect lending loans, small business loans and loans to employees. In relation to indirect lending loans, excess received from customers amounting to nil was netted off against the loan book of ₹ 2,662.55 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 1,766.97 million is presented without this adjustment, and the excess received from customers amounting to ₹ 4.04 million is regrouped under 'other financial liabilities'. In relation to small business loans, excess received from customers amounting to ₹ 14.75 million was netted off against the loan book of ₹ 478.74 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 254.60 million is presented without this adjustment, and the excess received from customers amounting to ₹ 0.01 million is regrouped under 'other financial liabilities'.

- (7) *Interest-Earning Assets* comprises *Interest-Earning Loans*, investments and fixed deposits. The average investments are net of depreciation or provision for investments, if any. *Average Interest-Earning Assets* is the average of the opening balance at the start of the relevant Fiscal Year/period and the closing balances as at the half year end (for Fiscals 2022 and 2021) and the year-end/period-end in the relevant Fiscal Year/period, as applicable.
- (8) *Interest income* includes interest on loans, investments, and deposits (excluding interest on security deposit of ₹ 16.21 million, ₹ 9.47 million and ₹ 5.05 million in the Fiscals 2025, 2024, and 2023, respectively).
- (9) *Interest on lease liability* was ₹ 327.57 million, ₹ 342.25 million and ₹ 147.62 million in the Fiscals 2025, 2024 and 2023, respectively.
- (10) *Net Interest Income* for Fiscal 2025, Fiscal 2024 and Fiscal 2023 is interest earned (excluding interest on security deposit of ₹ 16.21 million in Fiscal 2025, ₹ 9.47 million in Fiscal 2024 and ₹ 5.05 million in Fiscal 2023) minus finance costs (excluding interest on lease liability of ₹ 327.57 million in Fiscal 2025, ₹ 342.25 million in Fiscal 2024 and ₹ 147.62 million in Fiscal 2023).
- (11) *Net Interest Margin* is the ratio of *Net Interest Income* to *Average Total Interest-Earning Assets* (“**Net Interest Margin**”).
- (12) *Average total assets* is calculated as the average of the opening and closing total assets of the Fiscal /period.
- (13) *Average total equity* is calculated as the average of the opening and closing total equity of the Fiscal /period.
- (14) *Provision coverage ratio* is the total expected credit loss provisions divided by gross Stage 3 Assets/gross NPAs (“**Provision Coverage Ratio**”).
- (*) Non-GAAP Financial Measure.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including the sections titled “*Risk Factors*”, “*Use of Proceeds*”, “*Placement*”, “*Issue Procedure*” and “*Description of the Equity Shares*” on pages 53, 79, 228, 216 and 246 respectively.

Issuer	Capri Global Capital Limited
Face Value	₹ 1 per Equity Share
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Floor Price	₹153.93 per Equity Share, calculated in accordance with Regulation 176 under Chapter VI of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. The Company may, in consultation with the Book Running Lead Managers, offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders pursuant to a special resolution passed at the annual general meeting on September 19, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Size	Issue of up to [●] Equity Shares, aggregating up to ₹ [●] million. A minimum of 10% of the Issue Size i.e., up to [●] Equity Shares, shall be available for Allocation to Mutual Funds only and up to [●] Equity Shares should be available for Allocation to all Eligible QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such undersubscribed portion or part thereof may be Allotted to other Eligible QIBs.
Date of Board resolution authorizing the Issue	August 3, 2024
Date of shareholders’ resolution authorizing the Issue	September 19, 2024
Eligible Investors	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. For further details, see “ <i>Issue Procedure</i> ”, “ <i>Selling Restrictions</i> ” and “ <i>Transfer Restrictions</i> ” on pages 216, 230 and 238, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form are delivered has been determined by our Company in consultation with the BRLMs.
Dividend	See “ <i>Description of the Equity Shares</i> ” and “ <i>Dividends</i> ” on pages 246 and 92, respectively.
Indian taxation	For the statement of tax benefits available to our Company and its Shareholders under the applicable laws in India, see “ <i>Indian Taxation</i> ” on page 250.
Equity Shares issued and outstanding immediately prior to the Issue	825,116,352 Equity Shares of face value of ₹1 each
Equity Shares issued and outstanding immediately after the Issue	[●]
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, see “ <i>Issue Procedure</i> ” on page 216.
Listing and trading	Our Company has obtained in-principle approvals each dated June 9, 2025 in terms of Regulation 28(1)(a) of the SEBI Listing Regulations from the Stock Exchanges, for listing of the Equity Shares issued pursuant to this Issue. Our Company will make applications to each of the Stock Exchanges to obtain final listing and trading approval for the Equity Shares after the Allotment and after the credit of the Equity Shares to the beneficiary account of the Depository Participants. The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges.
Lock-up	For details in relation to lock-up, see “ <i>Placement – Lock-up</i> ” on page 228 for a description of restrictions on our Company in relation to the Equity Shares.

Transferability restrictions	The Equity Shares to be allotted and issued pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. For details in relation to other transfer restrictions, see “ <i>Transfer Restrictions</i> ” on page 238.	
Use of proceeds	The gross proceeds from the Issue will be aggregating to approximately ₹ [●] million. The Net Proceeds from the Issue is expected to be approximately ₹ [●] million which is proposed to be utilised for (i) expansion of our business operations by augmenting our capital base; and (ii) repayment, in full or in part, of certain outstanding borrowings availed by our Company. See “<i>Use of Proceeds</i>” on page 216 for additional information regarding the use of proceeds from the Issue.	
Risk factors	See “ <i>Risk Factors</i> ” on page 53 for a discussion of risks you should consider before investing in the Equity Shares.	
Closing Date	The Allotment of the Equity Shares pursuant to the Issue is expected to be made on or about [●].	
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> in all respects with the existing Equity Shares of our Company, including in respect of voting rights and dividends. The Shareholders (as on the record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in shareholders’ meetings in accordance with the provisions of the Companies Act, 2013. For further details, see “ <i>Description of the Equity Shares</i> ” on page 246.	
Voting Rights	See “ <i>Description of the Equity Shares – Voting Rights</i> ” on page 247.	
Depositories	CDSL and NSDL	
Security codes for the Equity Shares	ISIN	INE180C01042
	BSE Code	531595
	NSE Symbol	CGCL

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information derived from our Audited Consolidated Financial Statements prepared in accordance with the applicable Indian Accounting Standards (Ind AS), Companies Act, 2013, as applicable, and presented in “Financial Information” on page 283. The selected financial information presented below should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information”, on pages 93 and 283, respectively, for further details. Except as specifically indicated otherwise and unless the context requires otherwise, all the consolidated financial information as at and for Fiscal 2025, Fiscal 2024 and Fiscal 2023 included in this Preliminary Placement Document have been derived from the Audited Consolidated Financial Statements.

SUMMARY OF CONSOLIDATED BALANCE SHEET

(All amounts in ₹ million unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
ASSETS			
(I) Financial Assets			
Cash and cash equivalents	15,065.48	6,396.49	14,767.73
Bank balances other than cash and cash equivalents	246.57	349.72	335.07
Derivative financial instruments	-	41.05	-
Receivables			322.34
(i) Trade receivables	587.81	1,366.85	-
(ii) Other Receivables	276.20	52.78	-
Loans	182,515.02	1,34,211.83	94,753.52
Investments	1,604.17	2,162.29	2,150.41
Other financial assets	1,333.07	948.51	755.49
	201,628.32	1,45,529.52	1,13,084.56
(II) Non Financial Assets			
(a) Current tax assets (net)	441.47	279.24	195.04
(b) Deferred tax assets (net)	847.44	706.25	476.09
(c) Property, plant and equipment	2,978.65	3,210.08	2,839.92
(d) Capital work-in-progress	1.15	0.79	25.22
(e) Right-of-use assets	-	-	-
(f) Intangible assets under development	29.53	190.37	148.05
(g) Intangible assets	435.60	285.55	69.67
(h) Other non financial assets	1,950.95	1,295.17	1,107.60
(i) Assets held for sale	-	-	-
	6,684.79	5,967.45	4,861.59
Total Assets	208,313.11	1,51,496.97	1,17,946.15
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Derivative financial instruments	556.84	-	75.72
(b) Payables			
i) Trade payables			
Total outstanding dues of micro and small enterprises	7.70	5.44	6.52
Total outstanding dues of creditors other than micro and small enterprises	1,017.57	1,305.32	960.95
ii) Other Payables			
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	626.69	211.32	144.99
(c) Debt securities	5,086.57	1,521.65	4,386.14
(d) Borrowings (Other than debt securities)	150,681.54	1,02,547.48	70,726.65
(e) Other financial liabilities	6,200.97	6,994.44	5,629.85
	164,177.88	1,12,585.65	81,930.82
(II) Non-Financial Liabilities			
(a) Current tax liabilities (Net)	410.69	24.53	12.92
(b) Provisions	457.90	274.90	214.96
(c) Other non-financial liabilities	225.67	246.18	132.79
	1,094.26	545.61	360.67
EQUITY			
(a) Equity share capital	825.12	824.94	412.31
(b) Other equity	42,215.85	37,540.77	35,242.35
	43,040.97	38,365.71	35,654.66
Total Liabilities and Equity	208,313.11	1,51,496.97	1,17,946.15

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(All amounts in ₹ million unless otherwise stated)

Particulars	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
I INCOME			
Revenue from operations			
a) Interest income	26,055.64	18,227.83	11,672.92
b) Dividend income	2.53	-	-
c) Fee and commission income	3,279.28	2,306.35	1,540.97
d) Net gain on fair value change	641.71	412.61	557.31
e) Net gain on derecognition of financial instruments	1,650.77	1,018.10	214.00
f) Sale of services	-	630.99	265.07
g) Other operating income	845.07	532.69	383.18
Total revenue from operations	32,475.00	23,128.57	14,633.45
Other Income	33.36	13.40	16.52
Total Income	32,508.36	23,141.97	14,649.97
II EXPENSES			
a) Finance costs	12,735.98	8,359.01	5,311.18
b) Fees and commission expense	1,444.17	1,093.48	257.76
c) Impairment on financial assets	1,008.16	912.78	641.82
d) Employee benefits expenses	7,429.62	6,236.92	4,060.78
e) Depreciation and amortization	1,017.13	878.70	439.13
f) Others expenses	2,540.12	2,004.68	1,256.46
Total expenses	26,175.18	19,485.57	11,967.13
III Profit before tax before exceptional items (I - II)	6,333.18	3,656.40	2,682.84
VI Tax expense			
a) Current tax	1,695.65	1,099.90	653.96
b) Deferred tax	(141.78)	(227.54)	(6.41)
c) Short / (Excess) provision for tax - prior years	(6.02)	(10.02)	(11.25)
Total Tax	1,547.85	862.34	636.30
VII Profit for the period (V - VI)	4,785.33	2,794.06	2,046.54
VIII Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans	(33.84)	(28.77)	(12.50)
Income tax on above credit / (charge)	8.06	7.24	3.15
Total (a)	(25.78)	(21.53)	(9.35)
(b) Items that will be reclassified to profit or loss			
Fair Value Gain on time value of forward element of forward contract in hedging relationship	61.89	(39.46)	(29.53)
Fair Value Gain on loans measured at Fair value through OCI	(105.36)	-	-
Income tax on above credit / (charge)	(10.05)	9.93	7.43
Total (b)	(53.52)	(29.53)	(22.10)
Total other comprehensive (loss) / income (a+b)	(79.30)	(51.06)	(31.45)
IX Total Comprehensive Income for the period (VII + VIII)	4,706.03	2,743.00	2,015.09
XII Earnings per equity share in Rupees (Face value ₹ 1 each) *			
Basic	5.80	3.39	11.06
Diluted	5.77	3.36	10.94

SUMMARY OF CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts in ₹ million unless otherwise stated)

Particulars	Financial Year Ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	6,333.18	3,656.40	2,682.84
Adjustments for:			
Depreciation & amortisation	1,017.13	878.70	439.13
Impairment on financial instruments	1,008.16	896.32	631.34
Net Gain on Fair Valuation of Financial Instruments	(641.71)	(412.61)	(214.00)
Net Gain on Derecognition of Financial Instruments	(1,650.77)	(1,009.98)	(546.03)
Loss/(Gain) on sale of Fixed Assets	0.61	(2.89)	1.07
Write off - Fixed Assets	6.43	2.55	1.76
Write off - Others	0.65	(0.90)	-
Gain on early termination of Lease	(4.84)	(1.35)	(6.26)
Gain on sale of Investment Property	(2.11)	(2.91)	(6.30)
Gain on sale of Investments	-	-	-
Share Based Payments to employees	91.63	70.63	161.59
Dividend income	(2.53)	-	-
Operational Loss	29.02	-	-
Fair Value of Derivative	-	-	-
Interest on Lease liability	327.57	342.25	147.62
Interest income	(26,055.64)	(18,220.90)	(11,661.61)
Finance cost	12,408.41	8,016.76	5,163.56
Interest received	25,332.50	17,541.17	11,512.86
Interest Paid	(12,626.83)	(8,437.73)	(5,338.93)
Dividend received	-	-	-
Operating cash flow before working capital changes	5,570.86	3,315.51	2,968.64
Add / (Less): Adjustments for working capital changes			
(Increase)/Decrease in			
Loans	(48,367.64)	(39,797.56)	(32,538.57)
Trade receivables & Other Financial assets	-	-	(216.31)
Trade receivables	649.59	(67.45)	-
Other Financial Assets	1,134.32	(171.29)	(736.30)
Other Non-financial Assets	(730.12)	(212.82)	-
Increase/(Decrease) in			
Trade payables	152.56	412.48	663.13
Other financial liability	(792.36)	633.37	821.67
Derivative instrument	659.78	(156.23)	-
Other Non-financial liability	(47.92)	113.39	(116.03)
Provision	121.69	77.86	59.93
Cash used in operations	(41,649.24)	(35,852.74)	(29,093.84)
Income taxes paid (Net of Refunds Received)	(1,467.11)	(1,147.92)	(844.64)
Net cash used in operating activities -A	(43,116.35)	(37,000.66)	(29,938.48)
CASH FLOW FROM INVESTING ACTIVITIES			
Increase/(decrease) in Fixed deposits not considered as cash and cash equivalent	109.37	(7.23)	(22.33)
Purchase of property, plant and equipment and intangible assets	(653.89)	(635.74)	(1,225.31)
Increase/(decrease) Intangible Assets Under Development	160.85	(42.33)	(61.32)
Increase/(decrease) Capital work-in-progress	(0.37)	24.43	(25.22)
Proceeds from sale of property and equipment	2.89	73.32	3.81
Purchase of Mutual Fund units	(156,252.19)	(410.43)	(14,797.73)
Proceed from sale of mutual fund units	157,595.36	497.58	-
Proceeds from Sale of investment	6,619.94	-	17,112.49
Purchase of shares/bonds	(7,055.89)	112.51	(474.22)
Purchase of Security Receipt	(542.39)	-	-
Investment in shares of subsidiaries	-	-	-
Proceeds from Sale of investment (PTC)	580.40	807.65	-
Purchase of Investment (PTC)	-	(602.37)	-
Interest received on PTC	33.87	112.10	-

Particulars	Financial Year Ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Proceeds from sale of Investment Properties	-	-	10.76
Dividend received	2.53	-	-
Net cash generated from / (used in) investing activities - B	600.48	(70.51)	520.93
Cash flow from financing activities			
Debt securities Issued	10,880.00	-	-
Debt securities Redeemed (Net)	(7,230.00)	(2,666.67)	(176.79)
Proceed from Borrowings other than debt securities	86,199.52	57,086.81	38,312.82
Repayment of Borrowings other than debt securities Repaid	(38,077.23)	(28,194.44)	(11,138.77)
Other short term loan (net)	145.13	3,151.37	-
Payments for the principal portion of the lease liability	(282.59)	(226.88)	(157.48)
Payments for the interest portion of the lease liability	(327.57)	(342.25)	(147.62)
Dividends paid	(123.74)	(103.08)	(79.83)
Proceed from issue of equity Shares	6.63	11.75	14,347.89
Right issue expenses	-	(18.81)	-
Proceeds from Rights Issue(net of expenses)	-	-	-
Proceeds from ESOP	(5.29)	4.72	-
Preliminary Expense Paid	-	-	-
Net cash generated from financing activities - C	51,184.86	28,702.52	40,960.22
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	8,668.99	(8,368.65)	11,542.67
Cash and cash equivalent as at the beginning of the period	6,396.49	14,765.14	3,225.06
Cash and cash equivalent as at the end of the period	15,065.48	6,396.49	14,767.73

SELECTED STATISTICAL INFORMATION

Please read “Presentation of Financial and Other Information – Financial Data and Other Information” on page 14 before reading this section. This section should be read together with “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, and “Financial Information” on pages 178, 93, and 283, respectively. Unless otherwise specified, the information presented in this section is on a consolidated basis.

The following information is included for analytical purposes. Certain Non-GAAP Financial Measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Preliminary Placement Document. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such Non-GAAP Financial Measures and other statistical and operational information when reporting their financial results. Such Non-GAAP Financial Measures and other statistical and operational information are not measures of operating performance or liquidity defined by Ind AS. These Non-GAAP Financial Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other NBFCs and HFCs in India or elsewhere.

Our fiscal year ends on March 31 of each year. Accordingly, references to a “Fiscal” year are to the 12-month period ended March 31 of the relevant year. Further, our Audited Consolidated Financial Statements as at and for the financial year ended March 31, 2025 are not directly comparable with our Audited Consolidated Financial Statements as at and for the financial year ended March 31, 2024. For details, see “Risk Factors – There are certain differences in the manner ‘excess amounts received from customers’ have been presented in the Audited Consolidated Financial Statements as at for the financial year ended March 31, 2025, compared to prior periods” on page 60.

Average Balance Sheet, Interest Earned/Expended and Yield/Cost

The tables below set forth our average balances for total interest-earning assets and total interest-bearing liabilities together with the related interest income and interest expense, resulting in the presentation of the average yield and average cost in the years indicated:

	Fiscal								
	2025			2024			2023		
	Average Balance ⁽¹⁾ [A]	Interest Income ^{(2)/ Interest Expended⁽³⁾ [B]}	Yield/ Cost ⁽⁴⁾ (%) [C = B/A]	Average Balance ⁽¹⁾ [A]	Interest Income ^{(2)/ Interest Expended⁽³⁾ [B]}	Yield/ Cost ⁽⁴⁾ (%) [C = B/A]	Average Balance ⁽¹⁾ [A]	Interest Income ^{(2)/ Interest Expended⁽³⁾ [B]}	Yield/ Cost ⁽⁴⁾ (%) [C = B/A]
(₹ in millions, except percentages)									
Interest-earning assets:									
Loans ⁽⁵⁾	156,661.75	25,764.26	16.45%	113,048.70	17,876.55	15.81%	76,698.48	11,431.30	14.90 %
Of which:									
MSME loans ⁽⁶⁾	39,154.09	6,019.73	15.37%	38,522.78	6,131.91	15.92%	33,052.53	5,190.76	15.70%
Housing loans ⁽⁷⁾	40,172.58	5,115.81	12.73%	30,822.85	3,905.12	12.67%	20,806.11	2,672.84	12.85%
Construction finance ⁽⁸⁾	32,725.84	5,724.20	17.49%	20,988.89	3,730.49	17.77%	15,394.54	2,702.98	17.56%
Gold Loan ⁽⁹⁾	42,153.92	8,394.29	19.91%	19,156.84	3,566.14	18.62%	4,191.95	591.58	14.11%
Other Loans ⁽¹⁰⁾	2,455.32	510.22	20.78%	3,557.33	542.88	15.26%	3,253.36	273.14	8.40%
Investments	1,832.87	111.38	6.08%	2,234.09	111.57	4.99%	3,376.47	137.04	4.06%

	Fiscal								
	2025			2024			2023		
	Average Balance ⁽¹⁾ [A]	Interest Income ^{(2)/ Interest Expended⁽³⁾ [B]}	Yield/ Cost ⁽⁴⁾ (%) [C = B/A]	Average Balance ⁽¹⁾ [A]	Interest Income ^{(2)/ Interest Expended⁽³⁾ [B]}	Yield/ Cost ⁽⁴⁾ (%) [C = B/A]	Average Balance ⁽¹⁾ [A]	Interest Income ^{(2)/ Interest Expended⁽³⁾ [B]}	Yield/ Cost ⁽⁴⁾ (%) [C = B/A]
	(₹ in millions, except percentages)								
Other interest-earning assets ⁽¹¹⁾	2,733.43	169.32	6.19%	5,377.92	223.31	4.15%	5,619.15	88.22	1.57%
Total interest-earning assets	161,228.05	26,044.96	16.15%	120,660.70	18,211.43	15.09%	85,694.10	11,656.56	13.60%
Non-interest earning assets:									
Non-financial assets	6,427.93	-	Nil	5,563.65	-	Nil	2,935.92	-	Nil
Non-interest earning financial assets ⁽¹²⁾	10,478.19	-	Nil	7,297.08	-	Nil	2,857.93	-	Nil
Total non-interest earning assets	16,906.12	-	Nil	12,860.73	-	Nil	5,793.85	-	Nil
Total assets	178,134.16	NA	Nil	133,521.43	NA	Nil	91,487.96	NA	Nil
Interest-bearing liabilities:									
Debt securities	2,905.04	347.57	11.96%	2,476.66	191.29	7.72%	4,294.15	411.50	9.58%
Borrowings (other than debt securities and derivative financial liabilities) ⁽¹³⁾	126,406.93	12,060.84	9.54%	86,587.60	7,825.47	9.04%	57,206.18	4,752.07	8.31%
Total interest-bearing liabilities	129,311.96	12,408.41	9.60%	89,064.26	8,016.76	9.00%	61,500.32	5,163.57	8.40%
Non-interest-bearing liabilities:									
Total non-financial liabilities	686.02	-	Nil	429.34	-	Nil	340.58	-	Nil
Non-interest-bearing financial liabilities ^{(14) (15)}	7,625.69	-	Nil	7,076.82	-	Nil	4,549.26	-	Nil
Total equity	40,510.49	-	Nil	36,951.01	-	Nil	25,097.78	-	Nil
Total non-interest-bearing liabilities	48,822.20	-	Nil	44,457.18	-	Nil	29,987.63	-	Nil
Total equity and liabilities	178,134.16	NA	Nil	133,521.43	NA	Nil	91,487.95	NA	Nil

Notes:

- (1) Average balances are calculated as the average of the opening balance at the start of the relevant fiscal year and the closing balances as at half year end and year end in the relevant fiscal year. The average investments are net of depreciation or provision for investments, if any.
- (2) Interest earned on loans comprises interest on loans. Interest earned on investments comprises interest earned on commercial paper and pass-through certificates. Interest earned on other interest-earning assets comprises interest on fixed deposits, and excludes interest on lease liability, which is an Ind AS adjustment related to lease assets.
- (3) Interest expended is finance costs less interest on lease liability, which is an Ind AS adjustment. Interest on bank overdraft and bank cash credit facility has been grouped with interest on borrowings (other than debt securities), as these are immaterial amounts.
- (4) Yield/Cost on average balance is a Non-GAAP Financial Measure and is calculated as interest earned/expended divided by the average balance.
- (5) Excess received from customers amounting to ₹ 455.04 million was netted off against the loan book of ₹ 138,223.75 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 187,784.20 million is presented without this adjustment, and the excess received from customers amounting to ₹ 577.96 million is regrouped under 'other financial liabilities'.
- (6) In relation to MSME loans, excess received from customers amounting to ₹ 281.81 million was netted off against the loan book of ₹ 41,728.22 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 42,764.58 million is presented without this adjustment, and the excess received from customers amounting to ₹ 319.33 million is regrouped under 'other financial liabilities'.

- (7) In relation to housing loans, excess received from customers amounting to ₹ 122.38 million was netted off against the loan book of ₹ 38,905.77 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 46,056.25 million is presented without this adjustment, and the excess received from customers amounting to ₹ 223.42 million is regrouped under 'other financial liabilities'.
- (8) In relation to construction finance, excess received from customers amounting to ₹ 7.02 million was netted off against the loan book of ₹ 26,212.79 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 41,329.13 million is presented without this adjustment, and the excess received from customers amounting to ₹ 1.12 million is regrouped under 'other financial liabilities'.
- (9) In relation to gold loans, excess received from customers amounting to ₹ 5.08 million was netted off against the loan book of ₹ 28,235.67 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 55,612.66 million is presented without this adjustment, and the excess received from customers amounting to ₹ 5.04 million is regrouped under 'other financial liabilities'.
- (10) Other loans includes indirect lending loans, small business loans and loans to employees. In relation to indirect lending loans, excess received from customers amounting to nil was netted off against the loan book of ₹ 2,662.55 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 1,766.97 million is presented without this adjustment, and the excess received from customers amounting to ₹ 4.04 million is regrouped under 'other financial liabilities'. In relation to small business loans, excess received from customers amounting to ₹ 14.75 million was netted off against the loan book of ₹ 478.74 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 254.60 million is presented without this adjustment, and the excess received from customers amounting to ₹ 0.01 million is regrouped under 'other financial liabilities'.
- (11) Other interest-earning assets comprise fixed deposits.
- (12) Non-interest earning financial assets comprise cash, balance in current account, trade receivables and other financial assets.
- (13) Excludes derivative financial liabilities of ₹556.84 million, nil and ₹75.72 million for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.
- (14) Includes derivative financial liabilities of ₹ 556.84 million, derivative financial assets of ₹ 41.05 million, and derivative financial liabilities of ₹ 75.72 million for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.
- (15) Non-interest-bearing financial liabilities include trade and other payables, interest accrued but not due, and lease liability.

Analysis of Changes in Interest Earned and Interest Expended by Volume and Rate

Particulars	Fiscal 2025 vs. Fiscal 2024		
	Net Changes in Interest ⁽¹⁾ (₹ in millions)	Change in Average Volume ⁽²⁾ (₹ in millions)	Change in Average Rate ⁽³⁾ (%)
Interest income:			
Loans	7,887.70	43,613.05	0.63%
Investments	(0.19)	(401.22)	1.08%
Other interest-earning assets ⁽⁴⁾	(53.99)	(2,644.49)	2.04%
Interest income [A]	7,833.52	40,567.34	3.76%
Interest expended:			
Debt securities	156.28	428.38	4.24%
Borrowings (other than debt securities) ⁽⁵⁾	4,235.37	39,819.33	0.50%
Interest expended [B]	4,391.65	40,247.71	4.74%
Net Interest Income [A-B]	3,441.87	319.64	(0.99)%

Notes:

- (1) The changes in interest earned, interest expended and Net Interest Income between fiscal years have been reflected as attributed either to volume or rate changes. For purposes of this table, changes that are due to both volume and rate have been allocated solely to changes in rate.
- (2) Change in average volume is computed as the increase in average balances for Fiscal 2025 and Fiscal 2024, as the case may be.
- (3) Change in average rate represents the change in average rate for Fiscal 2025 and Fiscal 2024, as the case may be.
- (4) Other interest-earning assets comprises fixed deposits.
- (5) Interest on bank overdraft and bank cash credit has been grouped with interest on borrowings (other than debt securities), as these are immaterial amounts.

Particulars	Fiscal 2024 vs. Fiscal 2023		
	Net Changes in Interest ⁽¹⁾ (₹ in millions)	Change in Average Volume ⁽²⁾ (₹ in millions)	Change in Average Rate ⁽³⁾ (%)
Interest income:			
Loans	6,445.23	36,350.22	0.91%
Investments	(25.47)	(1,142.39)	0.94%

Particulars	Fiscal 2024 vs. Fiscal 2023		
	Net Changes in Interest ⁽¹⁾ (₹ in millions)	Change in Average Volume ⁽²⁾ (₹ in millions)	Change in Average Rate ⁽³⁾ (%)
Other interest-earning assets ⁽⁴⁾	135.09	(241.24)	2.58%
Interest income [A]	6,554.85	34,966.60	4.43%
Interest expended:			
Debt securities	(220.21)	(1,817.49)	(1.86)%
Borrowings (other than debt securities) ⁽⁵⁾	3,073.41	29,381.42	0.73%
Interest expended [B]	2,853.20	27,563.93	(1.13)%
Net Interest Income [A-B]	3,701.65	7,402.67	5.55%

Notes:

- (1) The changes in interest earned, interest expended and Net Interest Income between fiscal years have been reflected as attributed either to volume or rate changes. For purposes of this table, changes that are due to both volume and rate have been allocated solely to changes in rate.
- (2) Change in average volume is computed as the increase in average balances for Fiscal 2024 and Fiscal 2023, as the case may be.
- (3) Change in average rate represents the change in average rate for Fiscal 2024 and Fiscal 2023, as the case may be.
- (4) Other interest-earning assets comprises fixed deposits.
- (5) Interest on bank overdraft and bank cash credit has been grouped with interest on borrowings (other than debt securities), as these are immaterial amounts.

Yields, Spread, Cost of Funds and Net Interest Margin

The tables below set forth the yields, spread and net interest margins on our interest-earning assets and cost of funds on our interest-bearing liabilities as at and for the years indicated:

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Interest income excluding interest on security deposit ⁽¹⁾ [A]	26,044.96	18,211.43	11,656.56
<i>Of which:</i>			
Interest on loans [B]	25,764.26	17,876.55	11,431.30
Finance costs net off lease liability ⁽¹⁾ [C]	12,408.41	8,016.76	5,163.56
Net Interest Income ^{(1)(*)} [D = A-C]	13,636.55	10,194.67	6,493.00
Average Interest-Earning Loans ⁽²⁾ [E]	156,661.75	113,048.70	76,698.48
Average Total Interest-Earning Assets ⁽³⁾ [F]	161,228.05	120,660.70	85,694.10
Average Total Assets ⁽⁴⁾ [G]	178,134.16	133,521.43	91,487.96
Average Total Interest-Bearing Liabilities ⁽⁵⁾ [H]	129,311.96	89,064.26	61,500.32
Average Total Interest-Earning Assets as a percentage of Average Total Interest-Bearing Liabilities ^(*) (%) [I = F/H]	124.68%	90.37%	93.67%
Average Interest-Earning Loans as a percentage of Average Total Assets ^(*) (%) [J = E/G]	87.95%	84.67%	83.83%
Average Total Interest-Earning Assets as a percentage of Average Total Assets ^(*) (%) [K = F/G]	90.51%	90.37%	93.67%
Average Total Interest-Bearing Liabilities as a percentage of Average Total Assets ^(*) (%) [L = H/G]	72.59%	66.70%	67.22%
Yield on Average Total Interest-Earning Assets ^{(6)(*)} (%) [M = A/F]	16.15%	15.09%	13.60%

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Yield on Average Interest-Earning Loans ^{(7)(*)} (%) [N = B/E]	16.45%	15.81%	14.90%
Cost of Funds ^{(8)(*)} (%) [O = C/H]	9.60%	9.00%	8.40%
Spread ^{(9)(*)} (%) [P = M-O]	6.56%	6.09%	5.21%
Annualised Spread Loans (%) [R = N-O]	6.85%	6.81%	6.51%
Net Interest Margin ^{(10)(*)} (%) [Q = D/F]	8.46%	8.45%	7.58%

Notes:

- (1) Net Interest Income for Fiscal 2025, Fiscal 2024 and Fiscal 2023 is interest earned (excluding interest on security deposit of ₹ 16.21 million in Fiscal 2025, ₹ 9.47 million in Fiscal 2024 and ₹ 5.05 million in Fiscal 2023) minus finance costs (excluding interest on lease liability of ₹ 327.57 million in Fiscal 2025, ₹ 342.25 million in Fiscal 2024 and ₹ 147.62 million in Fiscal 2023).
- (2) Average Interest-Earning Loans for Fiscal 2025, Fiscal 2024 and Fiscal 2023 are Interest-Earning Loans calculated on the basis of the average of the opening balance at the start of the relevant fiscal year and the closing balances as at half year end and year end in the relevant fiscal year.
- (3) Average Total Interest-Earning Assets for Fiscal 2025, Fiscal 2024 and Fiscal 2023 are total interest-earning assets calculated on the basis of the average of the opening balance at the start of the relevant fiscal year and the closing balances as at half year end and year end in the relevant fiscal year.
- (4) Average Total Assets for Fiscal 2025, Fiscal 2024 and Fiscal 2023 are total assets calculated on the basis of the average of the opening balance at the start of the relevant fiscal year and the closing balances as at half year end and year end in the relevant fiscal year.
- (5) Average Total Interest-Bearing Liabilities for Fiscal 2025, Fiscal 2024 and Fiscal 2023 are total interest-bearing liabilities calculated on the basis of the average of the opening balance at the start of the relevant fiscal year and the closing balances as at half year end and year end in the relevant fiscal year.
- (6) Yield on Average Total Interest-Earning Assets is calculated as the ratio of interest earned to Average Total Interest-Earning Assets.
- (7) Yield on Average Interest-Earning Loans is calculated as ratio of interest earned on loans divided by Average Interest-Earning Loans.
- (8) Cost of funds is the ratio of finance costs net off lease liability to Average Total Interest-Bearing Liabilities ("Cost of Funds").
- (9) Spread is the difference between Yield on Average Total Interest-Earning Assets and Cost of Funds.
- (10) Net Interest Margin is the ratio of Net Interest Income to Average Total Interest-Earning Assets ("Net Interest Margin").

* Non-GAAP Financial Measures.

Disbursements

The table below sets forth the disbursements classified by loan verticals as at the dates indicated:

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	(₹ in millions)	(% of total disbursements)	(₹ in millions)	(% of total disbursements)	(₹ in millions)	(% of total disbursements)
MSME loans	15,414.14	6.10%	15,050.01	9.42%	17,390.89	22.45%
Housing loans	32,245.61	12.76%	23,222.81	14.53%	16,195.08	20.90%
Gold loans	167,388.64	66.23%	79,034.26	49.46%	18,830.64	24.31%
Construction finance	32,421.63	12.83%	20,876.02	13.06%	14,405.97	18.59%
Other loans ⁽¹⁾	5,253.82	2.08%	21,608.60	13.52%	10,652.11	13.75%
Total	252,723.84	100.00%	159,791.69	100.00%	77,474.72	100.00%

Notes:

- (1) Other loans include indirect lending loans, small business loans and loans to employees.

Loan Portfolio

Gross Loans

As at March 31, 2025, our gross loans were ₹ 185,177.63 million. The table below sets forth our gross loans by each vertical as at the dates indicated:

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	(₹ in millions)	(% of total gross loans)	(₹ in millions)	(% of total gross loans)	(₹ in millions)	(% of total gross loans)
MSME loans ⁽¹⁾	42,430.25	22.91%	41,409.82	30.28%	38,107.32	39.48%
Housing loans ⁽²⁾	45,180.67	24.40%	38,458.40	28.12%	25,815.42	26.74%
Gold loans ⁽³⁾	55,003.60	29.70%	27,963.53	20.45%	11,256.97	11.66%
Construction finance ⁽⁴⁾	40,523.86	21.88%	25,774.78	18.85%	17,943.07	18.59%
Other loans ⁽⁵⁾	2,039.25	1.10%	3,137.74	2.29%	3,404.06	3.53%
Total gross loans⁽⁶⁾	185,177.63	100.00%	136,744.27	100.00%	96,526.84	100.00%

Notes:

- (1) In relation to MSME loans, excess received from customers amounting to ₹ 281.81 million was netted off against the loan book of ₹ 41,728.22 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 42,764.58 million is presented without this adjustment, and the excess received from customers amounting to ₹ 319.33 million is regrouped under 'other financial liabilities'.
- (2) In relation to housing loans, excess received from customers amounting to ₹ 122.38 million was netted off against the loan book of ₹ 38,905.77 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 46,056.25 million is presented without this adjustment, and the excess received from customers amounting to ₹ 223.42 million is regrouped under 'other financial liabilities'.
- (3) In relation to gold loans, excess received from customers amounting to ₹ 5.08 million was netted off against the loan book of ₹ 28,235.67 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 55,612.66 million is presented without this adjustment, and the excess received from customers amounting to ₹ 5.04 million is regrouped under 'other financial liabilities'.
- (4) In relation to construction finance, excess received from customers amounting to ₹ 7.02 million was netted off against the loan book of ₹ 26,212.79 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 41,329.13 million is presented without this adjustment, and the excess received from customers amounting to ₹ 1.12 million is regrouped under 'other financial liabilities'.
- (5) Other loans includes indirect lending loans, small business loans and loans to employees. In relation to indirect lending loans, excess received from customers amounting to nil was netted off against the loan book of ₹ 2,662.55 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 1,766.97 million is presented without this adjustment, and the excess received from customers amounting to ₹ 4.04 million is regrouped under 'other financial liabilities'. In relation to small business loans, excess received from customers amounting to ₹ 14.75 million was netted off against the loan book of ₹ 478.74 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 254.60 million is presented without this adjustment, and the excess received from customers amounting to ₹ 0.01 million is regrouped under 'other financial liabilities'.

AUM by Floating Rates and Fixed Rates

The table below sets forth our AUM by floating rates and fixed rates as at the dates indicated:

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	(₹ in millions)	(% of total gross loans)	(₹ in millions)	(% of total gross loans)	(₹ in millions)	(% of total gross loans)
Fixed rate	81,864.69	35.81%	37,125.57	23.72%	12,915.73	12.51%
Floating rate	92,057.68	40.27%	82,211.88	52.52%	59,352.42	57.51%
Semi-fixed rate	54,679.61	23.92%	37,202.93	23.77%	30,936.61	29.98%
Total	228,601.98	100.00%	156,540.38	100.00%	103,204.75	100.00%

Concentration of Loans

Our Company

The table below sets forth information on our Company's total advances (loans) to our Company's top 20 borrowers/customers as at March 31, 2025, March 31, 2024 and March 31, 2023. This information is only disclosed by our Company on a Fiscal end basis.

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Total exposure top 20 largest borrowers/ customers (₹ in millions)	18,041.50	13,180.55	9,121.50
Percentage of exposures top 20 largest borrowers / customers to our Company's total exposure on borrowers / customers (%)	8.44%	8.38%	8.15%

Co-Lending AUM

The table below sets forth information on segment wise co-lending AUM as at the dates indicated:

Co-Lending AUM	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	(₹ in millions)	(% of total co-lending AUM)	(₹ in millions)	(% of total co-lending AUM)	(₹ in millions)	(% of total co-lending AUM)
MSME loans	10,024.79	24.57%	8,446.06	46.14%	5,003.88	91.50%
Housing loans	5,963.16	14.62%	3,185.27	17.40%	465.06	8.50%
Gold loans	24,809.68	60.81%	6,674.30	36.46%	Nil	Nil
Total	40,797.63	100.00%	18,305.63	100.00%	5,468.95	100.00%

The table below sets forth information on segment wise co-lending AUM as a percentage of segment-wise AUM as at the dates indicated:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
MSME loans	18.99%	16.83%	11.48%
Housing loans	11.46%	7.57%	1.74%
Gold loans	30.85%	19.12%	Nil
Total	17.85%	11.69%	5.30%

Maturity and Interest Rate Sensitivity of Assets and Liabilities

The table below sets forth the interest rate sensitivity of our assets and liabilities as at March 31, 2025. This information is only disclosed by us on a Fiscal end basis.

Particulars	As at March 31, 2025				
	Due in one year or less	Due in one year to five years	Due after five years	Non-Sensitive ⁽²⁾	Total
(₹ in millions)					
Assets:					
Loans	63,639.34	51,459.08	23,600.30	0.00	138,698.72
Investments	1,033.95	210.31	0.00	5,750.00	6,994.26
Fixed Assets	0.00	0.00	0.00	2,781.17	2,781.17
Other Assets	21.08	0.10	2.91	17,599.88	17,623.97
Total Assets	64,694.37	51,669.49	23,603.21	26,131.05	166,098.12
Liabilities:					
Capital & Reserve	0.00	0.00	0.00	39,648.39	39,648.39
Borrowings	34,703.84	78,620.27	2,600.78	1,721.10	117,645.99
Other Liabilities	0.00	0.00	0.00	8,803.74	8,803.74
Total Liabilities	34,703.84	78,620.27	2,600.78	50,173.23	166,098.12

Notes:

(1) Sensitive means subject to floating rate of interest.

(2) Non-sensitive means subject to fixed rate of interest or not subject to interest.

Asset-Liability Gap

Our Company

The table below sets forth our Company's asset and liability gap as at March 31, 2025 on a standalone basis, which is prepared/compiled based on guidelines provided by the RBI.

Particulars	Up to one month	Over one month to one year	Over one year to three years	Over three years to five years	Over five years	Total
	(₹ in millions, except percentages)					
Cash, cash equivalents and investments (net of provisions)	13,610.49	21.08	0.10	210.31	5,752.91	19,594.90
Loans (performing)	3,311.77	60,327.57	29,386.41	22,072.67	23,600.30	138,698.72
Other inflows	806.55	1,189.57	261.48	1,321.23	4,225.67	7,804.50
Interest receivable & fund infusion by Promoters ⁽¹⁾	1,773.53	28,739.98	23,213.81	14,282.25	22,596.01	90,605.58
Total Inflows (A)	19,502.35	90,278.20	52,861.80	37,886.47	56,174.89	256,703.70

Particulars	Up to one month	Over one month to one year	Over one year to three years	Over three years to five years	Over five years	Total
	(₹ in millions, except percentages)					
Cumulative Total Inflows (B)	19,502.35	109,780.54	162,642.35	200,528.81	256,703.70	256,703.70
Borrowings	1,967.45	32,757.50	48,418.13	31,702.13	2,800.78	117,645.99
Capital and reserve and surplus	0.00	0.00	0.00	0.00	39,648.39	39,648.39
Other outflows	2,656.36	3,343.25	188.34	185.33	2,430.47	8,803.75
Interest payable ⁽²⁾	906.64	8,983.36	11,836.24	3,506.70	227.58	25,460.53
Total Outflows (C)	5,530.45	45,084.11	60,442.71	35,394.16	45,107.22	191,558.65
Cumulative Total Outflows (D)	5,530.45	50,614.56	111,057.27	146,451.43	191,558.65	191,558.65
Mismatch (E = A-C)	13,971.89	45,194.09	7,580.91	2,492.31	11,067.67	65,145.05
Cumulative Mismatch (F = B-D)	13,971.89	59,165.98	51,585.07	54,077.38	65,145.05	65,145.05
Cumulative Mismatch as a % (F/D)	2.53	1.17	0.46	0.37	0.34	0.34

Notes:

(1) Interest receivable on term loans given and fund infusion by the Promoters.

(2) Interest payable on borrowings.

Interest-Bearing Liabilities

The table below sets forth information related to our Interest-Bearing Liabilities as at for the years indicated.

Interest-Bearing Liabilities	As at and for the year ended March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Period end balance	155,768.11	104,069.13	75,113.01
Maximum outstanding ⁽¹⁾	155,768.11	104,069.13	75,113.01
Interest expended during the period ⁽²⁾	12,408.41	8,016.76	5,163.56
Average interest rate during the period ^{(3)(*)}	9.51%	8.92%	8.38%
Weighted average interest rate at period end ^{(4)(*)}	9.39%	9.02%	8.36%

Notes:

(1) The maximum outstanding is calculated on the basis of the opening balance at the start of the relevant fiscal year and the closing balances as at half year end and year end in the relevant fiscal year.

(2) Interest expended is finance costs less interest on lease liability, which is an Ind AS adjustment.

(3) Represents the ratio of interest expended to Average Total Interest-Bearing Liabilities.

(4) Weighted average interest rate on interest-bearing liabilities is the sum of weighted interest rate of all outstanding interest-bearing liabilities on the balance sheet date. The weighted interest rate is calculated by multiplying the weight of principal outstanding on each interest-bearing liability with the interest rate on respective interest-bearing liabilities. The weight of principal outstanding on each interest-bearing liability is calculated as follows:
principal outstanding on interest-bearing liabilities / aggregate principal outstanding on interest-bearing liabilities (expressed as percentage).

* Non-GAAP Financial Measure.

As on March 31, 2025, as a percentage of our total borrowings, our market borrowings amounted to 3.27%, NHB refinancing amounted to 5.64%, borrowings from financial institutions amounted to 12.28%, inter corporate deposits amounted to 0.17% and Bank Borrowings amounted to 78.64%.

As at March 31, 2025, we had US\$ denominated FCNR-B loans aggregating to ₹ 27,164.29 million, which were fully hedged by way of forward contracts. Hence, we did not have any unhedged foreign currency exposure as at March 31, 2025.

The table below sets forth our interest-bearing liabilities by floating interest rates and fixed interest rates as at the dates indicated:

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	(₹ in millions)	(% of total interest-bearing liabilities)	(₹ in millions)	(% of total interest-bearing liabilities)	(₹ in millions)	(% of total interest-bearing liabilities)
Variable rates	139,293.97	89.42%	97,012.28	93.22%	64,550.65	85.94%
Fixed rates	16,474.13	10.58%	7,056.85	6.78%	10,562.36	14.06%
Total	155,768.11	100.00%	104,069.13	100.00%	75,113.01	100.00%

Concentration of Borrowings

Our Company

The table below sets forth our Company's borrowings on consolidated basis from top 10 lenders as at the dates indicated:

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	(₹ in millions)	(% of Total Borrowings)	(₹ in millions)	(% of Total Borrowings)	(₹ in millions)	(% of Total Borrowings)
Borrowings from our Company's top 10 lenders	117,390.64	74.93%	86,852.22	82.92%	64,977.41	86.33%

Classification of Assets and Provisioning - Gross Stage 3 Assets/NPAs, Net Stage 3 Assets/Net NPAs and Provisioning Coverage Ratio ("PCR")

The tables below set forth information about our Stage 3 Assets/ NPAs as and for the years indicated:

Particulars	As at and for the financial year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
	(₹ in millions, except percentages)		
Stage 3 Assets opening balance at the beginning of the period/year ⁽¹⁾	2,660.81	1,703.96	1,561.78
Increase/(Decrease)	206.17	956.85	142.18
Stage 3 Assets at the close of the period/year (A)	2,866.98	2,660.81	1,703.96
Stage 3 Assets net of Stage 3 Provision ⁽²⁾ (B)	1,670.24	1,458.36	1,177.51

Particulars	As at and for the financial year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
	(₹ in millions, except percentages)		
Total Loan Assets (gross of Provisions) ⁽³⁾ (C)	187,784.19	138,227.40	97,732.36
Net of Stage 3 provisions ⁽⁴⁾ (D)	186,587.45	137,024.95	97,205.91
Stage 3 Assets as a percentage of Total Loan Assets (gross of Provisions) ⁽⁵⁾ (E=A/C)	1.53%	1.92%	1.74%
Stage 3 Assets net of Stage 3 Provisions as a percentage of Net Loan Assets (net of stage 3 provisions) ⁽⁶⁾ (F= B/D)	0.90%	1.06%	1.21%
Stage 3 Provisions percentage {G=(A-B)/A}	41.74%	45.19%	30.90%

Notes:

- (1) Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date.
- (2) Stage 3 Provisions is the lifetime expected credit loss resulting from all default events that are possible over the expected life of the financial instrument. Stage 3 Assets net of Stage 3 Provisions are Stage 3 Assets less Provisions (fund based provisions).
- (3) Total Loans (gross of Provisions) means net principal outstanding, overdue principal, overdue interest and accrued interest on standard loans given, and excluding Provisions.
- (4) Net Loans (net of Provisions) means net principal outstanding, overdue principal, overdue interest and accrued interest on standard loans given, as adjusted for expected credit loss provisions (including fund based provision).
- (5) Total Loan Assets (gross of Provisions) means secured loans, unsecured loans and includes accrued interest on loans given, and excluding Provisions.
- (6) Net Loan Assets (net of Provisions) means secured loans, unsecured loans and includes accrued interest on loans given, and net of as adjusted for expected credit loss model Provisions.

Gross NPA Movement

The tables below set forth movement of our Gross NPAs during the Fiscal Years indicated. This disclosure is only made by us on a Fiscal Year basis.

Particulars	As at and for the year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
	(₹ in millions)		
Opening Gross NPAs (A)	2,660.81	1,703.96	1,561.78
Roll Forward into NPAs (i)	2,328.89	1,993.58	1,124.15
Restructuring (ii)	-	-	-
Total Slippages (B = i + ii)	2,328.89	1,993.58	1,124.13
Roll back to standard (iii)	317.59	297.33	390.89
Realisation from NPAs receivables (iv)	1,413.04	434.41	278.89
Write offs (v)	392.09	304.99	312.19
Total recoveries and write-offs (C = iii + iv + v)	2,122.72	1,036.73	981.95
Net slippages (B - C)	206.17	956.85	142.18
Gross NPAs (A + B - C)⁽¹⁾	2,866.98	2,660.81	1,703.96

Notes:

- (1) Gross NPAs represents Stage 3 Loans balance after adjusting for the impact of overdue interest considered recoverable under Ind AS and includes other receivables considered to be non-performing.

Coverage Ratios

The table below sets forth our coverage ratios as at the dates indicated:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	(₹ in millions, except percentages)		
Gross Stage 1 and 2 Assets (A)	184,917.21	135,566.59	96,028.40
Impairment loss allowance for Stage 1 and 2 Assets (B)	1,481.22	1,364.39	1,268.03
Net Stage 1 and 2 Assets (A – B)	183,435.99	134,202.20	94,760.37
Coverage ratio Stage 1 and 2 Assets (C = B/A)	0.80%	1.01%	1.32%
Gross NPAs (D)	2,866.98	2,660.81	1,703.96
Impairment loss allowance for Stage 3 Assets (E)	1,196.74	1,202.45	526.45
Net NPAs (D – E)	1,670.24	1,458.36	1,177.51
Provision Coverage Ratio (F = E/D)	41.74%	45.19%	30.90%
Overall coverage ratio ((B+E) / (A+D))	1.43%	1.86%	1.84%

Credit Quality and Provisioning Coverage

The table below sets forth our comparative credit quality and provisioning coverage ratios as at the dates indicated:

Particulars	As at March 31, 2025			As at March 31, 2024			As at March 31, 2023			Gross NPA % ⁽⁴⁾ as at March 31,			Net NPA % ⁽⁵⁾ as at March 31,		
	Gross NPAs ⁽¹⁾	Net NPAs ⁽²⁾	PCR ⁽³⁾	Gross NPAs ⁽¹⁾	Net NPAs ⁽²⁾	PCR ⁽³⁾	Gross NPAs ⁽¹⁾	Net NPAs ⁽²⁾	PCR ⁽³⁾	2025	2024	2023	2025	2024	2023
	(₹ in millions, except percentages)														
MSME loans	1,715.96	877.30	48.87%	1,678.84	911.90	45.68%	1,305.84	967.49	25.91%	4.01%	4.02%	3.38%	2.09%	2.22%	2.53%
Housing loans	622.88	374.09	39.94%	464.29	259.84	44.03%	324.46	197.91	39.00%	1.38%	1.24%	1.24%	0.83%	0.70%	0.76%
Construction Finance	76.33	38.13	50.05%	249.49	48.64	80.50%	44.98	-	100.00%	0.18%	0.95%	0.25%	0.09%	0.19%	Nil
Gold loans	451.81	380.72	15.73%	268.19	237.98	11.26%	12.78	12.11	5.24%	0.81%	0.95%	0.11%	0.69%	0.84%	0.11%
Other loans ⁽⁶⁾	-	-	0.00%	Nil	Nil	Nil	15.90	Nil	100.00%	0.00%	Nil	0.47%	0.00%	Nil	Nil
Total	2,866.98	1,670.24	41.74%	2,660.81	1,458.36	45.19%	1,703.96	1,177.51	30.90%	1.53%	1.92%	1.74%	0.90%	1.06%	1.21%

Notes:

- (1) Gross NPAs represents Stage 3 Assets after adjusting for the impact of overdue interest considered recoverable under Ind AS and includes other receivables considered to be non-performing.
- (2) Net NPAs = Gross NPAs less Stage 3 Provisions.
- (3) PCR = Provisions as a percentage of Gross NPAs.
- (4) Gross NPA % = Gross NPAs as a percentage of Gross Credit Exposure.
- (5) Net NPA % = Net NPAs to Net Advances (Net of Provision on NPAs).
- (6) Other loans include indirect lending loans, small business loans and loans to employees.

Concentration of NPAs

Our Company

The table below sets forth our Company's exposure to our Company's top four NPA accounts (gross) on a consolidated basis as at the dates indicated:

Particulars	As at March 31,		
	2025	2024	2023
	(₹ in millions)		
Total exposure to top four NPA accounts (gross)	160.05	281.80	150.32

Restructured Assets

The table below sets forth details of our restructured assets as at the dates indicated:

Particulars	As at March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Restructured Assets (1)	935.33	1,514.51	1,598.13
Restructured Assets (%) (2)	0.50%	1.10%	1.64%
Provisions on Restructured Assets (3)	275.32	516.51	331.46
Provisions on Restructured Assets (%) (4)	29.44%	34.10%	20.74%
Provisions on Restructured Assets (%) (5)	8.74%	20.12%	18.47%

Notes:

(1) Total Restructure Assets

(2) Percentage of Restructure assets on total assets

(3) ECL Provision on Restructured assets

(4) ECL Provision of Restructured assets on Restructure Assets

(5) ECL Provision of Restructured assets on total ECL Provision.

Dupont Analysis on Return on Assets

Particulars	Fiscal		
	2025	2024	2023
	In percentages (%)		
Interest income	14.48%	13.52%	12.30%
Interest expenses	6.90%	5.95%	5.45%
Net Interest Income (A)	7.58%	7.57%	6.85%
Non-Interest Income (net of fee and commission) (B)	2.79%	2.85%	2.89%
Net income (C) = (A) + (B)	10.37%	10.42%	9.74%
Employee expenses	4.13%	4.63%	4.29%
Other expenses	2.16%	2.39%	1.95%

Particulars	Fiscal		
	2025	2024	2023
	In percentages (%)		
Operating expense (D) (excluding fee and commission expense)	6.29%	7.02%	6.23%
Operating profit (E) = (C) – (D)	4.08%	3.39%	3.51%
Provisions (F)	0.56%	0.68%	0.68%
Of which:			
ECL provisions	0.35%	0.53%	0.08%
Write-offs	0.21%	0.15%	0.60%
Profit before tax (G) = (E) – (F)	3.52%	2.71%	2.83%
Less:			
Taxes	0.86%	0.64%	0.67%
Profit after tax (RoAA)	2.66%	2.07%	2.16%

Reconciliation of Certain Non-GAAP Financial Measures

Reconciliation of Net Profit after Tax to Return on Average Assets

The tables below set forth our return on average assets (“ROAA”), which is a Non-GAAP Financial Measure, for the years indicated:

Particulars	Fiscal		
	2025	2024	2023
	(₹ in millions, except percentages)		
Net profit after tax (A)	4,785.33	2,794.06	2,046.54
Average financial assets (B) = [(i)+(ii)]/2	173,608.52	129,354.64	91,701.21
Financial assets at the beginning of the year (i)	145,588.71	113,179.76	70,317.86
Financial assets at the end of the year (ii)	201,628.32	145,529.52	113,084.56
Average financial assets (C) = [(iii)+(iv)]/2	6,298.89	5,400.44	3,035.71
Non-financial assets at the beginning of the year (iii)	5,912.98	4,833.43	1,209.83
Non-financial assets at the end of the year (iv)	6,684.79	5,967.45	4,861.59
Total Average Assets (D) = (B)+(C)	179,907.40	134,755.08	94,736.92
ROAA (E) = (A/D) (%)	2.66%	2.07%	2.16%

Note: Comparative figures of previous year considered as balance at beginning of the year.

Reconciliation of Net Profit after Tax to Return on Average Equity

The tables below set forth our return on average equity (“ROAE”), which is a Non-GAAP Financial Measure, for the years indicated:

Particulars	Fiscal		
	2025	2024	2023
	(₹ in millions, except percentages)		
Net profit after tax (A)	4,785.33	2,794.06	2,046.54
Average equity share capital (B) = [(i)+(ii)]/2	825.03	618.63	381.81
Equity share capital at the beginning of the year (i)	824.94	412.31	351.31
Equity share capital at the end of the year (ii)	825.12	824.94	412.31
Average other equity (C) = [(iii)+(iv)]/2	39,878.31	36,391.56	27,057.88
Other equity at the beginning of the year (iii)	37,540.76	35,242.35	18,873.40
Other equity at the end of the year (iv)	42,215.85	37,540.77	35,242.35
Total Average Equity (D) = (B)+(C)	40,703.34	37,010.19	27,439.68
ROAE (A/D) (%)	11.76%	7.55%	7.46%

(#)Non-interest income (adjusted for fee and commission expense)

Non-interest income (adjusted for car loan commission expense) breakdown

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	(₹ in millions)	(% of total non-interest income)	(₹ in millions)	(% of total non-interest income)	(₹ in millions)	(% of total non-interest income)
Net Car Loan Fees ⁽¹⁾	963.04	19.19%	1,075.68	28.03%	1,179.30	43.11%
Co-Lending Income ⁽²⁾	1,650.77	32.89%	1,018.10	26.53%	557.31	20.37%
Other non-interest income ⁽³⁾	2,405.42	47.92%	1,743.28	45.43%	999.04	36.52%
Total	5,019.23	100.00%	3,837.06	100.00%	2,735.65	100.00%

Notes:

(1) Commission income on car loan sourcing minus fee and commission expense;

(2) Net gain on derecognition of financial instruments;

(3) Includes net gain on fair value change, insurance income, application fees, other operating income and other income;

Operating Expenses (excluding fee and commission expense)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	(₹ in millions)	(% of total operating expenses)	(₹ in millions)	(% of total operating expenses)	(₹ in millions)	(% of total operating expenses)
Operating Expense (excluding fee and commission expense)	11,314.44	100%	9,462.55	100.00%	5,903.99	100.00%
- Employee cost	7,429.62	65.66%	6,236.92	65.91%	4,060.78	68.78%
- Other operating expenses	3,884.82	34.34%	3,225.63	34.09%	1,843.21	31.22%

Components of other operating expenses

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ in millions, except percentages)		
Interest on lease liability	327.57	342.25	147.62
Depreciation and amortization	1,017.13	878.70	439.13
Other expenses	2,540.12	2,004.68	1,256.46
Total	3,884.82	3,225.63	1,843.21

Reconciliation of Cost to Average AUM Ratio

The table below set forth our Cost to Average AUM Ratio, which is a Non-GAAP Financial Measure, for the years indicated:

Particulars	Fiscal		
	2025	2024	2023
	(₹ in millions, except percentages)		
Fees and commission costs	1,444.17	1,093.48	257.76
Employee benefit expense	7,429.62	6,236.92	4,060.78
Depreciation, amortisation and impairment	1,017.13	878.70	439.13
Other expenses (Including lease liability)	2,867.69	2,346.93	1,404.08
Total Cost	12,758.61	10,556.03	6,161.75
Total Cost (excluding fees and commission cost)	11,314.44	9,462.55	5,903.99
Average AUM⁽¹⁾	192,571.20	129,872.57	84,775.98
Cost to Average AUM Ratio (%)	6.63%	8.13%	7.27%
Cost (excluding fees and commission cost for the year) to Average AUM Ratio	5.88%	7.29%	6.96%

Notes:

- (1) Average AUM is calculated as the average of the consolidated AUM at the beginning of the year and the consolidated AUM at the end of the year.
(2) New car loan originations are made on behalf of third parties and are not assets under management.

RELATED PARTY TRANSACTIONS

For details of the related party transactions of our Company, including in relation to the loans made or, guarantees given or securities provided during (i) Fiscal 2025; (ii) Fiscal 2024; and (iii) Fiscal 2023, as per the requirements in accordance with Ind AS notified under the Ind AS Rules read with Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules 2015, as amended see “*Financial Information*” on page 283.

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Investors should carefully consider all the information in this Preliminary Placement Document, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks and uncertainties described below are not exhaustive and are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India and other jurisdictions we operate in. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. Each risk should be considered carefully, and the order in which the risks are presented does not reflect their relative importance or likelihood of occurrence. In order to obtain a more detailed understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Legal Proceedings” on pages 178, 116, 93, and 262, respectively, as well as the other financial information contained in this Preliminary Placement Document. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved, and should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

This Preliminary Placement Document contains certain forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document. For further information, see “Forward-Looking Statements” on page 17.

In this section, unless otherwise indicated or the context otherwise requires, a reference to “our Company” is a reference to Capri Global Capital Limited on a standalone basis, while any reference to “we”, “us” or “our” is a reference to Capri Global Capital Limited and its subsidiaries on a consolidated basis.

Our fiscal year ends on March 31 of each year. Accordingly, references to a “Fiscal” year are to the 12-month period ended March 31 of the relevant year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2025, 2024 and 2023 included herein is derived from the Audited Consolidated Financial Statements. For further information, see “Financial Information” on page 283. However, all information in this section regarding cost, yield and average balances is based on the average balances outstanding during the relevant Fiscal. For further information, see “Selected Statistical Information” on page 36.

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Report on Loans and Financial Services Industry in India” dated June 2025 (the “CRISIL Report”) prepared and issued by CRISIL, appointed by us and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with this Issue. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar/Fiscal, as applicable. For more information, see “Risk Factors – Certain sections of this Preliminary Placement Document disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.” on page 70. Further, unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

INTERNAL RISK FACTORS

- 1. We require substantial capital for our business. If we are unable to obtain debt on acceptable terms and at competitive rates or raise equity share capital when needed, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.**

Our ability to borrow on acceptable terms and at competitive rates depends on various factors, including, but not limited to, our debt ratings; policy initiatives and the regulatory environment; liquidity in the markets; the attractiveness of debt of NBFCs, such as our Company, to investors and lenders; and our current and future results of operations and financial condition. We face potential liquidity risks due to varying periods over which our assets and liabilities mature. Consequently, if we are unable to obtain additional debt or renew our existing credit facilities in a timely manner, it could lead to mismatches between our assets and liabilities, which in turn could have a material adverse effect on our financial condition, results of operations and cash flows.

Our funding requirements have been historically met through a combination of term loans from banks, term loans from others and the issuance of non-convertible debentures (“NCDs”) and commercial papers. As our Company is both an NBFC – Investment and Credit Company and a Systemically Important Non-Deposit taking NBFC, we do not have access to public deposits. As at March 31, 2025, our total borrowings were ₹ 155,768.11 million, comprising ₹ 150,681.54 million of borrowings

(other than debt securities) and ₹ 5,086.57 million of debt securities (NCDs and commercial papers) (collectively, “**Total Borrowings**”). As at March 31, 2025, we had availed borrowings from 21 lenders, and our total borrowings from banks were ₹ 122,502.63 million, or 78.64% of our Total Borrowings as at that date.

The tables below present our average balances for total interest-bearing liabilities together with the related interest expense, resulting in the presentation of the average cost for each Fiscal Year presented, as well as our average balances for total equity for each Fiscal Year presented.

	Year ended March 31,								
	2025			2024			2023		
	Average Balance ⁽¹⁾ [A]	Interest Expended ⁽²⁾ [B]	Cost ⁽³⁾ (%) [C = B/A]	Average Balance ⁽¹⁾ [A]	Interest Expended ⁽²⁾ [B]	Cost ⁽³⁾ (%) [C = B/A]	Average Balance ⁽¹⁾ [A]	Interest Expended ⁽²⁾ [B]	Cost ⁽³⁾ (%) [C = B/A]
	(₹ in millions, except percentages)								
	Interest-bearing liabilities:								
Debt securities	2,905.04	347.57	11.96%	2,476.66	191.29	7.72%	4,294.15	411.50	9.58%
Borrowings (other than debt securities and derivative financial liabilities) ⁽⁴⁾	126,406.93	12,060.84	9.54%	86,587.60	7,825.47	9.04%	57,206.18	4,752.07	8.31%
Total interest- bearing liabilities	129,311.96	12,408.41	9.60%	89,064.26	8,016.75	9.00%	61,500.32	5,163.57	8.40%
Total equity	40,510.49	Nil	Nil	36,951.01	Nil	Nil	25,097.78	Nil	Nil

Notes:

- (1) Average balances are calculated as the average of the opening balance at the start of the relevant Fiscal Year and the closing balances as at half year end and year end in the relevant Fiscal Year.
- (2) Interest expended is finance costs less interest on lease liability, which is an Ind AS adjustment. Interest on bank overdraft and bank CC has been grouped with interest on borrowings (other than debt securities), as these are immaterial amounts.
- (3) Cost on average balance is a Non-GAAP Financial Measure and is calculated as interest expended divided by the average balance.
- (4) Excludes derivative financial liabilities of ₹556.84 million, nil and ₹75.72 million for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

Our ability to borrow from various banks may be restricted on account of circulars issued by the RBI imposing restrictions on banks in relation to their exposure to NBFCs. Under the RBI’s Master Circular “Bank Finance to Non-Banking Financial Companies (“NBFCs”) issued on April 24, 2024 (“**Master Circular**”), the banks’ exposures to a single NBFC (excluding gold loan companies) will be restricted to 20% of their eligible capital base (Tier I capital). The Master Circular also recommends banks to consider fixing internal limits for their aggregate exposure to all NBFCs, which limits their exposure. While we have not faced any instances of default in the last three Fiscals, any limitation on our ability to borrow from banks may increase our Cost of Funds, which could adversely affect our business, financial condition, ability to meet working capital needs, results of operations and cash flows.

2. Our business is vulnerable to interest rate risk. Volatility in interest rates could have an adverse effect on our net interest income and net interest margin, thereby affecting our results of operations and cash flows.

The core business of our Company is providing loans to MSME, housing loans, gold loans and construction finance. We borrow through various financial instruments to finance our core lending activity. These activities expose us to interest rate risk. Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of balance sheet positions.

An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Company’s statement of profit and loss and equity for Fiscal 2025:

Financial Instruments Type	Increase / (decrease) in basis points (bps)	Sensitivity of profit or loss		Sensitivity of equity	
		(in ₹ million)			
Loans	50 bps up	Impact on Profit before Tax	649.77	Impact on equity	487.51
	100 bps up		1,299.55		975.03
	50 bps down		(649.77)		(487.51)
	100 bps down		(1,299.55)		(975.03)
Borrowings	50 bps up	Impact on Profit before Tax	(714.47)	Impact on equity	(536.22)
	100 bps up		(1,428.93)		(1,072.44)
	50 bps Down		714.47		536.22
	100 bps Down		1,428.93		1,072.44

Our results of operations depend, to a large extent, on the amount of our net interest income, which we define as our interest earned (excluding interest on security deposit) less our finance costs (excluding interest on lease liability) (“**Net Interest Income**”). Our Net Interest Income is affected by changes in our net interest margin, which we define as our Net Interest Income divided by the Average Total Interest-Earning Assets (“**Net Interest Margin**”). Any increase in the rate of interest at which we borrow from our lenders, without a corresponding increase in the interest rates we are able to charge our borrowers, could expose us to interest rate risk. In a declining interest rate environment, if our cost of funds do not decline simultaneously or to the same extent as the yield on our loans, it could lead to a reduction in our Net Interest Income and Net Interest Margin, affecting our results of operations, financial condition and cash flows. The table below provides details of our Net Interest Income and Net Interest Margin in the years indicated:

Particulars	Fiscal		
	2025	2024	2023
	(₹ in million)		
Net Interest Income	13,636.55	10,194.67	6,493.00
Net Interest Margin	8.46%	8.45%	7.58%

Interest rates are highly sensitive and volatility in interest rates could be a result of many factors, including the RBI’s monetary policies, rate hikes by the U.S. Federal Reserve, deregulation of the financial services sector in India, domestic and international economic and political conditions, inflation and economic policies in India. An increase in interest rate by our Company may add to the financial stress of our borrowers, leading to potentially higher delinquencies and may reduce the demand for our loans. We may not be able to reprice our existing loans comprehensively, or retain borrowers if interest rates are increased substantially, which could have an adverse effect on our net interest income and net interest margin, thereby affecting our business, financial condition and results of operations.

As at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, our fixed income investments (that is investments in commercial paper and debt instruments) were ₹ 293.81 million, nil and nil, respectively. Any increase in interest rates decreases the value of our fixed income investments and adversely affects our financial condition, results of operations and cash flows.

3. *If we are unable to control the level of Stage 3 Assets / NPAs in our portfolio effectively, or if we are unable to maintain adequate provisioning coverage, or if there is any change in regulatorily mandated provisioning requirements, our financial condition and results of operations may be adversely affected.*

The table below sets forth certain details of our Stage 3 Assets / NPAs as at and for the years indicated:

Particulars	As at and for the year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
	(₹ in millions, except percentages)		
Stage 3 Assets opening balance at the beginning of the period/year ⁽¹⁾	2,660.81	1,703.96	1,561.78
Increase/(Decrease)	206.17	956.85	142.18
Stage 3 Assets at the close of the period/year	2,866.98	2,660.81	1,703.96
Provisions on Stage 3 assets	1,196.74	1,202.45	526.45
Stage 3 Assets net of Stage 3 provisions ⁽²⁾	1,670.24	1,458.36	1,177.51
Total Loans (gross of provisions) ⁽³⁾	187,784.19	138,227.40	97,732.36
Expected credit loss provisions (including fund provisions)	2,677.96	2,566.84	1,794.47

Particulars	As at and for the year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
	(₹ in millions, except percentages)		
Net Loans (net of provisions) ⁽⁴⁾	186,587.45	137,024.95	97,205.91
Stage 3 Assets as a percentage of total Loans (gross of provisions)	1.53%	1.92%	1.74%
Stage 3 Assets net of Stage 3 provisions as a percentage of net loans (net of provisions)	0.90%	1.06%	1.21%
Stage 3 Assets provisions percentage	41.74%	45.19%	30.90%

Notes:

- (1) Stage 3 Assets include financial assets that have objective evidence of impairment at the reporting date.
- (2) Stage 3 Provisions are lifetime expected credit loss resulting from all default events that are possible over the expected life of the financial instrument.
- (3) Stage 3 Assets net of Stage 3 provisions are Stage 3 Assets less provisions (including fund based provisions).
- (4) Total Loans (gross of provisions) means net principal outstanding, overdue principal, overdue interest and accrued interest on standard loans given, and excluding Provisions.
- (4) Net Loans (net of provisions) means net principal outstanding, overdue principal, overdue interest and accrued interest on standard loans given, as adjusted for expected credit loss provisions (stage 3 Fund based provision).

Various factors that are beyond our control, such as macro-economic factors (including a rise in unemployment, a sharp and sustained rise in interest rates, developments in the Indian economy, movements in global commodity markets, exchange rates, rise in inflation and decreasing industrial production index), supply chain disruptions, regulatory hurdles and competition as well as customer-specific factors, such as wilful default and mismanagement of a customer's operations, may cause a further increase in the level of Stage 3 Assets/ NPAs and have a material adverse effect on the quality of our loan portfolio. In addition, our ability to recover the amounts due from customers to whom we have provided construction finance in a timely manner depends on the effective execution of the projects and the timely sale of the units in the project. Any delay in completion of projects or a decrease in property prices may negatively affect our borrowers in our construction finance sector and could lead to increases in Stage 3 Assets/ NPAs. This could also affect our debt ratings and translate into an increase in our Cost of Funds.

There can be no assurance that we will be able to maintain our NPA ratios. Any incorrect estimation of risks may result in our provisions not being adequate to cover any further increase in the amount of NPAs. We may also be required to write-off NPAs when we have no reasonable expectations of recovering the underlying amounts, and such derecognitions can affect our balance sheet.

In addition, the RBI has introduced stringent classification and provisioning requirements. For instance, on November 12, 2021, the RBI issued clarifications with respect to the master circular DOR.No.STR.REC.55/21.04.048/2021-22 on "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances" dated October 1, 2021 ("**Prudential Norms Master Circular**"), which clarified that the classification of borrower accounts as special mention accounts or NPAs will be on a day-end position basis and accounts can only be upgraded from an NPA to a 'standard' asset after the clearance of all outstanding dues (in other words, only if the entire arrears of interest and principal are paid by the borrower). Further, on February 15, 2022, RBI issued additional clarification with respect to the Prudential Norms Master Circular, which clarified, *inter alia*, that in case of borrowers having more than one credit facility from a lending institution, loan accounts shall be upgraded from NPA to standard asset category only upon repayment of entire arrears of interest and principal pertaining to all the credit facilities. If the RBI continues to impose increasingly stringent classification requirements regarding Stage 3 Assets/ NPAs and provisioning for such assets, the level of Stage 3 Assets/ NPAs could increase, and the overall quality of our loan portfolio could deteriorate.

In the event of any further increases in NPAs in our portfolio, or if our provisioning coverage is insufficient to cover our existing or future levels of NPAs, or if there is any change in regulatory provisioning requirements, our ability to raise additional capital and debt funds as well as our business prospects, financial condition and results of operations could be adversely affected.

4. We are subject to various covenants and obligations under our financing arrangements. If we do not comply with these covenants and obligations, our business, results of operations, cash flows and financial condition could be adversely affected.

As at March 31, 2025, we had Total Borrowings of ₹ 155,768.11 million. The financing arrangements that we have entered into with certain banks and financial institutions, as well as the terms and conditions of the NCDs issued by us contain restrictive covenants, which *inter alia* require us to obtain prior permission of such banks, financial institutions or debenture trustees or to inform them with respect to various activities, including the alteration of our capital structure, changes in management, approaching capital markets for mobilising additional resources either in the form of debt or equity and opening of bank accounts with other lenders. If the Promoters' and Promoter Group's shareholding in our Company falls below 51.00%, it would result in a breach of negative covenant under the agreements we have entered into for certain of our borrowings, which could lead to termination of those credit facilities, accelerated repayment of all amounts due thereunder, enforcement of any security provided thereunder and the trigger of cross default provisions. In addition, certain loan agreements require us to meet and maintain prescribed financial ratios. Furthermore, some of our financing arrangements contain cross default provisions upon the occurrence of an event of default, which could automatically trigger defaults under other financing arrangements, in turn magnifying the effect of an individual default.

While we have not faced any instances of default in the last three Fiscals, failure to meet our obligations under our financing agreements could have an adverse effect on our business, results of operations, cash flows and financial condition. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for extending loans to borrowers and other general corporate purposes.

5. Our inability to assess and recover the full value of collateral, or amounts outstanding under defaulted loans in a timely manner, or at all, could adversely affect our business, results of operations and financial condition.

We extend MSME loans, housing loans, and construction finance secured by property/land provided as collateral by the borrower. We also extend gold loans secured by pledged gold ornaments. If there is a significant fall in property prices or gold prices, there can be no assurance that we will be able to sell such properties or gold at prices sufficient to cover the amounts under default, which could lead to losses. In cases where immovable property is provided as security, its ownership documents may not be duly registered or adequately stamped, which renders such documents inadmissible in evidence, unless stamped prior to enforcement with payment of requisite penalties, or there may be challenges in title verification. Additionally, a significant portion of loans under MSME and housing loan are given to borrowers who do not have adequate formal proof of income or credit history. We may not be able to realise the assessed value of our gold collateral, due to, among other things, spurious gold or defects in the quality of gold. Consequently, should any default arise in relation to the corresponding loans, we may be unable to, or may incur additional expenses to, enforce our rights in relation to such collateral. There may also be failure by our employees to properly appraise the value of the collateral, which provides us with no recourse against the borrower and the loan sanctioned may eventually result in bad debt in our books of accounts.

As at March 31, 2025, all of our gross loans were secured by collateral, except for Small Business Loans of ₹ 254.61 million and loans to employees of ₹ 20.15 million. The table below set forth details of the security and the asset cover as per the product rules as of March 31, 2025 for each loan vertical:

Particulars	MSME loans	Housing loans	Gold Loans	Construction Finance	Indirect Lending
Security	First and exclusive charge / mortgage over the collateral property (residential, commercial or industrial property) with clean and marketable title.	First and exclusive charge / mortgage over the property with clean and marketable title.	Pledged gold ornaments (18 to 22 carat gold).	Hypothecation of the project's cash flows through an escrow mechanism, and collateral valued at a minimum of 1.5 times the amount of the loan outstanding.	Hypothecation of receivables and / or pledge of debt securities.

Further, if any of our borrowers take recourse of arbitration or litigation against our repayment claims, it may cause a further delay in our recovery process, leading to depreciation of the secured asset. Thus, we may be unable to fully recover the outstanding balance, even where we are able to successfully repossess and liquidate the collateral.

6. Our Company had experienced negative cash flows from operating activities in the past. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business, thereby affecting our financial condition.

Our Company has, in the past, experienced negative cash flows from operating activities. The table below provides details of our cash flows in the periods indicated:

Particulars	Fiscal		
	2025	2024	2023
	₹ (million)		
Net cash from / (used in) operating activities	(43,116.35)	(37,000.66)	(29,938.48)

We experienced negative cash flows from operating activities in Fiscals 2025, 2024 and 2023. This was primarily due to an increase in loans availed amounting to ₹48,367.64 million, ₹39,797.56 million and ₹32,538.57 million in Fiscals 2025, 2024 and 2023, respectively. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. It may strain liquidity, increase reliance on external funding and increase borrowing costs. We may face a shortfall of capital in future as a result of negative cash flows and there can be no assurance that we will be able to raise adequate capital in future. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see the sections titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on pages 93 and 283, respectively.

7. Our business is concentrated in the states of Rajasthan, Gujarat, Madhya Pradesh, Maharashtra and Delhi-National Capital Region (“Delhi-NCR”) and any adverse developments in any of these regions could have an adverse effect on our business, financial condition, results of operations and cash flows.

Our business is concentrated in the states of Rajasthan, Gujarat, Madhya Pradesh, Maharashtra and Delhi-NCR. The table below sets forth details of the state-wise concentration of our total AUM across four segments as at March 31, 2025:

State	AUM as at March 31, 2025									
	MSME ⁽²⁾		Housing loans		Gold loans		Construction finance		Total state-wise	
	(₹ in million)	% of total MSME loans AUM	(₹ in million)	% of total housing loans AUM	(₹ in million)	% of total gold loans AUM	(₹ in million)	% of total construction finance AUM	(₹ in million)	% of total AUM
Rajasthan	19,108.08	36.20%	11,188.95	21.51%	17,338.67	21.56%	133.73	0.32%	47,769.43	21.08%
Gujarat	11,111.44	21.05%	6,140.78	11.80%	11,914.99	14.82%	10,567.53	25.57%	39,734.74	17.54%
Madhya Pradesh	14,380.76	27.24%	14,972.36	28.78%	10,951.45	13.62%	1,556.42	3.77%	41,860.98	18.48%
Maharashtra	1,694.87	3.21%	5,297.75	10.18%	6,689.03	8.32%	13,847.52	33.51%	27,529.18	12.15%
Delhi-NCR ⁽¹⁾	3,208.39	6.08%	10,038.79	19.30%	6,127.81	7.62%	4,027.54	9.75%	23,402.53	10.33%
Uttar Pradesh	1,056.66	2.00%	3,398.88	6.53%	13,195.63	16.41%	45.43	0.11%	17,696.60	7.81%
Punjab & Haryana	269.09	0.51%	-	0.00%	10,809.22	13.44%	-	0.00%	11,078.31	4.89%
Telangana	658.04	1.25%	-	0.00%	-	0.00%	6,229.88	15.07%	6,887.92	3.04%
Karnataka	-	0.00%	255.40	0.49%	-	0.00%	4,265.12	10.32%	4,520.52	2.00%
Uttarakhand	-	0.00%	726.50	1.40%	2,988.57	3.72%	-	0.00%	3,715.07	1.64%
Andhra Pradesh	1,302.06	2.47%	-	0.00%	-	0.00%	585.94	1.42%	1,888.00	0.83%
Goa	-	0.00%	-	0.00%	406.98	0.51%	-	0.00%	406.98	0.18%
Tamil Nadu	-	0.00%	-	0.00%	-	0.00%	70.00	0.17%	70.00	0.03%
Total	52,789.37	100.00%	52,019.40	100.00%	80,422.35	100.00%	41,329.13	100.00%	226,560.25	100.00%

Notes:

(1) Delhi-NCR comprises Delhi and its adjoining cities (Gurugram, Noida, Ghaziabad, Faridabad, etc.)

(2) Includes Micro LAP loans.

Any sustained downturn in the economy of or natural disasters in any of the above referenced states could adversely affect our business, financial condition, results of operations and cash flows.

8. Our Company is subject to periodic inspections by the RBI and our Material Subsidiary, CGHFL is subject to inspections by the NHB. Non-compliance with observations made during any such inspections could result in penalties, including revocation of registration/ license or stringent restrictions on operations, and fines and could adversely affect the reputation of our business.

Our Company is subject to periodic inspections by the RBI of our Company’s books of accounts and other records. The RBI conducts an annual inspection relating to our financial position every year under Section 45N of the RBI Act. RBI inspections are a regular exercise and are carried out periodically by RBI for banks, financial institutions and NBFCs. The RBI has conducted periodic inspections in the past on various matters addressing our operations and relating to, among other things, our Company’s capital adequacy, internal generation of capital, compliance assessment and customer conduct.

In the recent inspection report issued by the RBI, certain observations were highlighted, including the need for more comprehensive information regarding group companies of the Company, further enhancements in the implementation of the risk management system, establishment of an independent customer support team, enhancement in the customer relationship management process in the nature of segregation of customer references into queries, requests and complaints, auto escalation of customer complaints to internal ombudsman, half yearly review of outsourced activities, formulation of criteria for the appointment of SMP by the NRC committee, reconstitution of the credit committee, certain process enhancements around gold loan portfolio of the Company and , sharing of human resources with the Material Subsidiary towards which significant steps have been taken in segregating major functions between the Company and the Material Subsidiary. The Company has provided appropriate responses to these observations and has either undertaken or is in the process of undertaking necessary steps to address the matters raised by the RBI.

However, if our Company fails to comply with the RBI’s observations or all of the terms and conditions stipulated in the observations or fails to seek waivers or extensions of time for complying with these terms and conditions, the RBI may take adverse actions against our Company, such as revoking its registration/ licence or placing stringent restrictions on our Company’s operations. Any major failure to meet the RBI’s directions could materially and adversely affect our Company’s pending applications or requests with the RBI and our Company’s ability to obtain the regulatory permits and approvals required to expand our business, or result in the interruption of all or some of our Company’s operations, which could have a material adverse effect on our Company’s business, financial condition and results of operations.

Our Material Subsidiary, CGHFL is subject to inspection by the NHB every year. The NHB has conducted annual inspections

of CGHFL in the past and addressed various operational matters, such as, (i) company policies, (ii) compliance with applicable regulatory guidelines and circulars and (iii) other operational matters. In the recent inspection report issued by NHB, they have highlighted observations such as revaluation of NPA accounts annually, requirement for automation for asset liability reports and non-maintenance of CKYC dates. While CGHFL has suitably responded to and complied with these observations from time to time, any significant deficiencies identified by the NHB could lead to sanctions and penalties. In the event that CGHFL is unable to comply with the applicable regulatory requirements or seek waivers or extensions of time for complying with such requirements, or if CGHFL fails to comply with the observations of the NHB, the NHB may impose penalties, take adverse action, and/or revoke CGHFL's licence/ registration or place stringent restrictions on its operations.

Inspections may temporarily impact operational efficiency by requiring significant resources and time. We cannot assure you that there will be no adverse findings by the NHB or the RBI in future inspections and that such findings will not have a material adverse effect on our reputation and business.

Since April 1, 2022, no show cause notices have been issued against us by the RBI. However, we cannot assure you that such instances will not take place or that similar actions will not be initiated against us in the future.

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

We operate in a highly regulated industry, and we have to adhere to various laws, rules and regulations. Our Company has a certificate of registration from the RBI to operate as an NBFC and is regulated by the RBI. Our Subsidiary, CGHFL has obtained a certificate of registration from the NHB to operate as an HFC and is regulated by the NHB. Accordingly, legal and regulatory risks are inherent and substantial in our business. As we operate under licenses or registrations obtained from the RBI, we are subject to actions that may be taken by the RBI in the event of any non-compliance with any applicable policies, guidelines, circulars, notifications and regulations issued by the RBI.

The RBI is empowered to, amongst other things, remove and replace a director or supersede the board of directors of NBFCs and HFCs in the public interest, remove or debar auditors, frame schemes for amalgamation and reconstruct or split NBFCs into viable and non-viable businesses to preserve the continuity of the activities of the NBFCs. We are also subject to any adverse findings that the RBI or NHB may have in future inspections.

The regulatory and policy environment in which we operate is continuously evolving and is subject to change. For instance, on April 9, 2025, the RBI introduced the Draft Reserve Bank of India (Lending Against Gold Collateral) Directions, 2025, which, *inter alia*, proposes certain changes in relation to, *inter alia*, norms for lending against gold collateral, monitoring of end use, unclaimed gold collateral, etc. The Government may implement new laws or other regulations and policies that could affect NBFCs and HFCs, which could lead to new compliance requirements requiring us to obtain approvals and licenses from RBI and NHB. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing laws, rules or regulations in the jurisdictions in which we operate, including by reason of any absence or ambiguity, or a limited body, of administrative or judicial precedent may be time consuming, as well as costly for us to resolve and may adversely affect the viability of our business or restrict our ability to grow our business in the future. Clarifications on ambiguous aspects may not be received in time, which may adversely affect the manner in which we conduct our business. Additionally, if we are adversely affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations, or are required to bear any costs in order to comply with such provisions or to defend any proceedings in relation to alleged breaches of such laws and regulations, our business, results of operations or financial condition may be adversely affected.

10. *Many of our customers do not have any credit history supported by tax returns, financial statements, credit card statements, statements of previous loan exposures or other related documents, which makes it more difficult for us to assess the credit risk of loans to such customers. Difficulties in assessing credit risks associated with our lending operations may lead to an increase in the level of our Stage 3 Assets/ NPAs, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.*

While deciding whether to extend credit to customers, we rely, to a significant extent, on the accuracy and completeness of information furnished to us by the customers for certain key elements of the credit assessment process. We follow Know Your Customer ("KYC") guidelines prescribed by RBI for potential customers to obtain information such as their income, assets, financial transactions and credit history and verify their place of employment and residence, as applicable, through telephonic conversations and physical visits. We also rely on third party service providers such as external legal and technical valuers for collateral valuation and credit bureaus for repayment records of prospective customers. However, the provision and collection of erroneous or misleading information may affect our judgement of credit worthiness of potential customers, and the value of and title to collateral.

We may not receive updated information regarding any change in the financial condition of our customers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation by our customers or employees. Further, we primarily cater to MSMEs, self-employed non-professionals and first-time borrowers that lack access to formal credit channels. Therefore, many of our customers do not have any credit history supported by tax returns, financial statements, credit card statements, statements of previous loan exposures or other related documents. During Fiscals 2025, 2024 and 2023,

14.32%, 12.86% and 12.47% of our MSME and housing loan disbursements were to new-to-credit customers, respectively. Cumulatively, as at March 31, 2025, 21.36% of the total AUM for MSME loans and 12.71% of the total AUM for housing loans have been to new-to-credit customers. If we are unable to properly assess the creditworthiness of our borrowers, including a failure to predict a borrower's true credit risk profile and/or ability to repay their loan, we may need to report higher levels of Stage 3 Assets / NPAs and record additional provision expenses, which may adversely affect our business, financial condition, results of operations and cash flows.

11. There are certain differences in the manner 'excess amounts received from customers' have been presented in the audited consolidated financial statements as at for the financial year ended March 31, 2025 compared to prior periods.

M S K A & Associates, Chartered Accountants ("MSKA") were appointed as our statutory auditors for a period of three years from September, 2024 and have reviewed our audited standalone and consolidated financial results as at and for the financial year ended March 31, 2025. Our financial statements as at and for the financial year ended March 31, 2024 and prior periods were audited by other auditors.

Historically, 'excess received from customers' was netted off against the loan book during the period. However, in Fiscal 2025, the loan book is presented without such adjustment, and the excess received from customers is regrouped under the heading of 'other financial liabilities'. As a result of these adjustments implemented during the review of our financial results for the financial year ended March 31, 2025, our historical financial statements on which our previous auditors have issued an audit opinion or conclusion, as applicable, are not comparable to this extent with our financial statements for subsequent periods.

12. We may face asset-liability mismatches, which could affect our liquidity and consequently, may adversely affect our operations and profitability.

As of March 31, 2025, loans with a tenure of 12 months or less, 12 months to 36 months and above 36 months constitute 38.31%, 17.69% and 27.50% respectively of our total assets on standalone basis. Set forth below is a break-down of our assets and liabilities based on tenure, indicating our asset-liability gap as at March 31, 2025 on standalone basis:

Particulars	Up to one month	Over one month to one year	Over one year to three years	Over three years to five years	Over five years	Total
(₹ in millions, except percentages)						
Cash, cash equivalents and investments (net of provisions)	13,610.49	21.08	0.10	210.31	5,752.91	19,594.90
Loans (performing)	3,311.77	60,327.57	29,386.41	22,072.67	23,600.30	138,698.72
Other inflows	806.55	1,189.57	261.48	1,321.23	4,225.67	7,804.50
Interest receivable & fund infusion by Promoters ⁽¹⁾	1,773.53	28,739.98	23,213.81	14,282.25	22,596.01	90,605.58
Total Inflows (A)	19,502.35	90,278.20	52,861.80	37,886.47	56,174.89	256,703.70
Cumulative Total Inflows (B)	19,502.35	109,780.54	162,642.35	200,528.81	256,703.70	256,703.70
Borrowings	1,967.45	32,757.50	48,418.13	31,702.13	2,800.78	117,645.99
Capital and reserve and surplus	0.00	0.00	0.00	0.00	39,648.39	39,648.39
Other outflows	2,656.36	3,343.25	188.34	185.33	2,430.47	8,803.75
Interest payable ⁽²⁾	906.64	8,983.36	11,836.24	3,506.70	227.58	25,460.53
Total Outflows (C)	5,530.45	45,084.11	60,442.71	35,394.16	45,107.22	191,558.65
Cumulative Total Outflows (D)	5,530.45	50,614.56	111,057.27	146,451.43	191,558.65	191,558.65
Mismatch (E = A-C)	13,971.89	45,194.09	(7,580.91)	2,492.31	11,067.67	65,145.05
Cumulative Mismatch (F = B-D)	13,971.89	59,165.98	51,585.07	54,077.38	65,145.05	65,145.05
Cumulative Mismatch as a % (F/D)	2.53%	1.17%	0.46%	0.37%	0.34%	0.34%

Notes:

(1) Interest receivable on term loans given and fund infusion by the Promoters.

(2) Interest payable on borrowings.

As of March 31, 2025, ₹ 138,698.72 million, or 83.50% of our overall assets is derived from our lending business. Any mismatch in the maturity profile of our assets and liabilities may lead to a liquidity risk and have an adverse effect on our business, cash flows and results of operations.

13. Our borrowers may transfer loan balances to other banks or financial institutions, resulting in a loss of interest income expected from such loans.

If interest rates rise, borrowers with variable interest rates on their loans are exposed to increased EMIs when the loans' interest rate adjusts upward. Such borrowers may seek to refinance their loans through balance transfer to other banks and financial institutions. Even if interest rates do not increase, our borrowers may seek to transfer loans to banks or other financial institutions that offer lower interest rates. In Fiscals 2025, 2024 and 2023, our borrowers transferred ₹ 8,490.34 million, ₹6,329.85 million and ₹4,076.08 million of loans to other banks or other financial institutions, respectively, which represented 9.69%, 7.93% and 6.38% of our MSME and housing gross loans as at March 31, 2025, 2024 and 2023, respectively. Loan balance transfers result in a loss of interest income expected from such loans over the course of their tenor. All NBFCs and HFCs are prohibited from charging pre-payment penalties on any floating rate term loan sanctioned for purposes other than business to individual borrowers. Even where we are allowed to charge a prepayment penalty, the amount of such penalty will not make up for all of the loss of interest income expected from such loans. Some of our borrowers may be able to find balance transfer options at comparably lower interest rates or other financing alternatives, which could have an adverse effect on our business, results of operations and financial condition.

14. A decline in our capital adequacy ratios could restrict our future growth.

Our Company is subject to regulations relating to the capital adequacy of NBFCs, which determine the minimum amount of capital our Company must hold as a percentage of the risk-weighted assets on its loan portfolio, or CRAR. Under the Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023, our Company is currently required to have a regulatory minimum CRAR of 15.00%, with a minimum Tier I Capital of 10.00%. The below table sets forth our Company's Tier I Capital and CRAR, each on a standalone basis, as at and for the years indicated:

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
Tier I Capital (%)	22.43%	26.15%	39.35%
CRAR (%)	22.84%	26.62%	39.86%

The decrease in our Company's CRAR as at March 31, 2024 was primarily due to our Company's risk weighted assets increasing by 36.28% from ₹ 81,888.91 million as at March 31, 2023 to ₹ 111,596.08 million as at March 31, 2024. The decrease in our Company's CRAR as at March 31, 2025 was primarily due to our Company's risk weighted assets increasing by 39.42% from ₹ 111,596.08 million as at March 31, 2024 to ₹ 155,583.46 million as at March 31, 2025, which was partially offset by an increase in total capital by 19.60%.

There can be no assurance that our Company will be able to maintain our CRARs within the regulatory requirements. Further, if our Company continues to grow its loan portfolios, our Company will be required to raise additional Tier I and Tier II Capital in order to continue to meet applicable capital adequacy ratios with respect to their respective business. There can be no assurance that our Company will be able to raise adequate additional capital in the future on terms favourable to them, or at all. This could result in non-compliance with applicable capital adequacy ratios, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

15. Any decrease in demand for the third-party new car loan products we distribute could result in a decrease in our commissions for selling those products.

We are a corporate selling agent for third-party new car loans, for which we are paid commissions. The table below sets forth details of our gross fee income, net fee income and total car loan origination volume for the following years:

Particulars	Fiscal		
	2025	2024	2023
	₹ (million)		
Gross fee income	2,407.21	2,169.16	1,437.06
Net fee income	963.04	1,075.68	1,179.30
Total car loan origination volume	105,518.76	97,414.74	56,939.20

We incorporated a wholly owned subsidiary, Capri Loans Car Platform Private Limited on October 16, 2023, through which our car loan products are distributed. The demand for our car loan products is subject to several factors beyond our control, such as *inter alia* a general slowdown in the auto industry and increase in the prices of new cars, cost of raw materials used to manufacture and assemble cars and interest rates provided by our third-party partners. Any decrease in demand for the third-party new car loan products we distribute could cause our fee and commission income from our car loan distribution business to decrease, which could adversely affect our results of operations. Further, an increase in competition or change in our

relationship with our banks and financial partners could adversely impact our margins. For more details, see “Our Business – Distribution of Third-Party Products – New Car Loans” on page 194.

16. *System failures or inadequacy and security breaches in information technology and telecommunication systems may adversely affect our operations and result in financial loss and disruption of our businesses, regulatory intervention or damage to our reputation.*

We are reliant on information technology systems in connection with, but not limited to, financial controls, risk management and transaction processing. The size and complexity of our computer systems may make them potentially vulnerable to breakdown, system integration problems, malicious intrusion and computer viruses. Our ability to operate and remain competitive depends in part on our ability to maintain and upgrade our information technology systems and infrastructure on a timely and cost-effective basis, including our ability to process a large number of transactions on a daily basis. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our financial, accounting and other data processing systems, management information systems and our corporate website may fail to operate adequately or become disabled as a result of events beyond our control, including a disruption of electrical or communications services.

As on March 31, 2025, we have moved most of our information technology infrastructure to a third-party public cloud service provider. System failures or network disruptions or breaches in the systems of such third-party cloud service provider could adversely affect our reputation or business. Any such breaches or breakdowns could lead to business interruption, exposure of our or our customers’ proprietary or confidential information, data corruption, damage to our reputation, exposure to legal and regulatory proceedings and other costs. Such events could have a material adverse effect on our financial condition, results of operations and cash flows.

We are also vulnerable to risks arising from the failure of employees to adhere to approved procedures, failures of security system, information system disruptions, communication systems failure and data interception during transmission through external communication channels and networks. Failure to detect these breaches in security may adversely affect our operations.

In April 2022, we had a system disruption due a bug in one of the third-party vendor systems used by us, after which we had to operate a few aspects of our operations manually for a few days. This system disruption did not result in data loss or any interruptions to our business and we have since then replaced the vendor and developed that particular functionality in-house. Apart from this, while there have been no instances of material system failures or inadequacies, cyber-attacks or security breaches in information technology and telecommunication systems that adversely affected our business operations in the last three Fiscals, we cannot assure that such instances will not take place in the future. If any of our systems are disabled or if there are other shortcomings or failures in our internal processes or systems, it may disrupt our business, negatively affect our operational efficiencies, render us liable to regulatory intervention, result in damage to our reputation and adversely affect our results of operations.

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

We have established internal control systems and processes for our internal audit team to scrutinise, and we periodically test and implement changes facets of our operations, as necessary. We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we take to mitigate these risks, which include investments in technology and digitising our operations, may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. As part of our internal audit review, our Company’s internal auditors have made observations in their internal audit reports on the need for improvements in certain processes related to our internal control systems, aimed towards strengthening the overall compliance and risk mitigation framework, which our Company has noted and complied with.

While we periodically test and update our internal control systems as necessary, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems and we cannot assure you that our systems and policies will be sufficient or will be fully corrected, or that similar or other deficiencies will not arise in the future. Further, our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction in a timely manner given our high volume of transactions. If internal control weaknesses are identified, our actions may not be sufficient to fully correct such internal control weakness. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material adverse effect on our reputation, business, financial condition, results of operations and cash flows.

18. *If we do not obtain, maintain or renew the statutory and regulatory permits and approvals required to operate our business, it could have a material adverse effect on our business, financial condition and results of operations.*

We are required to maintain a number of statutory and regulatory permits and approvals to operate our business under central, state and local government rules in India. For example, we need to maintain shops and establishment licenses for some of

our branches and maintain licenses under various applicable national and state labour laws for some of our offices and employees. Certain approvals, such as shops and establishment licenses, expire from time to time. Accordingly, we have made an application to the appropriate authorities for renewal of such approvals. For instance, currently we have applied for GST registration for branches at Punjab and Rajasthan. There can be no assurance that the relevant authorities will renew such approvals in a timely manner or at all. Moreover, we cannot assure you that approvals and licenses currently held by us would not be suspended or cancelled in the event of any major non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action.

In the future, we may be required to obtain new registrations, permits and approvals for our business, as a result of changes in current regulations or for any proposed expansion strategy or diversification into additional business lines or new financial products. There can be no assurance that the relevant authorities will issue any permits or approvals required by us in a timely manner, or at all, and/or on favourable terms and conditions.

If we fail to obtain any applicable statutory and regulatory permits and approvals in a timely manner or at all, some of our contracts with third parties may be terminated and we may not be able to undertake certain operations of our business, which would adversely affect our business, results of operations and cash flows. Also see “– Risk Factors – We operate in a highly regulated industry, and any changes in the laws, rules and regulations applicable to us may adversely affect our business, financial condition and results of operations” on page 59.

19. Fraud, theft or misconduct by our employees could adversely affect our reputation and results of operations.

In cases where customers repay their loans in cash directly to us, we are exposed to the risk of fraud, misappropriation or unauthorised transactions by employees responsible for dealing with such cash collections.. In Fiscals 2025, 2024 and 2023, borrowers made cash payments to us of ₹ 9,072.58 million, ₹30,421.41 million and ₹6,929.94 million, respectively, which represented 4.56%, 25.65% and 14.64% of total payments (excluding loans against debt securities and employee loans) by borrowers to us, respectively. While we have procured insurance for cash in safes and in transit and have put in place systems to detect and prevent any unauthorised transaction, fraud or misappropriation by our employees, these measures may not be effective in all cases. In the past, we have been subject to acts of fraud and theft committed by our employees of a non-material nature. There can be no assurance that such events will not recur in the future.

Further, we may be subject to regulatory or other proceedings in connection with any unauthorised transaction, fraud or misappropriation by our employees, which could adversely affect our reputation and goodwill. Misconduct by our employees could bind us to transactions that exceed authorised limits or present unacceptable risks, and our employees could conceal unauthorised or unlawful activities from us. For instance, our Company has initiated criminal proceedings against certain former employees under the gold loan business for committing fraud in connivance with borrowers. In the past, our Company has also received whistle blower complaints regarding involvement of certain of our employees in fraudulent activities. Our Company took appropriate action against them and such employees were relieved from services. Employee misconduct could also involve front running in securities markets or the improper use or disclosure of confidential information or non-compliance with insider trading rules, which could result in regulatory sanctions against us and serious reputational or financial harm. Since April 1, 2022, we have not had any regulatory sanctions against us for employee misconduct. It is not always possible to deter fraud or misconduct by employees, and the precautions we have taken and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Any instances of fraud or misconduct could adversely affect our reputation, business, results of operations and financial condition.

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

We have engaged various third parties for support in some of our business functions, including some of our legal and technical due diligence, repossession activities, document storage, and some of our IT and cloud storage. We use third party vendors for scanning services, storage services, outbound calling, mandate registration, transaction processing and collections through internet payment gateways. Certain services like Aadhaar validation, SMS, Whatsapp, LMS and Account Aggregator are also third party vendor solutions that are being used by us, however besides SMS, the API integrations and backup ecosystems for all such integrations are being done in-house. We also rely on multiple external technical vendors, in addition to the support received from our in-house technical team. Additionally, we have engaged multiple legal vendors and risk containment unit vendors for cases above ₹1.50 million. However, a majority of the core systems being used by the branches and field staff are developed in house and we have comprehensive control and monitoring mechanisms in place for the management of these systems. Several of our IT systems have been moved in-house with AWS-based snapshot policy and point in time recovery features, that have been enabled for all cloud-based vendor systems.

While there have been no significant instances in which the abovementioned third parties have failed to perform their obligation under their respective contracts in the last three Fiscals, we cannot assure you that such instances will not occur in the future. If these third parties fail to perform their obligations and we experience system or technical failures as a result of the same, it could adversely affect our business and cause us financial loss, which may not be recoverable from such third parties in full or at all.

21. In line with the RBI's co-lending model, we entered into tie-ups for co-lending in the MSME loan, gold loans and housing loan segments. If we are unable to agree on mutual standards and procedures for co-lending loan applications with our co-lending banks, it will have an adverse effect on the growth of our co-lending loans vertical.

In line with the RBI's notification on co-lending, we have entered into tie-ups for co-lending in the MSME loans segment from November 2021, in the affordable housing loans segment from February 2022, and in the gold loans segment from July 2023. Under our co-lending arrangements with the banks, we retain 20-30% of co-originated loans on our balance sheet while the co-lending banks retain the balance. We are also entitled to a spread and loan service fee from the co-lending banks. Credit costs are shared proportionately between us and the co-lending banks. As at March 31, 2025, our AUM under the co-lending model for the MSME loans was ₹ 10,024.79 million, for the affordable housing loans was ₹ 5,963.16 million and that for the gold loan was ₹ 24,809.68 million which was 18.99%, 11.46% and 30.85% of the segment wise AUM, respectively as of March 31, 2025. In order to grow our co-lending loans in a meaningful way, we will need to have mutually agreed standards and procedures for co-lending loan applications with our co-lending banks in order to reduce the turn-around time for those applications and develop a common IT platform with co-lending banks for processing co-lending applications. We have developed an in-house technology application to integrate with the banks' IT systems using APIs, and have built the co-lending parameters and acceptance criteria of the banks for processing the co-lending applications in the system, which has resulted in an improvement in acceptance ratio with our co-lending partners. However, if we are unable to achieve these two aspects, it will have an adverse effect on the growth of our co-lending loans. The incremental limits under our co-lending agreements are subject to review and are given by each bank after it analyses the performance of the co-lending loans made by them, and also our performance as a whole. Delinquencies and/or losses on co-lending loans above a co-lending bank's tolerance level may result in that bank not giving additional limits to us under the co-lending agreement with that bank, which could adversely affect the growth of our co-lending loans.

22. Our Company has certain contingent liabilities that have not been provided for in our financial statements which, if they materialize, may adversely affect our financial condition.

The following table sets forth certain information relating to our contingent liabilities as on March 31, 2025 which have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 37 on "Provisions, Contingent liabilities and Contingent assets":

Particulars	As of March 31, 2025 (₹ million)
Income Tax under dispute	37.40
Indirect Tax matters under dispute	34.72

For details on income tax disputes involving us, see "Legal Proceedings – Material Civil Proceedings" on page 263. If any of these contingent liabilities materialise, our financial condition, results of operations and cash flows could be adversely affected.

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

From time to time, we and/or our Promoters, our Directors, and our Subsidiaries are involved in litigation, claims and other proceedings. Currently, there are outstanding legal proceedings against us, our Promoters, our Directors, and our Subsidiaries. These proceedings are pending at different levels of adjudication before various courts, tribunals and appellate tribunals. For further details in relation to the legal proceedings against our Company, our Promoters, and our Subsidiaries, see "Legal Proceedings" on page 262. We cannot assure you that these proceedings will be decided in our, our Promoters', our Directors' and/or our Subsidiaries' favour, or that no further liability will arise out of these proceedings.

Further, we may not be able to effectively redress customers' complaints resulting from acts, omissions, or fraud by our employees in a timely manner or at all. There can be no assurance that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us which could adversely affect our results of operations, financial condition, cash flows, prospects and reputation.

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in applicable law or rulings against us by appellate courts or tribunals, we may need to make provisions in our audited financial statements that could increase our expenses and current liabilities. Often these cases raise complex factual and legal issues, which are subject to risks and uncertainties and which could require significant time from our directors and/or our management or Promoters. Litigation and other claims and regulatory proceedings against us or our management could result in unexpected expenses and liabilities. Any adverse decision in any of these proceedings may have an adverse effect on our business, results of operations and financial condition.

For further details in relation to legal proceedings, please see the section titled "Legal Proceedings" on page 262.

24. Any non-compliance with mandatory anti-money laundering, combating-terrorism financing and know your customer laws could expose us to liability and harm our reputation.

We are mandated to comply with anti-money laundering (“**AML**”), combating of financing of terrorism (“**CFT**”) and know your customer (“**KYC**”) regulations in India. These laws and regulations require us, among other things, to adopt and enforce AML, CFT and KYC policies and procedures. While we have adopted policies and procedures aimed at collecting and maintaining all relevant AML, CFT and KYC-related information from our customers in order to detect and prevent the use of our banking networks for illegal money-laundering and terrorism financing activities, we run the risk of collecting information that may be used by other parties in attempts to engage in money-laundering, terrorism financing and other illegal or improper activities.

There can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and we may accordingly be subject to regulatory actions, including imposition of fines and other penalties by the relevant government agencies to whom we report to, including the Financial Intelligence Unit – India. Our business and reputation could suffer if any such parties use or attempt to use us for money-laundering, terrorism financing or illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable regulatory requirements. We have not experienced any material instances of money laundering or similar illegal activities in the three preceding Fiscals and in the nine months ended March 31, 2025.

25. Our Company may receive complaints under its whistle blower policy from time to time.

Our Company maintains a whistle blower policy to inter alia, develop a procedure for dealing in complaints relating to malpractice, actual or suspected fraud, violation of the Code of Conduct of our Company, instances of leakage of unpublished price sensitive information, breach of any policy, abuse of power and authority by any official or any other acts with an intention of unethical personal gain or to cause damage to our Company or employees. Our Company has previously received complaints under this policy, which have either been resolved or are in the process of being resolved in accordance with the policy. As of the date of this Preliminary Placement Document, there are six pending complaints under our Company’s whistle blower policy. In the event complaints received by the Company result in any legal action or regulatory penalties against the Company in the future, it may adversely affect our reputation, business, financial condition and/or results of operations.

26. As of March 31, 2025, our Promoters and Promoter Group collectively own 69.87% of the outstanding Equity Shares, leading to significant control over us, and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.

As of March 31, 2025, our Promoters, together with the members of the Promoter Group, collectively owned 69.87% of the outstanding Equity Shares. Our Promoters and Promoter Group have the ability to control our business, including matters relating to any sale of all or substantially all of our assets, timing and distribution of dividends, election of our officers and directors and change of control transactions. The Promoters’ control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in the Company’s best interest. The Promoters and members of the Promoter Group may influence the material policies of our Company in a manner that could conflict with the interests of our other shareholders.

27. We have listed non-convertible debentures. Any default, non-compliances and delays in complying with reporting requirements and the terms and conditions of NCDs in the future may render us liable to prosecution and/or penalties.

Our NCDs are listed on the wholesale debt segment of BSE. The table below sets forth details of our listed NCDs as at March 31, 2025:

Sr. No.	ISIN No.	Date of Allotment	Date of Redemption	Tenor	Coupon	Sanctioned Amount (₹ in millions)	Outstanding amount as at March 31, 2025 (₹ in millions)	Repayment Terms
1	INE180C07072	August 9, 2019	August 9, 2029	10 years	10.23% p.a. payable quarterly	1,500.00	1,500.00	Bullet payment on maturity
2	INE180C07148	March 28, 2025	February 9, 2035	9 years, 10 months and 12 days	9.40% p.a. payable annually, with the first coupon from February 10, 2026 onwards	200.00	200.00	Bullet payment on maturity
Total							1,700.00	

We are required to comply with applicable rules and regulations, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the SEBI LODR Regulations, in terms of our listed NCDs. While we have been in compliance with the terms and conditions of the NCDs during the last three Fiscals, if we fail to comply with applicable rules and regulations or incur any further defaults in relation to the material covenants of NCDs, we may be subject to certain penal actions, including the recall of NCDs, which may have an adverse effect on our reputation, business, financial condition and cash flows. Further, any non-compliance with the applicable rules and regulations in relation to our NCDs may result in the suspension of trading of the NCDs and levying of fines, penalties etc. by the Stock Exchanges.

28. We have availed loans amounting to ₹ 3,940.00 million that can be recalled at any time.

As at March 31, 2025, we had loans amounting to ₹3,940.00 million that are repayable on demand, which represented 2.53% of our Total Borrowings as at that date. In case any of these loans are recalled, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. The early recall of any of these loans could have an adverse effect on our financial condition, results of operations and cash flows.

29. Any downgrade in our credit ratings could increase our borrowing costs, affect our ability to obtain financing, and adversely affect our business, results of operations, cash flows and financial condition.

The cost and availability of capital depends in part on our short-term and long-term credit ratings. The table below provides details of credit ratings received in the last three Fiscals:

Rating Agency	Date of Rating Letter	Instrument	Debt Ratings	Outlook
Infomerics Valuation and Rating Limited	May 5, 2025	Cash credit	IVR AA	Positive
Infomerics Valuation and Rating Limited	May 5, 2025	Term loans	IVR AA	Positive
Infomerics Valuation and Rating Limited	May 5, 2025	Non-convertible debentures	IVR AA	Positive
Acuité Ratings & Research Limited	April 30, 2025	Bank loan ratings	ACUITE AA	Stable
Acuité Ratings & Research Limited	April 30, 2025	Non-convertible debentures	ACUITE AA	Stable
CRISIL Ratings Limited	April 30, 2025	Commercial paper	CRISIL A1+	NA
CARE Ratings Limited	July 23, 2024	Commercial paper	CARE A1+	NA

Notes:

- (1) On March 26, 2024, Infomerics Valuation and Rating Private Limited revised its outlook from “Stable” to “Positive”.
(2) On August 31, 2024, Acuité Ratings & Research Limited revised its rating from “AA-” to “AA”.

Any downgrade in our credit ratings could increase borrowing costs, result in an event of default under certain of our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, cash flows and our business. While there have been no instances of a downgrade in our credit ratings in the last three Fiscals, we cannot assure you that such instances will not take place in the future.

30. We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims.

We have four registered trademarks and have applied for registration for fourteen other trademarks. Our Subsidiary, CGHFL has two registered trademarks and has applied for registration for ten other trademarks. For further information, see “Our Business – Intellectual Property” on page 202.

With respect to our trademarks that have been applied for, and/or objected or opposed, we cannot assure you that we will be successful in resolving such challenges, nor can we guarantee that our trademarks will be registered in our name. As a result, we may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted.

There can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation, and goodwill. Further, while we take care to ensure that we comply with the intellectual property rights of third parties, we cannot determine with certainty whether we are infringing upon any existing third-party intellectual property rights. We cannot assure you that we will not be involved in such disputes in the future, including disputes relating to our pending trademark applications. Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate and could divert our management’s attention and other resources. These claims could also subject us to significant liability for damages, potentially including enhanced statutory damages if we are found to have wilfully infringed intellectual property rights.

31. We do not own the premises where our branches are located, not including premises for our Registered Office and support offices. Any termination or failure by us to renew the lease and license agreements in a favorable and timely manner, or at all, could adversely affect our business, cash flows and results of operations.

As at March 31, 2025, we had 1,111 branches, not including our Registered Office and support offices, all of which were on leased premises. A number of lease deeds are currently under renewal process and we cannot assure that we will be able to renew the lease deeds on favourable terms. As our leases expire, we may fail to negotiate renewals, either on commercially

acceptable terms or at all, which could cause us to pay increased occupancy costs or to close branches in desirable locations or to shift them, which may not necessarily yield best results. Furthermore, a number of long-term leases are not renewable or extendable, and the lessee would be required to vacate the premises on the expiry of the lease period. We may also be required to relocate our branches if there is early termination of any of our leases due to our non-compliance with the terms. Some of our lease or leave and license agreements may also not be adequately stamped or duly registered. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India and may not be authenticated by any public officer and the same may attract a penalty as prescribed under applicable law, any of which could result in an adverse effect on our business, results of operations and cash flows.

32. *Our inability to compete effectively in an increasingly competitive industry may adversely affect our market share, business and financial condition.*

The financial services market is being served by a range of financial entities, including traditional banking institutions, captive finance affiliates of players in various industries, NBFCs and small finance banks approved by RBI to enhance credit penetration. Our competitors include established Indian banks, other NBFCs, other HFCs, small finance banks, and the private unorganised and informal financiers who principally operate in the local market. Some of the Indian banks have subsidiaries and affiliates operating as NBFCs with significant market share, distribution reach and product portfolio, and since we are unable to accept deposits, our Cost of Funds may be higher.

We are subject to the potential increase in competition brought about by changes in the laws and regulations governing our business and those adjacent to ours. Any changes in the relevant laws or regulations by the RBI to correct, clarify or amend regulatory subject matters may result in the diminishment of the available opportunities for regulatory arbitrage. We cannot assure you that changes in the relevant laws and regulations in the future may not result in an increase in competition from other players. Liberalization of the Indian financial services sector could also lead to a greater presence or new entries of Indian and foreign banks, NBFCs, and other entities operating in the financial services sector offering a wider range of products and services. This could adversely affect our competitive environment. Increasing competition may also result in slower growth and a reduction in our net interest margin and market share, and consequently may have an adverse effect on our results of operations and financial condition.

33. *Any negative publicity regarding our Company or the financial services industry could damage our reputation and adversely impact our business and financial results.*

Negative publicity regarding us or our operations or the financial services industry in generally could adversely affect our ability to attract and retain customers and may expose us to litigation and regulatory action. It could erode customer trust and confidence in us, particularly if such incidents attract regulatory investigations. Negative publicity could result from our actual or alleged conduct in any number of activities, including lending practices, loan servicing and foreclosure practices, corporate governance, regulatory compliance, mergers and acquisitions and related disclosure, sharing or inadequate protection of customer information, and actions taken by regulators and community organisations in response to our conduct. The dissemination of inaccurate information online could harm our business, reputation, prospects, financial condition and operating results, regardless of the information's accuracy. Such unverifiable or false information regarding us may be published online or on social media by third parties, or any other such damage to our brand or our reputation may result in withdrawal of business by our existing customers and loss of new business from potential customers, could increase our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our business, results of operations and financial condition.

34. *We are subject to the bankruptcy code in India, the applicability of which may impact our ability to recover loans from customers.*

Under the Insolvency and Bankruptcy Code, 2016 (“**Bankruptcy Code**”), upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. If insolvency proceedings are initiated against a debtor to our Company, we may not have complete control over the recovery of amounts due to us. Any decision of the committee of creditors must be taken by a vote of not less than 75% of the voting share of all financial creditors. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it.

In the case of a liquidation process, the Bankruptcy Code provides for a fixed order of priority in which proceeds from the sale of the debtor's assets are to be distributed. Before sale proceeds are distributed to a secured creditor, they are to be distributed for the costs of the insolvency resolution and liquidation processes and debts owed to workmen and other employees. The claims of secured creditors, workmen and other employee dues and unsecured financial creditors have priority over dues owed to the Central and State Governments. Moreover, other secured creditors may decide to opt out of the process, in which case they are permitted to realise their security interests in priority.

While the applicable provisions of the IBC in relation to insolvency resolution and bankruptcy for individuals, i.e., certain provisions of Part III of the IBC, are currently not notified, when these provisions of the IBC are notified in the future, it may affect how we recover our loans and enforce our rights in compliance with the IBC with respect to these salaried and self-

employed individuals.

35. We depend on our Key Managerial Personnel, Senior Management Personnel and our employees, and the loss of their services could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our continued success depends to a large extent on our ability to recruit and retain Key Managerial Personnel, Senior Management Personnel and key employees. If we are unable to retain or suitably replace them, it could have a material adverse effect on our business, financial condition, results of operations and cash flows. Our ability to execute orders and to obtain new clients also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly at managerial levels. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also not be unable to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team or other key personnel or an inability on our part to manage the attrition levels; may adversely impact our business, results of operations, financial condition and growth prospects. The following table sets forth the attrition rate for our mid to senior employees for the years indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of Employees Exits*	160	155	70
Average Number of mid to senior Employees during the period*	785	632	429
Attrition Rate*	20.40%	24.53%	16.32%

*Attrition rate is calculated as overall exits of mid to senior level employees (designated as senior manager and above) excluding employees with less than 180 days tenure, PIP, termination divided by average number of employees during the period.

The following table sets forth the attrition rate for our senior employees for the years indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of Employees Exits*	6	5	3
Average Number of senior Employees during the period*	50	38.5	29.5
Attrition Rate *	12.00%	12.99%	10.17%

*Attrition rate is calculated as overall exits of senior level employees (designated as senior vice president and above) excluding employees with less than 180 days tenure, PIP, termination divided by average number of employees during the period.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel may adversely affect our business, results of operations, cash flows and financial condition.

36. Certain of our Company's corporate records and filings are not traceable. We cannot assure you that regulatory proceedings or actions will not be initiated against us in the future and that we will not be subject to any penalty imposed by the competent regulatory authority in this respect.

We have been unable to trace form filings, share transfer forms, and challans for certain allotments of our Company as the relevant information was not available in the records maintained by our Company or on the online portal of the Ministry of Corporate Affairs ("MCA Portal") or in the physical records available at the RoC premises. Despite conducting internal searches and engaging an independent practicing company secretary, i.e., Riddhi Krunal Shah, to conduct a physical search of our records at the RoC, we have not been able to trace (i) Form-2 and challan filed for allotments dated February 28, 1995, July 15, 1995 and November 3, 1997; (ii) board and shareholder resolutions and prospectus for allotment dated March 8, 1996; and board resolution for allotment dated November 3, 1997. Accordingly, for the purpose of making disclosures in this Preliminary Placement Document, we have relied on secondary documents such as allotment resolutions, shareholders' resolutions and the search carried out by Riddhi Krunal Shah, independent practicing company secretary (having peer review certificate bearing number 2037/2022), and certified by their certificate dated June 4, 2025 ("RoC Search Report") pursuant to their inspection and independent verification of the documents available or maintained by our Company, the Ministry of Corporate Affairs at the MCA Portal and physical inspections conducted at the offices of the RoC. While there have been no regulatory proceedings or actions initiated against us in relation to the aforementioned anomalies, non-compliance, inaccuracies or non-availability of the corporate records, we cannot assure you that the relevant corporate records will become available in the future, that regulatory proceedings or actions will not be initiated against us in the future, or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect.

37. Our investments are subject to market risk.

As at March 31, 2025, our investments were ₹ 1,604.17 million, which represented 0.77% of our total assets. The table below sets forth details of our investments and our mark-to-market gains / (losses) on these investments as at the dates indicated:

Particulars	As of March 31,		
	2025	2024	2023
	(₹ million)		
Investments	1,604.17	2,162.29	2,155.15
Mark-to-market gains / (losses)	58.09	19.33	14.39

Additionally, as at March 31, 2025, our investments subject to market risks primarily included units of mutual funds, debt securities, equity instruments, government securities and certificates of deposits. The value of these investments depends on several factors beyond our control, including interest rates, the domestic and international economic and political scenario, inflationary expectations and the RBI's monetary policies. Any decline in the value of these investments may have an adverse effect on our financial condition and results of operations.

38. Our Company's ability to pay dividends in the future will depend on our financial condition, results of operations, cash flows and capital requirements.

Any dividends to be declared and paid in the future are required to be recommended by our Company's Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company's ability to pay dividends in the future will depend on our Company's financial condition, results of operations, cash flows, capital requirements and the terms of its contracts, including financing arrangements, charter provisions and applicable laws and regulations. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company's shareholders in future consistent with our past practices, or at all.

39. We may not have adequate insurance and may be unable to secure additional insurance to cover all losses we may incur in our business operations or otherwise.

We have an electronic equipment insurance policy, a standard fire and perils policy, a burglary insurance policy, a bankers indemnity insurance policy covering cash on hand, coverage for which is based on a certain average amount based on industry practice, vehicles insurance, a public liability insurance policy, a money in transit policy and a director and officers liability insurance policy. For details on the insurance policies that we hold, see "Our Business – Insurance" on page 201. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations, including when the loss suffered is not easily quantifiable and in the event of severe damage to our reputation. Furthermore, we may not be able to secure any additional insurance coverage on commercially reasonable terms or at all. The table below sets forth our total insurance coverage as of the dates indicated:

Particulars	As of March 31,		
	2025	2024	2023
Insured assets (₹ million)	1,799.77	1,642.85	1,542.22
Percentage of total insurable assets (%)	98.52%	102.46%	112.92%

Our insurance claims for Fiscals 2025, 2024 and 2023 were ₹ nil, ₹0.06 million and nil, respectively. We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully or on time. Any payments we make to cover any losses, damages or liabilities or any delays we experience in receiving appropriate payments from our insurers could have an adverse effect on our business, financial condition, cash flows, and results of operations. We cannot assure you that such instances will not arise in the future.

40. We have in the past entered into related party transactions and may continue to do so in the future.

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. All such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions. Further, it is likely that we may enter into additional related party transactions in the future. Such future related party transactions may potentially involve conflicts of interest. The table below sets forth details of absolute sum of all related party transactions and the percentage of such related party transactions to our revenue from operations in the periods indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ million, except percentages)		
Absolute sum of all Related Party Transactions	1,807.48	391.25	30.39
Revenue from Operations (₹ million)	32,508.36	23,128.57	14,633.45
Absolute sum of all Related Party Transactions as a Percentage of Revenue from Operations (%)	5.56%	1.69%	0.21%

For further information on our related party transactions, see “*Related Party Transactions*” on page 52.

41. *Certain sections of this Preliminary Placement Document disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.*

We have availed the services of an independent third-party research agency, CRISIL, appointed by us pursuant to an engagement letter dated December 13, 2024, to prepare an industry report titled “*Report on Loans and Financial Services Industry in India*” dated June 2025, which has been paid for and commissioned exclusively for the purposes of inclusion of such information in this Preliminary Placement Document to understand the industry in which we operate. Our Company, our Promoters, our Directors, our Senior Management Personnel / KMPs, are not related to CRISIL. The CRISIL Report has been commissioned by our Company exclusively in connection with the Offer for a fee. The CRISIL Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Further the commissioned report is not a recommendation to invest or divest in our Company. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Preliminary Placement Document, when making their investment decisions.

42. *Certain non-GAAP financial measures relating to our operations and financial performance have been included in this Preliminary Placement Document. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*

Certain non-GAAP financial measures relating to our operations and financial performance have been included in this Preliminary Placement Document. We compute and disclose such non-GAAP financial measures as we consider such information to be useful measures of our business and financial performance.

These non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the periods or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these are not standardised terms, hence a direct comparison of these non-GAAP Measures between companies may not be possible. Other companies may calculate these non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

EXTERNAL RISK FACTORS

43. *Changing laws, rules and regulations in India could lead to new compliance requirements that are uncertain.*

Our business, financial performance, cash flow and results of operations could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Our business, cash flows, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. The regulatory and policy environment in which we operate are evolving and are subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

For instance, the GoI has enacted the Digital Personal Data Protection Act, 2023 (“**Data Protection Act**”) on personal data protection for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data. The Data Protection Act requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with the Data Protection Act. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. In addition, the GoI has introduced the Code on Social Security, 2020 (“**Social Security Code**”); the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations (collectively, the “**Labour Codes**”) and the Bharatiya Nyaya (Second) Sanhita, 2023, Bharatiya Nyaya Sakshya Sanhita, 2023 and Bhartiya Sakshya Sanhita, 2023 have replaced the Indian Penal Code, 1860, Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively. The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. For instance, under the Social Security Code, a new concept of deemed

remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund. In another example, the GoI has made it mandatory for business establishments with turnover above a certain size to offer digital modes of payment from November 2019, with no charges being levied on the consumers or the merchants by banks and payment service providers. Such measures could adversely impact our income streams in the future and adversely affect its financial performance.

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

44. *Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.*

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics and man-made disasters, including acts of war, terrorist attacks and other events such as political instability, including strikes, demonstrations, protests, marches or other types of civil disorder, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn adversely affect our business, financial condition, cash flows and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19. As a result, any future outbreak of a contagious disease could have an adverse effect on our business and the trading price of the Equity Shares.

Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to which we sell or propose to sell our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

45. *The price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Issue Price, or at all.*

Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after the Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Preliminary Placement Document. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including, among others:

- the activities of competitors;
- future sales of the Equity Shares by us or our Shareholders;
- investor perception of us and the industry in which we operate;
- changes in accounting standards, policies, guidance, interpretations of principles;
- expectations of analysts that may not be in line with our financial performance;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations
- the public's reaction to our press releases and adverse media reports; and

- change in Dividend policy.

A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

46. *Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.*

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares until the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner. We cannot assure you that listing and trading approvals will be issued by the Stock Exchanges in a timely manner, or at all, or that trading in the Equity Shares will commence in a timely manner, or at all. If there is a failure or a delay in obtaining such approvals, we may not be able to credit the Equity Shares allotted to you to your Depository Participant account or assure ownership of such Equity Shares by you in any manner promptly after the Closing Date or at all. In any such event, your ownership over the Equity Shares allotted to you and your ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure, see "Issue Procedure" on page 216.

47. *There is no guarantee that our Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell their Equity Shares on a Stock Exchange*

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a delay in listing the Equity Shares on NSE and BSE, which would adversely affect your ability to sell the Equity Shares.

48. *We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.*

The Competition Act, 2002, of India, as amended ("**Competition Act**"), was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India ("**CCI**") to prevent such practices. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition ("**AAEC**") is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of consumers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. In the event we pursue an acquisition in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects. The manner in which the Competition Act and the CCI affect the business environment in India may also adversely affect our business, financial condition, cash flows and results of operations.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and give the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position. The Competition Amendment Act also enumerates the categories of combinations that, upon satisfying the specified criteria, are exempted from the notice requirements under the Competition Act. The CCI has introduced the Competition Commission of India (General) Regulations, 2024, which will replace the previous General Regulations, 2009. These new regulations follow the passage of the Competition Amendment Act last year. We have not experienced any instances wherein we were subject to any penalty or received any notice from the CCI in the last three Fiscals and nine months ended December 31, 2024, we cannot assure you such instances will not arise in the future.

49. Financial and political instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States of America, Europe and certain emerging economies in Asia. In particular, the ongoing military conflicts between Russia and Ukraine and the Israel-Gaza conflict could result in increased volatility in, or damage to, the worldwide financial markets and economy. Increased economic volatility and trade restrictions could result in increased volatility in the markets for certain securities and commodities and may cause inflation. Any worldwide financial instability including possibility of default in the US debt market may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilising effects.

These developments, or the perception that any of them could occur, have had and may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have an adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

50. The Indian tax regime has undergone substantial changes which could adversely affect our business and the trading price of the Equity Shares.

Any change in Indian tax laws could have an effect on our operations. The Government of India has implemented two major reforms in Indian tax laws, namely the Goods and Services Tax ("GST"), and provisions relating to general anti-avoidance rules ("GAAR"). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by GST with effect from July 1, 2017. The GST regime continues to be subject to amendments and its interpretation by the relevant regulatory authorities is constantly evolving. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any substantial precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("DDT"), in the hands of the company at an effective rate of 20.56% (inclusive of applicable surcharge and cess). Such dividends were generally exempt from tax in the hands of the shareholders. However, the GoI has amended the Income-tax Act, 1961 ("IT Act") to abolish the DDT regime. Accordingly, any dividend distribution by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, the Company is required to withhold tax on such dividends distributed at the applicable rate.

The Government of India announced the union budget for Fiscal 2026, following which the Finance Bill, 2025 ("Finance Bill") was introduced in the Lok Sabha on February 1, 2025. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact that the Finance Bill may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether if at all, any laws or regulations would have an adverse effect on our business. Further, any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. In addition, we are subject to tax related inquiries and claims.

51. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our Audited Consolidated Financial Statements along with the Special Purpose Condensed Consolidated Financial Results are prepared in accordance with Ind AS. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should be limited accordingly.

52. *Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.*

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

53. *Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.*

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

54. *If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers thereby reducing our margins.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business, results of operations, cash flows and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

55. *We may be subject to pre-emptive surveillance measures like Additional Surveillance Measures (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.*

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading

price of such securities is not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

We may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation.

In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

56. *Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax (“STT”) is levied on equity shares sold on an Indian stock exchange. Any capital gains exceeding ₹125,000, realized on the sale of listed equity shares on a recognised stock exchange, held for more than 12 months may be subject to long-term capital gains tax in India at the rate of 12.50% (plus applicable surcharge and cess). This beneficial provision is, inter alia, subject to payment of STT.

Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less immediately preceding the date of transfer, will be subject to short-term capital gains tax in India at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realised upon the sale of the Equity Shares. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

57. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior approval of the RBI will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm’s length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. Further, due to possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

The Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Indian Rupees and subsequently converted into appropriate foreign currency for repatriation. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Non-debt Rules, all investments under the foreign direct investment route by entities of a country or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. While the term “beneficial owner” is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA

Rules provide a definition of the term “beneficial owner”. The interpretation of “beneficial owner” and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

58. *There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a Shareholder’s ability to sell, or the price at which a Shareholder can sell, the Equity Shares at a particular point in time.*

The Equity Shares are subject to a daily circuit breaker imposed on listed companies by the Stock Exchanges in India, which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our Company’s circuit breaker applicable to the Equity Shares is set by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges may change the percentage limit of the circuit breaker from time to time without our Company’s knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, we cannot assure you regarding the ability of Shareholders to sell the Equity Shares or the price at which Shareholders may be able to sell their Equity Shares, which may be adversely affected at a particular point in time.

59. *Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.*

The U.S. “Foreign Account Tax Compliance Act” (or “**FATCA**”) imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain “foreign passthru payments” made by certain non-U.S. financial institutions (including intermediaries). If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered “foreign passthru payments”. Under current guidance, the term “foreign passthru payment” is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered “foreign passthru payments”. The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address “foreign passthru payments” and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as “foreign passthru payments”. Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

60. *U.S. holders should consider the impact of the passive foreign investment company (“PFIC”) rules in connection with an investment in our Equity Shares.*

A non-U.S. corporation will be a PFIC for U.S. federal income tax purposes for any taxable year if either: (i) 75% or more of its gross income is passive income or (ii) 50% or more of the total value of its assets is attributable to assets, including cash, that produce or are held for the production of passive income. Our Company will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25% or more (by value) of the stock.

No assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the application of the PFIC rules to a non-U.S., non-bank financial company such as our Company is uncertain in several respects under current U.S. federal income tax law, (ii) the composition of our Company’s income and assets will vary over time, and (iii) our Company holds, and may continue to hold, a substantial amount of cash following this offering. Further, our Company’s PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably. Prospective investors should consult their own tax advisors on whether and how the PFIC rules may apply to their investment in Equity Shares.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, 825,116,352 Equity Shares are issued, subscribed and fully paid up. The Equity Shares have been listed and are available for trading on BSE and NSE. The Equity Shares have been listed and are available for trading on BSE and NSE.

On June 6, 2025, the closing price of the Equity Shares on BSE and NSE was ₹151.90 and ₹152.04 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

A. The following tables set out the reported high, low and average of the closing prices of our Equity Shares on NSE and BSE and number of Equity Shares traded on the days on which such high and low prices were recorded for the Fiscals 2025, 2024 and 2023:

NSE

Fiscal	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnove r of Equity Shares traded on date of high (in ₹ million)	Lo w (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnove r of Equity Shares traded on date of low (in ₹ million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the fiscals	Total Turnove r of Equity Shares traded in the fiscals (in ₹ million)
Fiscal 2025*	245.05	April 15, 2024	11,416,369	2,775.20	158. 49	March 17, 2025	274,962	43.76	201.07	43,29,57, 774	86,872.3 1
Fiscal 2024**	999.10	February 26, 2024	1,133,154	1,139.41	202. 20	March 22, 2024	143,928	29.38	744.96	7,62,53,2 28	55,557.7 5
Fiscal 2023***	791.10	April 20, 2022	1,262,883	980.33	571. 20	March 22, 2023	108,525	62.38	710.99	3,81,24,2 25	27615.5 9

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.
 2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
 3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.
- * 12 months period commencing from April 1, 2024 and ending on March 31, 2025.
** 12 months period commencing from April 1, 2023 and ending on March 31, 2024.
*** 12 months period commencing from April 1, 2022 and ending on March 31, 2023.

BSE

Fiscal	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnove r of Equity Shares traded on date of high (in ₹ million)	Lo w (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnove r of Equity Shares traded on date of low (in ₹ million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the fiscals	Total Turnove r of Equity Shares traded in the fiscals (in ₹ million)
Fiscal 2025	244.95	April 15, 2024	458,475	110.33	159. 05	March 18, 2025	16,857	2.68	201.14	18,366,6 78	3,698.23
Fiscal 2024**	999.65	February 26, 2024	42,483	42.51	202. 80	March 22, 2024	8,818	1.79	745.09	15,147,2 41	11,149.0 3
Fiscal 2023***	790.45	April 20, 2022	59,211	45.66	571. 20	March 22, 2023	20,407	11.73	711.11	6,330,73 5	4,586.34

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
 2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
 3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.
- * 12 months period commencing from April 1, 2024 and ending on March 31, 2025.
** 12 months period commencing from April 1, 2023 and ending on March 31, 2024.
*** 12 months period commencing from April 1, 2022 and ending on March 31, 2023.

B. The following tables set out the reported high, low and average of the closing prices of our Equity Shares recorded on NSE and BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months:

NSE

Month	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in million)
May 2025	169.35	May 5, 2025	10,393,721	1,785.03	151.69	May 30, 2025	1,230,295	189.30	162.49	27,307,363	4,554.77
April 2025	171.46	April 1, 2025	14,134,240	2,427.77	151.92	April 7, 2025	3,489,559	538.03	163.50	55,738,618	9,240.10
March 2025	194.86	March 26, 2025	46,718,408	8,842.22	158.49	March 17, 2025	274,962	43.76	165.08	232,594,542	44,488.70
February 2025	181.13	February 19, 2025	9,50,090	168.23	159.72	February 28, 2025	321,781	51.35	171.22	5,708,838	971.79
January 2025	200.60	January 24, 2025	36,691,033	7,408.26	174.62	January 15, 2025	362,653	63.93	182.92	48,981,279	9,643.05
December 2024	208.84	December 9, 2024	528,984	111.13	185.40	December 26, 2024	60,948	11.34	198.21	2,606,866	525.07

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Month	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in million)
May 2025	169.50	May 5, 2025	515,453	88.52	151.80	May 30, 2025	253,551	38.79	162.53	2,196,290	360.56
April 2025	171.75	April 1, 2025	744,328	128.34	151.90	April 7, 2025	187,654	28.89	163.46	3,281,981	546.77
March 2025	195.20	March 26, 2025	892,248	169.68	159.05	March 18, 2025	16,857	2.68	165.42	8,883,909	1,687.28
February 2025	181.5	February 19, 2025	48,982	8.63	159.85	February 28, 2025	20,764	3.33	171.31	519,561	88.40
January 2025	200.40	January 24, 2025	566,022	113.90	174.50	January 15, 2025	5,161	0.92	182.87	1,154,752	220.60
December 2024	209.15	December 09, 2024	13,314	2.80	185	December 30, 2024	14,551	2.73	198.19	181,762	36.45

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In case of two days with the same high or low price, the date with the higher volume has been chosen.

C. The following table sets forth the market price on the Stock Exchanges on Monday, August 5, 2024, i.e., the first working day following the approval of our Board for the Issue:

BSE						NSE					
Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Volume (in ₹ million)	Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Volume (in ₹ million)
213.60	213.60	206.45	208.40	10,492	2.194	209.00	212.86	206.55	208.46	3,03,992	63.62

(Source: www.bseindia.com and www.nseindia.com)

In the event the high or low or closing price of Equity Shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

USE OF PROCEEDS

The gross proceeds from the Issue shall be approximately ₹ [●] million*. The net proceeds from the Issue, after deducting fees, commissions and estimated expenses of the Issue (including applicable taxes) of approximately ₹ [●] million, are approximately ₹ [●] million (the “**Net Proceeds**”).

* Subject to allotment of Equity Shares pursuant to the Issue.

Purpose of the Issue

Subject to compliance with applicable laws and regulations, our Company intends to use the Net Proceeds for the following objects:

1. Expansion of our business operations by augmenting our capital base; and
2. Repayment, in full or in part, of certain outstanding borrowings availed by our Company;

(collectively, referred to hereinafter as the “**Objects**”).

Utilisation of Net Proceeds

The Net Proceeds are proposed to be used by us in accordance with the details provided in the following table:

(in ₹ millions)

S. No.	Particulars	Amount which will be financed from Net Proceeds
1.	Expansion of our business operations by augmenting our capital base	[●]
2.	Repayment, in full or in part, of certain outstanding borrowings availed by our Company	6,319.21
Total		[●]

Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are currently expected to be deployed in accordance with the estimated schedule of deployment set forth below:

(in ₹ million)

Particulars	Amount to be funded from the Net Proceeds	Proposed Schedule for deployment of the Net Proceeds
		Fiscal 2026
Expansion of our business operations by augmenting our capital base	[●]	[●]
Repayment, in full or in part, of certain outstanding borrowings availed by our Company	6,319.21	6319.21
Total*	[●]	[●]

* To be determined upon the finalisation of the Issue Price.

We propose to deploy the Net Proceeds towards the Objects on or before March 31, 2026, in accordance with the business requirements of our Company. The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates and other commercial and technical factors. Further, our historical expenditure may not be reflective of our future expenditure plans. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution or independent agency or the Book Running Lead Managers, in connection with the Issue. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, market conditions, business and strategy, competition, the timing of completion of the Issue, or any other business or commercial consideration etc. and other external factors such as changes in the business environment and interest or exchange rate fluctuations, and changes in regulations or government policies, which may not be within our control, after obtaining necessary approvals / consents, as applicable, in accordance with applicable law.

In the event that the Net Proceeds are not utilized (in full or in part) by the end of March 31, 2026, due to factors stated above, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent periods. Our Company shall have flexibility in utilising surplus amounts, if any, or unutilized amounts, if any, as may be required to be approved by our Board or a duly appointed committee from time to time, in accordance with applicable law. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us such as from internal accruals, debt financing and any additional equity, subject to applicable law. Further, our Company retains the right to change the above schedule of implementation and deployment of the Net Proceeds, including the manner, method, timing and entity of deployment of the Net Proceeds in case of

change in our business requirements and other commercial considerations. This may entail rescheduling and revising the funding requirement for a particular Object or increasing or decreasing the amounts earmarked towards any of the aforementioned Objects at our Board's discretion subject to compliance with applicable law.

Our main objects and objects incidental or ancillary to the attainment of the main objects of our Memorandum of Association enables us to undertake the Objects contemplated by us in this Issue.

Details of the Objects of the Issue

1. Expansion of our business operations by augmenting our capital base

Our Company is a non-banking financial company registered with RBI and a notified financial institution under the SARFAESI Act. As per the capital adequacy norms issued by RBI, our Company is required to maintain a minimum capital adequacy ratio, consisting of Tier I Capital and Tier II Capital. The total of Tier II Capital at any point of time, cannot exceed 100% of Tier I Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to our Company, consisting of Tier I and Tier II Capital, cannot be less than 15% with Tier I not being below 10% of our Company's aggregate risk weighted assets on-balance sheet and of risk adjusted value of off balance sheet. As at March 31, 2025 our Company's Tier I capital adequacy ratio stood at 22.43% and Tier II capital adequacy ratio stood at 0.41%.

Our Company's Tier I Capital will increase by the amount of the Net Proceeds. The table below sets forth details of our Company's CRAR as at March 31, 2025, as per the audit consolidated financials of the Company for the financial year ended March 31, 2025, to give effect to receipt of the Net Proceeds but without taking into account the proposed use of the Net Proceeds as set forth below:

(₹ in millions, except percentages)

Particulars	As at March 31, 2025	
	Actual	Proforma as adjusted to give effect to the receipt of the Net Proceeds ^{(1)*}
Risk Weighted Assets	155,583.46	●
Total Capital	35,534.68	●
Tier I Capital	34,896.16	●
Tier II Capital	638.52	●
CRAR (%)	22.84%	●
Tier I (%)	22.43%	●
Tier II (%)	0.41%	●

Note:

(1) Risk Weighted Assets is assuming the Net Proceeds to be initially received and deposited in bank account.

* Amount will be finalized at the time of filing of the Placement Document and determination of Issue Price and other details.

Our Company has four primary lending segments. CGHFL, our Company's wholly owned subsidiary, has one lending vertical, which is housing loans. Further, through our wholly-owned Subsidiary, Capri Loans Car Platform Private Limited ("CLCPPL"), we are also a corporate selling agent for third-party new car loans. The funds which our Company deploys in its lending verticals are subject to various considerations, including but not limited to, credit quality, provisions norms laid down by the RBI, market conditions, competitive environment, interest rate fluctuations and other macro-economic factors. For details of our lending verticals, see "Our Business" beginning on page 178. Further, in order to maintain a competitive edge and cater to the needs of our customers, we intend to broaden our loan portfolio in the retain lending space. In Fiscal 2025, we have introduced micro LAP and rooftop solar loans in our MSME segment, which aim to address specific market segments and foster sustainable development. We intend to develop our retail loan portfolio by focusing on revenue diversification and margin expansion. We believe this will enhance our relevance in the competitive retail loan market, while also supporting our broader economic and environmental objectives. For details of our lending verticals, see "Our Business – Our Strategies" beginning on page 186.

While our Company's funding requirements are based on internal management estimates and our Company may have to revise its estimates from time to time on account of various factors beyond our control, our Company proposes to deploy the Net Proceeds by Fiscal 2026 to meet our future capital requirements, which are expected to arise out of growth of our business and assets, including but not limited to, onward lending under our Company's four lending verticals viz., MSME loans, housing loans, gold loans and construction finance, ensuring compliance with applicable regulatory requirements, payment of operating expenditure and funding growth opportunities for our above mentioned verticals.

Further, our Company's business is dependent on its ability to raise funds at competitive rates, which in turn, depends on various factors including our credit ratings. We expect the higher CRAR to positively impact the credit ratings of our Company, which may lower the borrowing costs, thereby positively impacting our interest margins and financial conditions

.For details of our credit ratings, see "Risk factor – Any downgrade in our credit ratings could increase our borrowing costs, affect our ability to obtain financing, and adversely affect our business, results of operations, cash flows and financial conditions" on page 66 .

2. Repayment, in full or in part, of certain outstanding borrowings availed by our Company

Our Company, from time to time, avails fund-based and non-fund based facilities in the ordinary course of business from various banks and financial institutions for, amongst other things, meeting liquidity requirements and for the purpose of growth of the Company. The borrowing arrangements entered into by us include, *inter alia*, term loans, working capital facilities, commercial papers and non-convertible debentures. As of March 31, 2025, we had outstanding borrowings (excluding commercial paper and non-convertible debentures) of ₹112,559.42, on a standalone basis. The rate of interest carried by such borrowings availed by Company range from 8.05% to 10.65%. The tenor of such borrowings availed by our Company range from 6 months to 84 months. We propose to utilise a portion of the Net Proceeds aggregating up to ₹6319.21 million for repayment, in accordance with debt repayment schedule, in full or in part, of certain outstanding borrowings availed by our Company

The selection and extent of borrowings proposed to be repaid by our Company as mentioned below is based on various commercial considerations including, amongst others, the interest rate of the relevant borrowings, the amount of the borrowings outstanding and the remaining tenor of the borrowings. The scheduled repayment will help us reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion. In addition, the improvement in the debt-to-equity ratio of our Company is intended to enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future. For the purposes of the Issue, our Company has obtained the necessary consents from our lenders as required under the relevant borrowing arrangements for undertaking activities relating to the Issue.

The following tables provide details of outstanding borrowings availed of by our Company as on March 31, 2025, which we propose to repay, in full or in part, from the Net Proceeds:

(the remainder of this page had been intentionally left blank)

S. No.	Name of lender	Date of sanction letter/loan agreement	Nature of the loan	Amount sanctioned as at March 31, 2025 (in ₹ millions)	Outstanding loan amount as at March 31, 2025 (in ₹ millions)	Amount proposed to be repaid out of the Net Proceeds	Repayment Schedule
						(in ₹ millions)	
1	Bank of Maharashtra	October 3, 2018	Term loan	500.00	62.35	20.83	July 18, 2025
2	UCO Bank	December 24, 2018	Term loan	250.00	30.44	10.40	June 30, 2025
3	State Bank of India	January 14, 2019	Term loan	2,500.00	262.20	89.30	July 1, 2025
4	Union Bank of India	February 4, 2019	Term loan	1,250.00	62.44	20.83	August 28, 2025
5	Union Bank of India		Term loan		93.57	31.25	June 30, 2025
6	Union Bank of India	July 24, 2019	Term loan	1,500.00	306.44	62.50	August 31, 2025
7	Union Bank of India	November 28, 2019	Term loan	500.00	144.18	20.83	June 26, 2025
8	Canara Bank	October 30, 2019	Term loan	500.00	83.05	20.83	June 30, 2025
9	Bank of India	November 25, 2019	Term loan	500.00	62.01	31.25	June 30, 2025
10	Bank of Maharashtra	December 27, 2019	Term loan	500.00	166.57	20.83	July 13, 2025
11	State Bank of India	January 20, 2020	Term loan	2,000.00	485.70	83.40	August 31, 2025
12	State Bank of India	June 18, 2020	Term loan	1,500.00	275.47	93.75	August 31, 2025
13	Indian Overseas Bank	August 19, 2020	Term loan	1,000.00	271.58	45.40	June 21, 2025
14	UCO Bank	August 25, 2020	Term loan	500.00	249.45	20.83	August 31, 2025
15	National Bank for Agriculture and Rural Development	February 11, 2021	Refinance	2,000.00	400.00	100.00	June 30, 2025
16	UCO Bank	February 22, 2021	Term loan	1,000.00	499.65	41.67	June 30, 2025
17	Bank of India	February 26, 2021	Term loan	750.00	279.40	46.90	July 31, 2025
18	Indian Bank	March 31, 2021	Term loan	1,500.00	883.05	62.50	June 30, 2025
19	Union Bank of India	December 28, 2021	Term loan	3,000.00	576.59	38.46	June 30, 2025
20	Union Bank of India		Term loan		615.27	38.46	August 25, 2025
21	Bank of Maharashtra	December 27, 2021	Term loan	1,500.00	936.49	62.50	June 30, 2025
22	National Bank for Agriculture and Rural Development	December 13, 2021	Refinance	2,000.00	800.00	100.00	June 30, 2025
23	Indian Bank	March 8, 2022	Term loan	500.00	273.22	20.83	June 22, 2025
24	Indian Bank	March 8, 2022	Term loan	500.00	273.24	20.83	June 29, 2025
25	Canara Bank	March 17, 2022	Term loan	1,500.00	922.26	57.70	June 23, 2025
26	State Bank of India	April 11, 2022	Term loan	3,000.00	1,591.86	125.00	June 30, 2025
27	Canara Bank	June 29, 2022	Term loan	2,000.00	41.50	41.50	June 30, 2025
28	Canara Bank		Term loan		124.66	124.66	June 30, 2025
29	Karnataka Bank Limited	June 29, 2022	Term loan	500.00	41.02	41.02	June 30, 2025
30	Union Bank of India	June 27, 2022	Term loan	2,000.00	1,307.46	76.92	June 30, 2025
31	Bank of Maharashtra	July 19, 2022	Term loan	1,500.00	1,124.08	62.50	August 23, 2025
32	UCO Bank	August 23, 2022	Term loan	1,000.00	642.42	35.71	August 31, 2025
33	IDBI Bank Limited	August 23, 2022	Term loan	2,000.00	1,416.58	83.33	June 30, 2025
34	Indian Overseas Bank	December 15, 2022	Term loan	1,000.00	680.27	45.40	June 19, 2025
35	State Bank of India	December 27, 2022	Term loan	5,000.00	3,061.50	208.30	June 30, 2025
36	UCO Bank	January 6, 2023	Term loan	1,000.00	677.97	35.71	June 30, 2025
37	NABKISAN Finance Limited	January 12, 2023	Term loan	400.00	108.93	36.36	July 1, 2025
38	Union Bank of India	January 13, 2023	Term loan	1,000.00	769.16	38.46	August 31, 2025

S. No.	Name of lender	Date of sanction letter/loan agreement	Nature of the loan	Amount sanctioned as at March 31, 2025 (in ₹ millions)	Outstanding loan amount as at March 31, 2025 (in ₹ millions)	Amount proposed to be repaid out of the Net Proceeds	Repayment Schedule
						(in ₹ millions)	
39	Yes Bank Limited	February 1, 2023	Term loan	2,500.00	187.50	18.75	July 1, 2025
40	Punjab National Bank	February 17, 2023	Term loan	2,000.00	1,428.11	71.43	August 31, 2025
41	Central Bank of India	May 6, 2023	Term loan	500.00	437.43	20.83	July 21, 2025
42	Bank of India	June 19, 2023	Term loan	500.00	405.42	31.25	June 30, 2025
43	Union Bank of India	July 14, 2023	Term loan	4,000.00	2,799.81	200.00	July 31, 2025
44	Small Industries Development Bank of India	July 28, 2023	Term loan	2,000.00	1,090.00	182.00	August 10, 2025
45	State Bank of India	August 24, 2023	Term loan	10,000.00	7,351.77	416.67	August 31, 2025
46	Bank of Baroda	September 23, 2023	Term loan	3,000.00	1,873.13	187.50	June 30, 2025
47	Indian Bank	July 25, 2023	Term loan	1,500.00	557.74	39.47	June 30, 2025
48	Punjab National Bank	October 11, 2023	Term loan	2,000.00	1,642.65	71.43	July 31, 2025
49	Indian Overseas Bank	November 4, 2023	Term loan	2,000.00	1,718.41	90.90	June 30, 2025
50	Karnataka Bank Limited	December 12, 2023	Term loan	500.00	291.43	41.70	June 26, 2025
51	Punjab & Sindh Bank	December 29, 2023	Term loan	900.00	710.39	47.37	June 30, 2025
52	Canara Bank	December 29, 2023	Term loan	1,500.00	1,199.68	75.00	July 25, 2025
53	Canara Bank	December 29, 2023	Term loan	500.00	399.83	25.00	July 25, 2025
54	Bank of Maharashtra	March 15, 2024	Term loan	1,500.00	1,199.69	100.00	June 26, 2025
55	UCO Bank	March 28, 2024	Term loan	2,000.00	1,599.91	100.00	June 30, 2025
56	Punjab National Bank	May 3, 2024	Term loan	2,000.00	892.40	35.80	June 30, 2025
57	Punjab National Bank		Term loan		892.40	35.80	June 30, 2025
58	Indian Bank	June 26, 2024	Term loan	1,500.00	1,353.79	78.95	June 28, 2025
59	Canara Bank	June 24, 2024	Term loan	3,000.00	198.30	12.50	June 28, 2025
60	Canara Bank		Term loan		637.11	37.50	June 28, 2025
61	Canara Bank		Term loan		1,798.59	100.00	July 31, 2025
62	Indian Overseas Bank	June 27, 2024	Term loan	4,000.00	3,818.19	181.80	June 28, 2025
63	Punjab & Sindh Bank	June 26, 2024	Term loan	1,000.00	894.76	52.60	June 28, 2025
64	State Bank of India	July 10, 2024	Term loan	10,000.00	8,595.27	416.70	July 31, 2025
65	Bank of India	August 12, 2024	Term loan	1,500.00	1,349.96	75.00	August 31, 2025
66	IDBI Bank Limited	September 23, 2024	Term loan	2,000.00	1,851.77	74.07	June 30, 2025
67	Union Bank of India	August 31, 2024	Term loan	2,500.00	2,249.95	125.00	June 30, 2025
68	National Bank for Agriculture and Rural Development	August 22, 2024	Refinance	3,000.00	2,700.00	150.00	June 30, 2025
69	Punjab National Bank	December 18, 2024	Term loan	2,500.00	958.07	41.67	June 30, 2025
70	Punjab National Bank		Term loan		1,437.19	62.50	June 30, 2025
71	Canara Bank	December 24, 2024	Term loan	3,000.00	2,843.30	150.00	June 27, 2025
72	UCO Bank	December 27, 2024	Term loan	3,000.00	2,849.89	150.00	July 31, 2025
73	Small Industries Development Bank of India	February 14, 2025	Term loan	3,000.00	3,000.00	200.00	August 10, 2025
74	Union Bank of India	March 13, 2025	Term loan	4,000.00	3,999.98	200.00	June 30, 2025
75	National Bank for Agriculture and Rural Development	March 15, 2025	Refinance	3,500.00	3,500.00	210.00	June 30, 2025
76	LIC Housing Finance Limited	March 23, 2025	Term loan	3,000.00	3,000.00	40.21	July 1, 2025

S. No.	Name of lender	Date of sanction letter/loan agreement	Nature of the loan	Amount sanctioned as at March 31, 2025 (in ₹ millions)	Outstanding loan amount as at March 31, 2025 (in ₹ millions)	Amount proposed to be repaid out of the Net Proceeds	Repayment Schedule
						(in ₹ millions)	
						39.77	August 1, 2025
77	Shivalik Small Finance Bank Limited	March 21, 2025	Term loan	300.00	300.00	6.56	July 26, 2025
						6.53	August 26, 2025
	Total			137,350.00	94,615.85	6,319.21	

Note: Except for the loans availed from National Bank for Agriculture and Rural Development, all of the other abovementioned loans have been availed by the Company for purposes of meeting requirements for onward lending as per RBI regulations and other purpose as specified in the respective sanction letter. Further, pursuant to their certificate dated June 9, 2025, S K Patodia & Associated LLP, Chartered Accountants, have confirmed that the utilization of the above-mentioned borrowings is for the purposes availed, as per the respective sanction letters/loan agreements issued by the respective lender, as at March 31, 2025.

Given the nature of the borrowings and the terms of repayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Further, our Company may also avail additional borrowings after the date of this Preliminary Placement Document and/or draw down further funds under existing loans from time to time.

In light of the above, if at the time of filing the Placement Document, any of the aforementioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down and if the terms of new loans are more onerous than the older loans or if the limits under the working capital borrowings are increased, then the table above shall be suitably revised at the time of filing the Placement Document to reflect the revised amounts or loans as the case may be which have been availed by our Company.

Interim use of Proceeds

Pending utilisation of the Net Proceeds for the purposes described in this section, our Company intends to temporarily invest the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or in creditworthy instruments, including money market or mutual funds, as may be approved by our Board or a duly authorised committee of our Board, from time to time and in accordance with applicable laws.

Further, in accordance with applicable laws, we undertake to not utilise proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and the final listing and trading approvals are received from each of the Stock Exchanges. Our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use, directly or indirectly in any manner whatsoever, the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

Monitoring of utilisation of funds

Our Company has appointed CRISIL Ratings Limited as the monitoring agency in accordance with Regulation 173A of the SEBI ICDR Regulations for monitoring the utilisation of Proceeds as the size of our Issue exceeds ₹1,000 million. The report of the Monitoring Agency shall be placed before the Audit Committee on a quarterly basis, promptly upon its receipt, until such time as the Net Proceeds have been utilized in full or the Objects for which the Net Proceeds were raised have been achieved. Further, the Board of our Company shall provide their comments on the findings of the Monitoring Agency, as specified in Schedule XI of the SEBI ICDR Regulations. Such report, along with the comments (if any) of the Monitoring Agency shall be submitted to the Stock Exchanges within 45 days from the end of each quarter and uploaded on the website of our Company at www.capriloans.in or such other time as may be prescribed under the SEBI Listing Regulations.

Pursuant to Regulation 32(3) and Part C of Schedule II of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Proceeds. On an annual basis, our Company shall (i) prepare a statement of funds utilised for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Proceeds remain unutilised; and (ii) disclose every year, the utilization of the Net Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above or the Objects for which the Proceeds were raised have been achieved. This information will also be published on our website and our Company shall furnish an explanation for the deviations and category-wise variations in the director's report in its annual report, after placing the same before the Audit Committee.

Other confirmations

Neither of our Promoters, members of the Promoter Group nor Our Directors are making any contribution either as a part of the Issue or separately in furtherance of the use of the Proceeds. Further, neither our Promoter nor members of our promoter group nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel or Senior Management are not eligible to subscribe to the Issue.

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds entered into or to be entered into by our Company with our Promoter, Promoter Group, Directors, Key Managerial Personnel and/or Senior Management.

Since, the proceeds of the Issue are proposed to be utilised towards the purposes set forth above, and not for implementing any specific project, the following disclosure requirements under Schedule VII of the SEBI ICDR Regulations are not applicable: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project.

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges, whichever is later.

CAPITALIZATION STATEMENT

The following table sets forth our capitalisation statement and the total borrowings, on a consolidated basis, as at March 31 2025, derived from the Audited Consolidated Financial Results and as adjusted for the Issue. This table should be read in conjunction with “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 283 and 93, respectively.

(₹ in millions, unless otherwise stated)

Particulars	Pre-Issue as at March 31, 2025 ⁽¹⁾	Post -Issue (As adjusted for the Issue) ⁽²⁾⁽³⁾
Borrowings		
Non-current borrowings	38,731.50	[●]
Current borrowings	111,950.04	[●]
Total Borrowings (A)	150,681.54	[●]
Equity		
Equity Share Capital	825.12	[●]
Other Equity	42,215.85	[●]
Non-controlling interests	-	[●]
Total Equity (B)	43,040.97	[●]
Total Capitalization (A + B)	193,722.51	[●]
Total Borrowings/total Equity (A) / (B)	3.50	[●]

(1) Amounts derived from the Audited Consolidated Financial Statements.

(2) The figures to be included under post-Issue column relating to the shareholder's fund shall be derived after considering the impact due to the issue of the Equity Shares only through the qualified institutions placement assuming that the Issue will be fully subscribed and does not include any other transactions or movements / issue related expenses.

(3) Will be finalized upon the determination of Issue Price.

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Preliminary Placement Document is set forth below:

Particulars		(in ₹ except share data)
		Aggregate value at face value (except for securities premium account)
A	AUTHORIZED SHARE CAPITAL	
	2,000,000,000 Equity Shares of face value of ₹1 each	2,000,000,000
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE	
	825,116,352 Equity Shares of face value of ₹1 each	825,116,352
C	PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT	
	Up to [●] Equity Shares of face value of ₹1 each aggregating up to [●] ⁽¹⁾⁽²⁾⁽³⁾	[●]
D	ISSUED SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE	
	[●] Equity Shares of face value of ₹1 each ⁽²⁾⁽³⁾	[●]
E	SECURITIES PREMIUM ACCOUNT	
	Before the Issue ⁽⁴⁾	18,421,287,763
	After the Issue ⁽²⁾	[●]

(1) The Issue has been authorized by the Board pursuant to a resolution dated August 3, 2024, and by the Shareholders of our Company pursuant to a special resolution passed at the annual general meeting dated September 19, 2024.

(2) To be determined upon finalization of the Issue Price. The securities premium account after the Issue is calculated on the basis of the gross proceeds.

(3) Subject to finalization of Allotment.

(4) As on the date of this Preliminary Placement Document.

Equity Share capital history of our Company

The history of the Equity Share capital of our Company as on the date of this Preliminary Placement Document is set forth below:

Date of allotment	Number of Equity Shares allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)
November 28, 1994	700	10	10.00	Cash	Initial subscription to the Memorandum of Association	700	7,000
February 28, 1995*	810,000	10	10.00	Cash	Rights Issue	810,700	8,107,000
July 15, 1995*	939,300	10	10.00	Cash	Rights Issue	1,750,000	17,500,000
March 8, 1996*	3,250,200	10	10.00	Cash	Initial public offer	5,000,200	50,002,000
June 26, 1997	(542,700)	10	10.00	N.A.	Forfeiture of shares	4,457,500	44,575,000
November 3, 1997*	542,700	10	10.00	N.A.	Re-issue of forfeited shares	5,000,200	50,002,000
December 13, 2007*	4,000,000	10	50.00	Cash	Private placement pursuant to preferential issue	9,000,200	90,002,000
March 27, 2009*	18,000,400	10	10.00	Cash	Rights issue	27,000,600	270,006,000
January 2, 2010	750,705	10	107.47	Cash	Allotment pursuant to conversion of warrants	27,751,305	277,513,050
October 20, 2010*	7,117,153	10	625.25	Cash	Private placement pursuant to a qualified institutions placement	34,868,458	348,684,580
December 9, 2011	10,700	10	10.00	Cash	Allotment pursuant to exercise under ESOP 2009	34,879,158	348,791,580
March 30, 2012	8,401	10	77.54	Cash	Allotment pursuant to conversion of warrants	34,887,559	348,875,590
November 15, 2012	24,900	10	10.00	Cash	Allotment pursuant to exercise under ESOP 2009	34,912,459	349,124,590

Date of allotment	Number of Equity Shares allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)
April 5, 2013	42,994	10	106.07	Cash	Allotment pursuant to conversion of warrants	34,955,453	349,554,530
November 19, 2013	22,500	10	10.00	Cash	Allotment pursuant to exercise under ESOP 2009	34,977,953	349,779,530
April 2, 2014	27,408	10	109.62	Cash	Allotment pursuant to conversion of warrants	35,005,361	350,053,610
November 11, 2014	21,600	10	10.00	Cash	Allotment pursuant to exercise under ESOP 2009	35,026,961	350,269,610
November 12, 2016	Pursuant to a resolution passed by our Board on October 8, 2016, and our Shareholders on November 12, 2016, each fully paid-up equity share of face value of ₹10 each was subdivided into equity share of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital of the Company was changed from 35,026,961 equity shares of face value of ₹10 each to 175,134,805 equity shares of face value of ₹2 each.						
October 2, 2020	61,500	2	100.00	Cash	Allotment pursuant to exercise under ESOP 2009	175,196,305	350,392,610
December 4, 2020	45,000	2	100.00	Cash		175,241,305	350,482,610
December 11, 2020	44,050	2	2.00	Cash		175,285,355	350,570,710
June 18, 2021	450	2	2.00	Cash		175,285,805	350,571,610
July 31, 2021	67,500	2	70.00	Cash		175,355,805	350,711,610
	2,500	2	2.00	Cash			
October 12 2021	79,500	2	2.00	Cash		175,435,305	350,870,610
November 15, 2021	10,500	2	100.00	Cash		175,446,605	350,893,210
	800	2	2.00	Cash			
November 29, 2021	8,100	2	100.00	Cash		175,472,705	350,945,410
	18,000	2	70.00	Cash			
December 15, 2021	3,000	2	100.00	Cash		175,598,105	351,196,210
	122,400	2	2.00	Cash			
February 12, 2022	3,450	2	2.00	Cash		175,654,055	351,308,110
	52,500	2	100.00	Cash			
April 23, 2022	3,000	2	2.00	Cash		175,669,055	351,338,110
	6,000	2	100.00	Cash			
	6,000	2	130.00	Cash			
May 21, 2022	2,400	2	2.00	Cash		175,671,455	351,342,910
June 6, 2022	67,500	2	70.00	Cash		175,746,455	351,492,910
	7,500	2	2.00	Cash			
October 3, 2022	90,000	2	70.00	Cash		175,836,455	351,672,910
November 10, 2022	600	2	100.00	Cash		175,837,055	351,674,110
March 16, 2023	30,315,789	2	475.00	Cash	Rights issue	206,152,844	412,305,688
October 23, 2023	2,250	2	174.00	Cash	Allotment pursuant to exercise under ESOP 2009	206,234,993	412,469,986
	40,284	2	2.00	Cash			
	9,000	2	70.00	Cash			
	27,615	2	100.00	Cash			
	3,000	2	130.00	Cash			
February 22, 2024	Pursuant to a resolution passed by our Board on January 27, 2024, and our Shareholders on February 22, 2024, each fully paid-up equity share of face value of ₹2 each was subdivided into equity share of face value of ₹1 each. Accordingly, the issued and paid-up equity share capital of the Company was changed from 206,234,993 equity shares of face value of ₹2 each to 412,469,986 Equity Shares of face value of ₹1 each.						
March 7, 2024	412,469,986	1	N.A.	Other than cash	Bonus issue of Equity Shares in the ratio of 1:1	824,939,972	824,939,972
November 12, 2024	6,000	1	56.25	Cash	Allotment pursuant to exercise under ESOP 2009	825,086,352	825,086,352
	3,600	1	48.73	Cash			
	4,800	1	32.50	Cash			
	24,000	1	25.00	Cash			
	107,980	1	0.50	Cash			
November 29, 2024	30,000	1	0.50	Cash		825,116,352	825,116,352

* Certain documents and form filings in relation to these allotments are not traceable. For further details, see "Risk Factors – Certain of our Company's corporate records and filings are not traceable. We cannot assure you that regulatory proceedings or actions will not be initiated against us in the future and that we will not be subject to any penalty imposed by the competent regulatory authority in this respect" on page 68.

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, the Allotment shall be made by our Company, in consultation with the Placement Agents, to Eligible QIBs only, on a discretionary basis. For details of the names of the proposed Allottees and the percentage of the post Issue Equity Share capital that may be held by them, please see “*Proposed Allottees*” on page 526.

Preference shares

As on the date of this Preliminary Placement Document, our Company has no outstanding preference shares.

Employee stock option scheme

ESOP 2009

Pursuant to a Board resolution dated August 21, 2009, and a Shareholders’ resolution dated September 22, 2009, our Company instituted the “*Money Matters Employee Stock Option Plan 2009*” (“**ESOP 2009**”).

The following table sets forth details in respect of the ESOP 2009 as on the date of this Preliminary Placement Document:

Particulars	Number of options
Total number of options	52,302,680
Options granted	11,578,000
Options vested	3,709,200
Options exercised	1,044,997
Options cancelled	2,593,600
Options lapsed	757,803
Total options granted but not vested	7,181,600

Pre-Issue and post-Issue shareholding pattern

The pre-Issue and post-Issue shareholding pattern of our Company is set forth below:

S. No.	Category	Pre-Issue [#]		Post-Issue*	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
A.	Promoters’ holding				
1.	Indian				
	Individuals / HUF	7,512	-	[●]	[●]
	Bodies corporate	395,403,656	47.92	[●]	[●]
	Body corporate – JJR Family Trust	181,100,140	21.95		
	Sub-total	576,511,308	69.87	[●]	[●]
2.	Foreign promoters	-	-	[●]	[●]
	Sub-total (A)	576,511,308	69.87	[●]	[●]
B.	Non-Promoters’ holding				
1.	Institutional investors	12,79,06,916	15.55	[●]	[●]
2.	Non-institutional investors				
	Bodies corporate	102,961,045	12.97	[●]	[●]
	Investor Education and Protection Fund	1,63,199	0.02		
	Directors and relatives	-	-	[●]	[●]
	Indian public	16,248,630	1.41	[●]	[●]
	Others including non-resident Indians (NRIs)	13,25,254	0.18	[●]	[●]
	Sub-total (B)	248,605,044	30.13	[●]	[●]
	Grand Total (A+B)	825,116,352	100.00	[●]	[●]

[#] This shareholding data is based on the beneficiary position data of our Company as of March 31, 2025.

* The post-Issue shareholding pattern shall be filled-in before filing of the Placement Document with the Stock Exchanges.

Other confirmations

1. Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice to convene the general meeting of our Shareholders, dated September 19, 2024, for approval of this Issue.
2. Except as disclosed in “– *Equity Share capital history of our Company*” on page 88, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Preliminary Placement Document, including for consideration other than cash.
3. As on the date of this Preliminary Placement Document, except the options pursuant to ESOP 2009, our Company does not have any outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares.
4. Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to the Issue cannot be sold by the Allottee for a period of one year from the date of Allotment, except on the Stock Exchanges.
5. There will be no change of control of our Company pursuant to the Issue.
6. The Promoter, the Directors, the members of Senior Management and Key Managerial Personnel of our Company do not intend to participate in the Issue.

DIVIDENDS

The declaration and payment of dividends by our Company is governed by applicable provisions of the Companies Act and our Articles of Association. Our Board has approved and adopted a formal dividend distribution policy on August 2, 2019, which has been subsequently reviewed and approved on August 9, 2024, August 5, 2023, and June 8, 2024, in terms of Regulation 43A of the SEBI Listing Regulations. In terms of this policy, the declaration of dividend is dependent on (i) statutory and regulatory parameters; (ii) certain financial parameters including but not limited to growth in the loan portfolio of the Company, funding and liquidity considerations, leverage ratios, profits earning during the financial year, the investment requirements of the Company and its Subsidiaries, expected future capital/liquidity requirements and accumulated reserves; and (iii) external factors such as Shareholders' expectations, macro-economic conditions and taxation provisions and government policies.

The dividend distribution policy is available on the Company's website at www.capriloans.in. For further information, see "Description of the Equity Shares" on page 246.

The following table sets out the details of the dividend declared by the Company on the equity shares from April 1, 2025, till the date of filing this Preliminary Placement Document and for Fiscals 2025, 2024 and 2023.

Particulars	From April 1, 2025, till the date of filing of this PPD	Fiscal 2025	Fiscal 2024	Fiscal 2023
No. of Equity Shares	825,116,352	825,116,352	824,939,972	206,152,844
Face value per equity share of the Company (in ₹)	1	1	1	2
Total dividend per equity share of the Company (in ₹)	-	-	0.15	0.50
Rate of dividend on the equity share of the Company (%)	-	-	15	25
Dividend amount (in ₹ millions)	-	-	123.74	103.08
Mode of payment	-	-	Bank Transfer/ Remittance	Bank Transfer/ Remittance

Note: The dividend amounts mentioned in the above table represents the dividend declared in that Fiscal year, which was paid in the subsequent Fiscal year.

There is no guarantee that any dividends will be declared or paid or that the amount thereof will not decrease in the future. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, profits earned and available for distribution during the financial year, accumulated reserves including retained earnings, organic growth plans / expansions as well as the prevailing macro-economic environment or any other regulatory changes.

The Equity Shares to be issued in connection with this Issue shall qualify for any dividend, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted. For further information, please see the section entitled "Description of the Equity Shares" on page 246.

Prospective investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares issued in the Issue. Please also see the sections titled "Description of the Equity Shares" and "Risk Factors" on page 246 and 53, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 17 for a discussion of the risks and uncertainties related to those statements and also "Financial Information" on page 283 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year ends on March 31 of each year. Accordingly, references to a "Fiscal" year are to the 12-month period ended March 31 of the relevant year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2023, 2024 and 2025 included herein is derived from the Audited Consolidated Financial Statements included in this Preliminary Placement Document. For further information, see "Financial Information" on page 283. However, all information in this section regarding cost, yield and average balances is based on the average balances outstanding during the relevant Fiscal. For further information, see "Selected Statistical Information" on page 36. Further, our Audited Consolidated Financial Statements as at and for the financial year ended March 31, 2025 are not directly comparable with our Audited Consolidated Financial Statements as at and for the financial year ended March 31, 2024. For details, see "Risk Factors – There are certain differences in the manner 'excess amounts received from customers' have been presented in the Audited Consolidated Financial Statements as at for the financial year ended March 31, 2025, compared to prior periods" on page 60.

In this section, unless otherwise indicated or the context requires, a reference to "our Company" is a reference to our Company on a standalone basis, while any reference to "we", "us" or "our" is a reference to our Company on a consolidated basis.

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Report on Loans and Financial Services Industry in India" dated June 2025 (the "**CRISIL Report**") prepared and issued by CRISIL, appointed by us on December 13, 2024 and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with this Issue. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar/Fiscal, as applicable.

OVERVIEW

For information in relation to our business, see "Our Business" on page 178.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business, financial condition and results of operations are affected by a number of factors, many of which are beyond our control, including those set out below:

Net interest income

Our results of operations are substantially dependent upon the amount of our net interest income. Net interest income is interest earned (excluding interest on security deposit) minus finance costs (excluding interest on lease liability) ("**Net Interest Income**"). The tables below sets forth details of our Net Interest Income for the years indicated:

Particulars	Fiscal			Increase / (decrease) for Fiscal 2025 to 2024 (%)	Increase / (decrease) for Fiscal 2024 to 2023 (%)
	2025	2024	2023		
	(₹ in millions, except percentages)				
Interest income [A]	26,061.17	18,220.90	11,661.61	43.03%	56.25%
Interest on security deposit [B]	16.21	9.47	5.05	71.17%	87.52%
Interest income excluding interest on security deposit [C = A - B]	26,044.96	18,211.43	11,656.56	43.01%	56.23%
Finance costs [D]	12,735.98	8,359.01	5,311.18	52.36%	57.39%
Interest on lease liability [E]	327.57	342.25	147.62	(4.29)%	131.85%
Finance cost net off interest on lease liability [F = D - E]	12,408.41	8,016.76	5,163.56	54.78%	55.26%
Net Interest Income [A = C - F]	13,636.55	10,194.67	6,493.00	33.76%	57.01%

Our Net Interest Income is primarily dependent on the average amount of our loans outstanding during the year and the average interest rates we charge (yield) on our Average Interest Earning Loans; and the average amount of our interest-bearing borrowings (which are also our interest-bearing liabilities) outstanding during the year and the interest rates we pay (cost) on our average interest-bearing borrowings (interest-bearing liabilities). Our Average Interest Earning Loans increased by 47.39% from ₹ 76,698.48 million in Fiscal 2023 to ₹ 113,048.70 million in Fiscal 2024 and by 38.58% to ₹ 156,661.75 million in Fiscal 2025. Our Yield on Average Interest Earning Loans was 16.45%, 15.81% and 14.90% for Fiscals 2025, 2024 and 2023 respectively. Our Average Total Interest-Bearing Liabilities increased by 44.82% from ₹ 61,500.32 million in Fiscal 2023 to ₹ 89,064.26 million in Fiscal 2024 and by 45.19% to ₹ 129,311.96 million in Fiscal 2025; and our Cost of Funds was 9.60%, 9.00% and 8.40% in the Fiscals 2025, 2024 and 2023, respectively. For details on our Average Interest Earning Loans, Yield on Average Interest Earning Loans, Average Total Interest-Bearing Liabilities and our Cost of Funds, see “Selected Statistical Information – Average Balance Sheet, Interest Earned/Expended and Yield/Cost” on page 36.

Our loan products comprise floating, semi-fixed (fixed for a period of time, generally three years, before converting to a floating rate) and fixed rate interest rate loans. Our floating rate products primarily comprise our MSME loans, housing loans, construction finance and indirect lending. Our semi-fixed rate products primarily comprise our MSME loans and housing loans and our fixed rate products primarily comprise our gold loans, micro lap and small business loans. As at March 31, 2025, March 31, 2024 and March 31, 2023, ₹ 92,057.68 million, ₹ 82,211.88 million and ₹ 59,352.42 million, respectively, or 40.27%, 52.52% and 57.51% of our AUM had floating interest rates, respectively. As at March 31, 2025, March 31, 2024 and March 31, 2023, ₹ 81,864.69 million, ₹ 37,125.57 million and ₹ 12,915.73 million, respectively, or 35.81%, 23.72% and 12.51% of our AUM had fixed interest rates, respectively. As at March 31, 2025, March 31, 2024 and March 31, 2023, ₹ 54,679.61 million, ₹ 37,202.93 million, and ₹ 30,936.61 million, respectively, or 23.92%, 23.77% and 29.98% of our AUM were semi-fixed interest rate loans, respectively. Our lending rates are generally linked to the interest rate environment and are also influenced by our competition.

In order to manage our exposure to interest rates and liquidity risk arising from the mismatch in interest rates and loan tenure of our borrowings and loan assets, we diversify our borrowings mix across borrowing instruments, tenors and a mix of fixed and floating interest rate borrowings. Our floating rate borrowings are primarily term loans from banks and other financial institutions, which are shown in our financial statements as borrowings (other than debt securities). Our fixed rate borrowings are primarily our non-convertible debentures and commercial papers, which are shown in our financial statements as debt securities. As at March 31, 2025, March 31, 2024 and March 31, 2023, our floating rate borrowings were ₹ 139,293.97 million, ₹ 97,012.28 million and ₹ 64,550.65 million, respectively, which represented 89.42%, 93.22% and 85.94% of our interest-bearing borrowings, respectively as at those dates, and our fixed rate borrowings were ₹ 16,474.13 million, ₹ 7,056.85 million and ₹ 10,562.36 million, which represented 10.58%, 6.78% and 14.06% of our interest-bearing borrowings, respectively, as at those dates. Interest rates on our borrowings are sensitive to many factors beyond our control, including the RBI’s monetary policies, domestic and international economic and political conditions, inflation and other factors.

Our ability to continue to meet customer demand for new loans will depend primarily on our ability to borrow from various external sources on suitable terms and in a timely manner. For more details, see “Risk Factors – We require substantial capital for our business. If we are unable to obtain debt on acceptable terms and at competitive rates or raise equity share capital when needed, it could have a material adverse effect on our business, financial condition, results of operations and cash flows” on page 53.

Operating Expenses

Our operating expenses have a bearing on our results of operations. They comprise fees and commission expenses, employee benefit expenses, depreciation and amortisation expenses and other expenses (collectively, “Operating Expenses”). The table below sets forth details of our Operating Expenses for the years indicated:

Particulars	Fiscal			Increase / (decrease) for Fiscal 2024 to 2025 (%)	Increase / (decrease) for Fiscal 2023 to 2024 (%)
	2025	2024	2023		
	(₹ in millions, except percentages)				
Fees and commission expense	1,444.17	1,093.48	257.76	32.07%	324.22%
Employee benefit expense	7,429.62	6,236.92	4,060.78	19.12%	53.59%
Depreciation and amortisation expense	1,017.13	878.70	439.13	15.75%	100.10%
Other expenses	2,540.12	2,004.68	1,256.46	26.71%	59.55%
Total	12,431.04	10,213.78	6,014.13	21.71%	69.83%

Our employee benefit expense represented 22.88%, 26.97% and 27.75% of our revenue from operations for the Fiscals 2025, 2024 and 2023, respectively. As our business has grown, we have increased the number of our employees. The number of our

employees increased by 10.84% from 9,076 as at March 31, 2023 to 10,060 as at March 31, 2024, and increased further by 13.42% to 11,410 as at March 31, 2025. We intend to continue to increase the number of our employees as we expand our business.

Credit Quality and Provisioning

Our ability to manage the credit quality of our loan portfolio is a key driver of our results of operations. Credit quality is the outcome of the credit appraisal mechanism and recovery system followed by us. We classify non-performing assets ("NPAs") in accordance with the NBFC-ND-SI Directions and applicable Ind AS rules. Defaults by our customers for a period of more than 90 days result in such loans being classified as Stage 3 Assets or NPAs.

The following table sets forth details of the composition of our loans across classification stages, as well as the provisioning thereof as on the dates indicated:

Particulars ⁽¹⁾	As at March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Gross Carrying Amount – Loans			
Stage 1 ⁽²⁾	175,797.13	129,579.74	90,920.01
Stage 2 ⁽³⁾	9,120.08	5,986.85	5,108.39
Stage 3 ⁽⁴⁾	2,866.98	2,660.81	1,703.96
Total Gross Carrying Amount – Loans (A)	187,784.19	138,227.40	97,732.36
Expected credit loss ("ECL") Provisions – Loans			
Stage 1	778.60	618.57	460.61
Stage 2	702.62	745.82	807.42
Stage 3	1,196.74	1,202.45	526.45
Total ECL Provisions Amount – Loans (B)⁽⁴⁾	2,677.96	2,566.84	1,794.48
Net Carrying Amount – Loans			
Stage 1	175,018.53	128,961.17	90,459.40
Stage 2	8,417.46	5,241.03	4,300.97
Stage 3	1,670.24	1,458.36	1,177.51
Total Net Carrying Amount – Loans (C) = (A)-(B)	185,106.23	135,660.56	95,937.88
ECL Provisions (%)			
Stage 1	0.44%	0.48%	0.51%
Stage 2	7.70%	12.46%	15.81%
Stage 3	41.74%	45.19%	30.90%
Total ECL Provisions (%) (D) = (B)/(A)	1.43%	1.86%	1.84%

Notes:

- (1) The figures in the table pertain to loan and provisioning with respect to the MSME, housing finance, construction finance, indirect lending, gold loans and small business loans.
- (2) Stage 1 loans refer to 0 to 30 days past due ("DPD") accounts other than restructured 0 to 30 DPD accounts and NPA 0 to 30 DPD accounts.
- (3) Stage 2 loans refer to 31 to 90 DPD and all loans restructured under the RBI's restructuring scheme which allowed a one-time restructuring of loans impacted by COVID-19 pandemic, which are Stage 2 or below as per DPD.
- (4) Stage 3 loans refer to Stage 3 loans assets/ NPAs under our gross loan book as of the last day of the relevant year, or closing balance of our gross loan book, which are NPAs as defined in the master circular dated July 1, 2015 "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances" issued by the RBI, as amended.

The following tables set forth the details relating to our impairment on financial instruments (at amortised cost) for the years indicated:

Particulars	Fiscal			Increase / (decrease) for Fiscal 2024 to 2025 (%)	Increase / (decrease) for Fiscal 2023 to 2024 (%)
	2025	2024	2023		
	(₹ in millions, except percentages)				
Total impairment loss:					
Of which					
Loans and advances to customers	111.13	771.61	78.64	(85.60)%	881.19%
Impairment on investments	332.07	-	-	100.00%	Nil
Trade Receivables	79.88	-	-	100.00%	Nil

Particulars	Fiscal			Increase / (decrease) for Fiscal 2024 to 2025 (%)	Increase / (decrease) for Fiscal 2023 to 2024 (%)
	2025	2024	2023		
	(₹ in millions, except percentages)				
Loan commitments	(1.56)	(46.69)	(23.67)	(96.66)%	97.25%
Others impairment	43.00	(11.47)	16.38	(474.89)%	(170.02)%
Bad debts written off	372.75	199.33	570.47	87.00%	(65.06)%
Loss on sale of assets	70.89	-	-	100.00%	Nil
Total impairment loss	1,008.16	912.78	641.82	10.45%	42.22%

All of our loans (except employee loans and small business loans) are secured by collateral, which helps us to recover amounts due on NPAs, keeping our actual loss experience low. This is borne out in the loss given default (“**LGD**”) for all our loan sectors. LGD is the amount of money a financial institution loses when a borrower defaults on a loan, after taking into consideration any recovery, represented as a percentage of total exposure at the time of loss. As a conservative approach, we have maintained a consistently higher PCR on Stage 3 loans or NPAs than the LGD experience in each loan sector. For more details, see “*Our Business*” on page 178.

General Economic Conditions in India

Our results of operations are affected by the general economic conditions prevalent in India, as well as the perception of those conditions and future economic prospects. Overall economic growth and an increase in GDP are likely to result in an increase in incomes and spending, which would lead to business expansion in India, which may in turn lead to an increase in demand for our MSME loans. Conversely, a slowdown in the Indian economy could adversely affect our business and our borrowers. Several factors beyond our control, such as developments in the Indian economy and domestic employment levels, conditions in the world economy, fluctuations in interest rates, movements in global commodity markets and exchange rates could have either a positive or an adverse effect on the quality of our gross loan book. Any trends or events that have a significant effect on the economic conditions in India could have a significant effect on our financial condition, results and cash flows.

Competition

Our competitors include established NBFCs, HFCs, small finance banks, lending platforms and the private unorganised and informal financiers who principally operate in the local market. More players in consumer-facing businesses with a repository of data (such as e-commerce companies and payment service providers) are expected to enter the lending business, intensifying competition. Our lending activity is not completely online and necessarily involves carrying out certain physical steps, such as physical verification and in-person visits. Furthermore, our cost of borrowings as an NBFC may be higher than that of some of our competitors, including banks and lenders that are better rated. As a result, many of our competitors may have operational advantages in terms of access to cost-effective sources of funding, and in implementing new technologies and rationalising related operational costs. Increased competition from other players could lead to lending rates offered by our competitors in the sectors we operate in to be unviable for us or unprofitable for us to provide, given our cost of borrowings. Additionally, we are subject to the potential increase in competition brought about by changes in the laws and regulations governing our business. For more details, see “*Risk Factors – Our inability to compete effectively in an increasingly competitive industry may adversely affect our market share, business and financial condition*” on page 67.

Our continued success will depend, in part, on our ability to respond to technological advances, changing customer needs and emerging industry standards and practices on a cost-effective and timely basis. Technological innovation, such as digital wallets, mobile operator banking, advancements in blockchain technology and cryptocurrencies, such as bitcoin, payment banks and internet banking through smart phones, could disrupt the financial services industry and increase competition as a whole. If we fail to adapt to such technological advances quickly and effectively, it could affect the performance of our products and services and reduce our attractiveness to existing and potential customers, thereby adversely affecting our business, financial condition, results of operations and cash flows.

Changes in Laws, Rules and Regulations or the Introduction of New Laws, Rules and Regulations

We operate in a highly regulated industry and we are required to comply with, among others, limits on borrowings, investments and interest rates, prudential norms for income recognition, asset classification and norms for creation of special reserves as well as minimum capital adequacy requirements. The regulations applicable to us also address issues such as our conduct with customers and recovery practices, market conduct and foreign investment.

In addition to the changes in laws, rules and regulations discussed above, the following changes in laws, rules and regulations affected our financial condition as at March 31, 2025, March 31, 2024 and March 31, 2023, and our results of operations for

the Fiscals 2025, 2024 and 2023 (as applicable):

Introduction of Net Owned Fund Requirements

As per the NBFC-ND-SI Directions introduced on September 1, 2016, our Company is required to have a net owned fund (calculated as per Section 45-IA of the Reserve Bank of India Act, 1934) (“**Net Owned Fund**”) of at least ₹20.00 million. As at March 31, 2025, March 31, 2024 and March 31, 2023, our Company’s Net Owned Fund on standalone basis was ₹ 34,896.16 million, ₹ 29,178.19 million and ₹32,221.14 million, respectively. The capital to risk-weighted assets ratio for our Company is above the required limits as stipulated by the RBI and NHB Directions.

Liquidity Risk Management Framework for NBFCs

The RBI issued the “Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies” dated November 4, 2019 (“**HQLA Guidelines**”), which introduced a liquidity coverage ratio (“**LCR**”) for all non-deposit taking NBFCs with an asset size of ₹50,000 million and above. While this promotes the resilience of NBFCs against potential liquidity disruptions by ensuring that they have sufficient high-quality liquid assets (“**HQLA**”) to survive any acute liquidity stress scenario lasting 30 days or more, this has resulted in a decrease in our interest income as there is less money available for loans and we earn higher interest on loans compared to our investments. The HQLA Guidelines require the stock of HQLA to be maintained to be a minimum of 100% of NBFCs’ total net cash outflows over the next 30 calendar days, with the minimum HQLA to be held being 50% of the LCR, progressively increasing in equal increments until it reaches the required level of 100% by April 1, 2024. The reporting requirement of LCR was applicable to the Company with effect from March 31, 2022. Our Company has duly complied with the LCR requirement, with our LCR recorded being 404.41%, 264.03% and 257.34% as at March 31, 2025, March 31, 2024 and March 31, 2023 respectively.

Expansion of our Micro LAP and Roof Top Solar Finance

In Fiscal 2025, we introduced two new products, namely micro LAP and rooftop solar loans in our MSME segment, to address specific market segments and foster sustainable development. Our Micro LAP loans are tailored to meet the small ticket loan requirement of SENPs and entrepreneurs, so as to help them fund their business operations and achieve growth. Our rooftop solar loans support the adoption of sustainable energy solutions by providing financing to individuals for rooftop solar installations. As at March 31, 2025, we reported an AUM of ₹ 3,547.24 million, 646 employees, 8,550 customers and 84 Micro LAP branches across six states.

For further details, see “Our Business – Our Strategies – Diversify our product offerings for sustained growth” on page 186.

PRESENTATION OF FINANCIAL INFORMATION

In this Preliminary Placement Document, we have included:

- the Audited Consolidated Financial Statements for Fiscal 2023, along with the respective schedules and notes thereto;
- the Audited Consolidated Financial Statements for Fiscal 2024, along with the respective schedules and notes thereto; and
- the Audited Consolidated Financial Statements for Fiscal 2025, along with the respective schedules and notes thereto.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

For a summary of material accounting policies, see the note on the summary of material accounting policies in each of the Audited Consolidated Financial Statements in “Financial Information” on page 283.

DESCRIPTION OF PRINCIPAL LINE ITEMS IN OUR CONSOLIDATED STATEMENTS OF PROFIT AND LOSS

Revenue

Our total income comprises (i) revenue from operations, and (ii) other income.

Revenue from Operations

Revenue from operations comprises (i) interest income; (ii) dividend income; (iii) fees and commission income; (iv) net gain

on derecognition of financial instrument; (v) net gain on fair value changes; (vi) sale of service; and (vii) other operating income.

Interest income

Our interest income comprises (i) interest on loans; (ii) interest income from investments; (iii) interest on deposits; and (iv) interest on others.

Fees and commission income

Our fees and commission income comprises (i) application fees; (ii) car loan commission; and (iii) other commission income.

Net Gain on Derecognition of Financial Instruments

Net gain on derecognition of financial instrument comprises (i) net gain on derecognition of financial instruments; (ii) loss on sale of pool through direct assignment (da); and (iii) gain/(loss) on sale of investments not designated at fair value.

Net Gain on Fair Value Changes

Net gain on fair value changes comprises (i) profit/(loss) on trading portfolio - investment in shares; (ii) profit/(loss) on trading portfolio - mutual fund & bonds; (iii) profit/(loss) on REITs; and (iv) of the above comprises (a) realised and (b) unrealised.

Sale of Service

Our revenue from sale of service comprises advertisement income.

Other Operating Income

Our other operating income comprises (i) foreclosure fees; (ii) other charges; (iii) legal charges received; and (iv) other operating revenue.

Other Income

Other income includes (i) profit on sale of assets (net); (ii) credit balance / provision no longer required written back; (iii) profit on sale of investment property; and (iv) other income.

Expenses

Our expenses comprise (i) finance costs; (ii) fees and commission expense; (iii) impairment of financial instruments; (iv) employee benefit expenses; (v) depreciation and amortisation expense; and (vi) other expenses.

Finance costs

Finance costs comprises (i) interest on borrowings (other than debt securities); (ii) interest on debt securities; (iii) interest on bank overdraft; (iv) interest on bank cc; (v) interest - lease liability; and (vi) other finance charges.

Impairment of financial instruments

Impairment of financial instruments comprises (i) impairment on loans - at amortised cost loans and advances to customers; (ii) impairment / (write off recoveries) on undrawn commitments; (iii) impairment / (write off recoveries) on others; and (iv) write off of loans.

Employee benefits expense

Employee benefits expense comprises (i) salaries and wages; (ii) contribution to provident and other funds, being (a) contribution to provident fund and funds other than gratuity; and (b) contribution to gratuity; (iii) share based payments to employees; (iv) staff welfare expenses; and (v) ex-gratia payments.

Depreciation and amortization expense

Depreciation and amortization expense comprises (i) depreciation on property, plant and equipment; and (ii) amortization of intangible assets.

Other expenses

Other expenses comprises (i) advertising; (ii) auditors' remuneration; (iii) banking charges; (iv) business development expenses; (v) corporate social responsibility expenses; (vi) directors' fees and commission; (vii) electricity charges; (viii) filing & other fees to RoC; (ix) legal and professional expenses; (x) loss on sale of fixed assets; (xi) membership & subscription expenses; (xii) miscellaneous expenses; (xiii) postage, telephone and fax; (xiv) printing and stationery; (xv) processing fees on co-lending; (xvi) recruitment expenses; (xvii) rent; (xviii) service fees subsidiary; (xix) software expenses; (xx) travelling and conveyance; (xxi) write off - fixed assets; and (xxii) write off – others.

NON-GAAP MEASURES

Net Interest Income, Yield on Average Total Interest-Earning Assets, Yield on Average Interest-Earning Loans, Cost of Funds, Spread, Net Interest Margin, return on average assets, return on average equity, debt to equity ratio, GNPA, NNPA, interest coverage ratio and net worth, presented in this Preliminary Placement Document are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

RESULTS OF OPERATIONS

FISCAL 2025 COMPARED WITH FISCAL 2024

The following table sets forth certain information relating to our results of operations on a consolidated basis for the Fiscal 2025 to Fiscal 2024:

Particulars	Fiscal 2025		Fiscal 2024	
	₹ (million)	Percentage of Total Income (%)	₹ (million)	Percentage of Total Income (%)
Revenue from operations				
Interest income	26,055.64	80.15	18,227.83	78.77
Dividend income	2.53	0.01	-	-
Fee and commission income	3,279.28	10.09	2,306.35	9.97
Net gain on fair value changes	641.71	1.97	412.61	1.78
Net gain on derecognition of financial instruments	1,650.77	5.08	1,018.10	4.40
Sale of services	-	-	630.99	2.73
Other operating income	845.07	2.60	532.69	2.30
Total revenue from operations	32,475.00	99.90	23,128.57	99.94
Other income	33.36	0.10	13.40	0.06
Total income	32,508.36	100.00	23,141.97	100.00
Expenses				
Finance costs	12,735.98	39.18	8,359.01	36.12
Fees and commission expense	1,444.17	4.44	1,093.48	4.73
Impairment on financial instruments	1,008.16	3.10	912.78	3.94
Employee benefits expenses	7,429.62	22.85	6,236.92	26.95
Depreciation and amortization	1,017.13	3.13	878.70	3.80
Other expenses	2,540.12	7.81	2,004.68	8.66
Total expenses	26,175.18	80.52	19,485.57	84.20
Profit before tax before exceptional items	6,333.18	19.48	3,656.40	15.80
Exceptional item income	-	-	-	-
Profit before tax after exceptional item	6,333.18	19.48	3,656.40	15.80

Particulars	Fiscal 2025		Fiscal 2024	
	₹ (million)	Percentage of Total Income (%)	₹ (million)	Percentage of Total Income (%)
Tax Expense :				
Current tax	1,695.65	5.22	1,099.90	4.75
Deferred tax	(141.78)	(0.44)	(227.54)	(0.98)
Excess provision for tax – prior years	(6.02)	(0.02)	(10.02)	(0.04)
Total tax	1,547.85	4.76	862.34	3.73
Profit for the year / period	4,785.33	14.72	2,794.06	12.07
Other Comprehensive Income				
Items that will not be reclassified to profit and loss (A)				
Remeasurement of defined benefit plans	(33.84)	(0.10)	(28.77)	(0.12)
Income tax on above credit/ (charge)	8.06	0.02	7.24	0.03
Items that will be reclassified to profit or loss (B):				
Fair value gain on time value of forward element of forward contract in hedging relationship	61.89	0.19	(39.46)	(0.17)
Fair value gain on loans measured at fair value through OCI	(105.36)	(0.32)	-	-
Income tax on above credit / (charge)	(10.05)	(0.03)	9.93	0.04
Total other comprehensive (loss) / income (A+B)	(79.30)	(0.24)	(51.06)	(0.22)
Total comprehensive income for the period / year	4,706.03	14.48	2,743.00	11.85

Our total income increased by 40.47% from ₹ 23,141.97 million in Fiscal 2024 to ₹ 32,508.36 million in Fiscal 2025. This increase was primarily due to an increase in revenue from operations.

Revenue from operations

Our revenue from operations increased by 40.41% from ₹ 23,128.57 million in Fiscal 2024 to ₹ 32,475.00 million in Fiscal 2025, primarily due to an increase in (i) interest income by 42.94% from ₹ 18,227.83 million in Fiscal 2024 to ₹ 26,055.64 million in Fiscal 2025; (ii) net gain on fair value changes by 55.52% from ₹ 412.61 million in Fiscal 2024 to ₹ 641.71 million in Fiscal 2025; (iii) fees and commission income by 42.18% from ₹ 2,306.35 million in Fiscal 2024 to ₹ 3,279.28 million in Fiscal 2025; (iv) net gain on derecognition of financial instrument by 62.14% from ₹ 1,018.10 million in Fiscal 2024 to ₹ 1,650.77 million in Fiscal 2025; and (v) other operating income by 58.64% from ₹ 532.69 million in Fiscal 2024 to ₹ 845.07 million in Fiscal 2025. This was offset by a decrease in sale of services from ₹ 630.99 million in Fiscal 2024 to nil in Fiscal 2025.

Interest income

Interest income increased by 42.94% from ₹ 18,227.83 million in Fiscal 2024 to ₹ 26,055.64 million in Fiscal 2025 primarily due to an increase in interest on loans from ₹ 17,883.48 million in Fiscal 2024 to ₹ 25,607.59 million in Fiscal 2025.

The table below sets forth a breakdown of our loans by product type for Fiscal 2025 and 2024:

Particulars	Fiscal					
	2025			2024		
	Average Balance ⁽¹⁾ [A]	Interest Income [B]	Annualised Yield ⁽²⁾ [C=B/A *(4/3)] (%)	Average Balance ⁽¹⁾ [A]	Interest Income [B]	Annualised Yield ⁽²⁾ [C=B/A *(4/3)] (%)
	(₹ in millions, except percentages)					
Loans ⁽³⁾	156,661.75	25,764.26	16.45%	113,048.70	17,876.55	15.81%
Of which:						
MSME loans ⁽⁴⁾	39,154.09	6,019.73	15.37%	38,522.78	6,131.91	15.92%
Housing loans ⁽⁵⁾	40,172.58	5,115.81	12.73%	30,822.85	3,905.12	12.67%

Particulars	Fiscal					
	2025			2024		
	Average Balance ⁽¹⁾ [A]	Interest Income [B]	Annualised Yield ⁽²⁾ [C=B/A * (4/3)] (%)	Average Balance ⁽¹⁾ [A]	Interest Income [B]	Annualised Yield ⁽²⁾ [C=B/A * (4/3)] (%)
	(₹ in millions, except percentages)					
Construction finance ⁽⁶⁾	32,725.84	5,724.20	17.49%	20,988.89	3,730.49	17.77%
Gold loan ⁽⁷⁾	42,153.92	8,394.29	19.91%	19,156.84	3,566.14	18.62%
Other loans ⁽⁸⁾	2,455.32	510.22	20.78%	3,557.33	542.88	15.26%

Notes:

- (1) Average balances are calculated as the average of the opening balance at the start of the relevant Fiscal year and the closing balances as at half year end and year end in the relevant Fiscal year.
- (2) Annualised Yield on average balance is a Non-GAAP Financial Measure and is calculated as interest earned/expended divided by the average balance, multiplied by four and divided by three in order to give this on an annualised basis.
- (3) Excess received from customers amounting to ₹ 455.04 million was netted off against the loan book of ₹ 138,223.75 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 187,784.20 million is presented without this adjustment, and the excess received from customers amounting to ₹ 577.96 million is regrouped under 'other financial liabilities'.
- (4) In relation to MSME loans, excess received from customers amounting to ₹ 281.81 million was netted off against the loan book of ₹ 41,728.22 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 42,764.58 million is presented without this adjustment, and the excess received from customers amounting to ₹ 319.33 million is regrouped under 'other financial liabilities'.
- (5) In relation to housing loans, excess received from customers amounting to ₹ 122.38 million was netted off against the loan book of ₹ 38,905.77 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 46,056.25 million is presented without this adjustment, and the excess received from customers amounting to ₹ 223.42 million is regrouped under 'other financial liabilities'.
- (6) In relation to construction finance, excess received from customers amounting to ₹ 7.02 million was netted off against the loan book of ₹ 26,212.79 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 41,329.13 million is presented without this adjustment, and the excess received from customers amounting to ₹ 1.12 million is regrouped under 'other financial liabilities'.
- (7) In relation to gold loans, excess received from customers amounting to ₹ 5.08 million was netted off against the loan book of ₹ 28,235.67 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 55,612.66 million is presented without this adjustment, and the excess received from customers amounting to ₹ 5.04 million is regrouped under 'other financial liabilities'.
- (8) Other loans includes indirect lending loans, small business loans and loans to employees. In relation to indirect lending loans, excess received from customers amounting to nil was netted off against the loan book of ₹ 2,662.55 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 1,766.97 million is presented without this adjustment, and the excess received from customers amounting to ₹ 4.04 million is regrouped under 'other financial liabilities'. In relation to small business loans, excess received from customers amounting to ₹ 14.75 million was netted off against the loan book of ₹ 478.74 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 254.60 million is presented without this adjustment, and the excess received from customers amounting to ₹ 0.01 million is regrouped under 'other financial liabilities'.

Our interest income from MSME loans decreased by 1.83% from ₹ 6,131.91 million for Fiscal 2024 to ₹ 6,019.73 million for Fiscal 2025. This was primarily due to a decrease in the Annualised Yield on Average Interest Earning Loans for MSME loans from 15.92% for Fiscal 2024 to 15.37% for Fiscal 2025.

Our interest income from housing loans increased by 31.00% from ₹ 3,905.12 million for Fiscal 2024 to ₹ 5,115.81 million for Fiscal 2025. This was primarily due to an increase in our Average Interest Earning Loans of housing loans by 30.33% from ₹ 30,822.25 million for Fiscal 2024 to ₹ 40,172.58 million for Fiscal 2025.

Our interest income from gold loans increased by 135.39% from ₹ 3,566.14 million for Fiscal 2024 to ₹ 8,394.29 for Fiscal 2025. This was primarily due to an increase in our Average Interest Earning Loans of gold loans by 120.05% from ₹ 19,156.84 million for Fiscal 2024 to ₹ 42,153.92 million for Fiscal 2025.

Our interest income from construction finance increased by 53.44% from ₹ 3,730.49 million for Fiscal 2024 to ₹ 5,724.20 million for Fiscal 2025. This was primarily due to an increase in our Average Interest Earning Loans of construction finance by 55.92% from ₹ 20,988.89 million for Fiscal 2024 to ₹ 32,725.84 million for Fiscal 2025, and partially offset by a decrease in the Annualised Yield on Average Interest Earning Loans for construction loans from 17.77% for Fiscal 2024 to 17.49% for Fiscal 2025.

Fees and Commission Income

Our fees and commission income increased by 42.18% from ₹ 2,306.35 million for Fiscal 2024 to ₹ 3,279.28 million for Fiscal 2025. The primary reasons for this increase were:

- an increase in car loan distribution gross fee income from ₹ 2,169.16 million for Fiscal 2024 to ₹ 2,407.21 million for Fiscal 2025 primarily on account of increase in car loan distribution value from ₹ 97,414.74 million for Fiscal 2024 to ₹ 105,518.76 million for Fiscal 2025; and

- a increase in application fees from ₹ 96.02 million for March 31, 2024 to ₹ 144.95 million for March 31, 2025; and
- Net fee income from insurance distribution of ₹ 727.12 million in Fiscal 2025.

Net Gain on Derecognition of Financial Instrument

Our revenue from net gain on derecognition of financial instrument increased by 62.14% from ₹ 1,018.10 million for Fiscal 2024 to ₹ 1,650.77 million for Fiscal 2025 due to increase in co-lending disbursement.

Net Gain on Fair Value Changes

Our revenue from net gain on fair value changes increased by 55.52% from ₹ 412.61 million for Fiscal 2024 to ₹ 641.71 million for Fiscal 2025. The primary reason for this was a decrease in investment from ₹ 2,162.29 million for Fiscal 2024 to ₹ 1,604.17 million for Fiscal 2025, on account of an increase in realized gain on investments by ₹ 195.87 million and unrealized gain by ₹ 33.23 million in Fiscal 2025.

Sale of Service

Our revenue from sale of service decreased by 100.00% from ₹ 630.99 million for Fiscal 2024 to nil for Fiscal 2025. The primary reason for this was due to no advertisement income in Fiscal 2025.

Other Operating Income

Our other operating income increased by 58.64% from ₹ 532.69 million for Fiscal 2024 to ₹ 845.07 million for Fiscal 2025. This was primarily due to an increase in foreclosure fees and other charges from ₹ 503.92 million for Fiscal 2024 to ₹ 819.06 million for Fiscal 2025.

Other Income

Our other income increased by 148.96% from ₹ 13.40 million for Fiscal 2024 to ₹ 33.36 million for Fiscal 2025.

Total Expenses

Our total expenses increased by 34.33% from ₹ 19,485.57 million for Fiscal 2024 to ₹ 26,175.18 million for Fiscal 2025.

Our Operating Expenses (excluding fees and commission expense) as a percentage of our Net Income (“**Cost to Income Ratio**”) decreased from 67.44% for Fiscal 2024 to 60.65% for Fiscal 2025. The table below sets forth details of our Cost to Income Ratios for Fiscal 2025 and 2024.

Particulars	Fiscal	
	2025	2024
	(₹ in millions, except percentages)	
Interest income excluding interest on security deposit (A)	26,044.96	18,211.43
Finance costs (excluding lease liability) (B)	12,408.41	8,016.76
Non-interest income (adjusted for fee & commission expense) (C)	5,019.23	3,837.06
Net income (D) = (A) – (B) + (C)	18,655.78	14,031.73
Employee benefit expense (G)	7,429.62	6,236.92
Depreciation, amortisation and impairment (H)	1,017.13	878.70
Other expenses (Including lease liability) (I)	2,867.69	2,346.93
Operating Expenses (excluding fees and commission expense) (J) = (G) + (H) + (I)	11,314.44	9,462.55
Cost to Income Ratio (K) = (J)/(D)	60.65%	67.44%

The primary reasons for the increase in total expenses are discussed below.

Finance Costs

The table below sets forth our finance costs for Fiscal 2025 and 2024:

Particulars	Fiscal		Increase/(Decrease) (%)
	2025	2024	
	(₹ in millions, except percentages)		
Interest on borrowings other than debt securities	1,19,98.84	7,798.89	53.85%
Interest on bank overdraft	-	-	
Interest on debt securities	347.57	191.29	81.70%
Interest on bank cash credit	3.74	2.88	29.86%
Interest on lease liability ⁽¹⁾	327.57	342.25	(4.29)%
Other charges	58.26	23.70	145.82%
Total finance costs	12,735.98	8,359.01	52.36%

Notes:

(1) Interest on lease liability is an Ind AS adjustment related to lease assets.

Our finance costs increased by 52.36% from ₹ 8,359.01 million for Fiscal 2024 to ₹ 12,735.98 million for Fiscal 2025. This was primarily due to an increase in interest on borrowings other than debt securities and interest on debt securities from ₹ 7,798.89 million and ₹ 191.29 million, respectively for Fiscal 2024 to ₹ 119,98.84 million and ₹ 347.57 million, respectively for Fiscal 2025, which was primarily due to an increase in our borrowings and debt securities from ₹ 102,547.78 million and ₹ 1,521.65 million, respectively for Fiscal 2024 to ₹ 150,681.54 million and ₹ 5,086.57 million for Fiscal 2025. For details of our average interest-bearing liabilities and the costs thereon, see “Selected Statistical Information – Average Balance Sheet, Interest Earned/Expended and Yield/Cost” on page 36.

Fees and Commission Expense

Our fees and commission expense increased by 32.07% from ₹ 1,093.48 million for Fiscal 2024 to ₹ 1,444.17 million for Fiscal 2025. This increase was primarily due to an increase in commissions paid to agents.

Impairment on Financial Instruments (Expected Credit Loss)

Our impairment of financial instruments on loans increased by 10.45% from ₹ 912.78 million for Fiscal 2024 to ₹ 1,008.16 million for Fiscal 2025.

Employee Benefit Expense

Our employee benefit expense increased by 19.12% from ₹ 6,236.92 million for Fiscal 2024 to ₹ 7,429.62 million for Fiscal 2025, which increase was primarily due to increase in employees’ salaries and bonuses from ₹ 5,713.50 million for Fiscal 2024 to ₹ 6,680.19 million for Fiscal 2025, which was primarily due to the increase in the number of our employees, which increased from 10,060 as at March 31, 2024 to 11,410 as at March 31, 2025. As a percentage of our revenue from operations, our employee benefit expense decreased from 26.97% for Fiscal 2024 to 22.88% for Fiscal 2025.

Other Expenses

Our other expenses increased by 26.71% from ₹ 2,004.68 million for Fiscal 2024 to ₹ 2,540.12 million for Fiscal 2025. This increase was primarily due to the following reasons:

- an increase in our legal and professional expenses from ₹ 363.68 million for Fiscal 2024 to ₹ 456.64 million for Fiscal 2025, which was primarily due to an increase in business needs;
- an increase in our software expenses from ₹ 241.76 million for Fiscal 2024 to ₹ 428.61 million for Fiscal 2025, which was primarily due to adoption of latest technologies; and
- an increase in our travelling and conveyance expenses from ₹ 314.50 million for Fiscal 2024 to ₹ 350.07 million for Fiscal 2025, which was primarily due to an increase in business needs.

Tax Expense

Our total tax expense increased by 79.49% from ₹ 862.34 million for Fiscal 2024 to ₹ 1,547.85 million for Fiscal 2025, which was primarily due to the 73.21% increase in our profit before tax from ₹ 3,656.40 million for Fiscal 2024 to ₹ 6,333.18 million for Fiscal 2025. For Fiscals 2025 and 2024, our total tax expense as a percentage of our profit before tax was 24.44% and 23.58%, respectively. The corporate income tax rate was 25% (including all cesses) for both Fiscal 2025 and 2024.

Net Profit After Tax

Primarily for the reasons set forth above, our net profit after tax increased by 71.27% from ₹ 2,794.06 million for Fiscal 2024 to ₹ 4,785.33 million for Fiscal 2025.

FISCAL 2024 COMPARED WITH FISCAL 2023

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscals 2024 and 2023:

Particulars	Fiscal 2024		Fiscal 2023	
	₹ (million)	Percentage of Total Income (%)	₹ (million)	Percentage of Total Income (%)
Revenue from operations				
Interest income	18,227.83	78.77	11,672.92	79.68
Dividend income	-	-	-	-
Fee and commission income	2,306.35	9.97	1,540.97	10.52
Net gain on fair value change	412.61	1.78	214.00	1.46
Net gain on derecognition of financial instruments under amortised cost category	1,018.10	4.40	557.31	3.80
Sale of services	630.99	2.73	265.07	1.81
Other operating income	532.69	2.30	383.18	2.62
Total revenue from operations	23,128.57	99.94	14,633.45	99.89
Other income	13.40	0.06	16.52	0.11
Total income	23,141.97	100.00	14,649.97	100.00
Expenses				
Finance costs	8,359.01	36.12	5,311.18	36.25
Fees and commission expense	1,093.48	4.73	257.76	1.76
Impairment on financial instruments	912.78	3.94	641.82	4.38
Employee Benefits Expenses	6,236.92	26.95	4,060.78	27.72
Depreciation, amortization and impairment	878.70	3.80	439.13	3.00
Others expenses	2,004.68	8.66	1,256.46	8.58
Total expenses	19,485.57	84.20	11,967.13	81.69
Profit before tax for the year	3,656.40	15.80	2,682.84	18.31
Tax Expense				
Current tax	1,099.90	4.75	653.96	4.46
Deferred tax	(227.54)	(0.98)	(6.41)	(0.04)
Short / (Excess) provision for earlier years	(10.02)	(0.04)	(11.25)	(0.08)
Total tax expense	862.34	3.73	636.30	4.34
Net profit after tax for the year	2,794.06	12.07	2,046.54	13.97
Other Comprehensive Income				
Items that will not be reclassified to profit and loss				
Remeasurement on defined benefit plans	(28.77)	(0.12)	(12.50)	(0.09)
Income Tax impact on above	7.24	0.03	3.15	0.02
Total	(21.53)	(0.09)	(9.35)	(0.06)
Items that will be reclassified to profit and loss				
Fair Value Gain on time value of forward element of forward contract in hedging relationship	(39.46)	(0.17)	(29.53)	(0.20)
Fair Value Gain on loans measured at Fair value through OCI	-	-	-	-
Income Tax impact of both	9.93	0.04	7.43	0.05

Particulars	Fiscal 2024		Fiscal 2023	
	₹ (million)	Percentage of Total Income (%)	₹ (million)	Percentage of Total Income (%)
above				
Total	(29.53)	(0.13)	(22.10)	(0.15)
Other Comprehensive income	(51.06)	(0.22)	(31.45)	(0.21)
Total Comprehensive income	2,743.00	11.85	2,015.09	13.75

TOTAL INCOME

Our total income increased by 57.97% from ₹ 14,649.97 million in Fiscal 2023 to ₹ 23,141.97 million in Fiscal 2024. This increase was primarily due to an increase in revenue from operations.

Revenue from operations

Our revenue from operations increased by 58.05% from ₹ 14,633.45 million in Fiscal 2023 to ₹ 23,128.57 million in Fiscal 2024 primarily due to an increase in (i) interest income by 56.23% from ₹ 11,656.56 million in Fiscal 2023 to ₹ 18,211.43 million in Fiscal 2024; (ii) Net gain on fair value change by 92.81% from ₹ 214.00 million in Fiscal 2023 to ₹ 412.61 million in Fiscal 2024; (iii) fees and commission income by 49.67% from ₹ 1,540.97 million in Fiscal 2023 to ₹ 2,306.35 million in Fiscal 2024; (iv) net gain on derecognition of financial instrument by 82.68% from ₹ 557.31 million in Fiscal 2023 to ₹ 1,018.10 million in Fiscal 2024; (v) sale of service by 138.05% from ₹ 265.07 million in Fiscal 2023 to ₹ 630.99 million in Fiscal 2024; and (vi) other operating income by 39.02% from ₹ 383.18 million in Fiscal 2023 to ₹ 532.69 million in Fiscal 2024.

Interest income

Interest income increased by 56.23% from ₹ 11,656.56 million in Fiscal 2023 to ₹ 18,211.43 million in Fiscal 2024 primarily due to an increase in interest on loans from ₹ 11,431.30 million in Fiscal 2023 to ₹ 17,876.55 million in Fiscal 2024 and interest on deposits from ₹ 88.22 million in Fiscal 2023 to ₹ 223.31 million in Fiscal 2024.

Particulars	Fiscal					
	2024			2023		
	Average Balance ⁽¹⁾ [A]	Interest Income [B]	Annualised Yield ⁽²⁾ [C=B/A] (%)	Average Balance ⁽¹⁾ [A]	Interest Income [B]	Annualised Yield ⁽²⁾ [C=B/A] (%)
	(₹ in millions, except percentages)					
Loans	113,048.70	17,876.55	15.81%	76,698.48	11,431.30	14.90%
Of which:						
MSME loans	38,522.78	6,131.91	15.92%	33,052.53	5,190.76	15.70%
Housing loans	30,822.85	3,905.12	12.67%	20,806.11	2,672.84	12.85%
Construction finance	20,988.89	3,730.49	17.77%	15,394.54	2,702.98	17.56%
Gold loan	19,156.84	3,566.14	18.62%	4,191.95	591.58	14.11%
Other loans ⁽³⁾	3,557.33	542.88	15.26%	3,253.36	273.14	8.40%

Notes:

- (1) Average balances are calculated as the average of the opening balance at the start of the relevant Fiscal year and the closing balances as at half year end and year end in the relevant Fiscal year.
- (2) Annualised Yield on average balance is a Non-GAAP Financial Measure and is calculated as interest earned/expended divided by the average balance, multiplied by four and divided by three in order to give this on an annualised basis.
- (3) Other loans include indirect lending loans, small business loans and loans to employees.

Our interest income from MSME loans increased by 18.13% from ₹ 5,190.76 million for Fiscal 2023 to ₹ 6,131.91 million for Fiscal 2024. This was primarily due to an increase in our Average Interest Earning Loans of MSME loans by 16.55% from ₹ 33,052.53 million for Fiscal 2023 to ₹ 38,522.78 million for the Fiscal 2024, and increase in the Annualised Yield on Average Interest Earning Loans for MSME loans from 15.70% for Fiscal 2023 to 15.92% for Fiscal 2024.

Our interest income from housing loans increased by 46.10 % from ₹ 2,672.84 million for Fiscal 2023 to ₹ 3,905.12 million for Fiscal 2024. This was primarily due to an increase in our Average Interest Earning Loans of housing loans by 48.14% from ₹ 20,806.11 million for Fiscal 2023 to ₹ 30,822.85 million for Fiscal 2024, which was partially offset by a decrease in the Annualised Yield on Average Interest Earning Loans for housing loans from 12.85% for Fiscal 2023 to 12.67% for Fiscal 2024.

Our interest income from gold loans increased by 502.82% from ₹ 591.58 million for Fiscal 2023 to ₹ 3,566.14 million for Fiscal 2024. This was primarily due to an increase in our Average Interest Earning Loans of gold loans by 356.99 % from ₹ 4,191.95 million for Fiscal 2023 to ₹ 19,156.84 million for Fiscal 2024 and increase in the Annualised Yield on Average Interest Earning Loans for gold loans from 14.11% for Fiscal 2023 to 18.62% for Fiscal 2024.

Our interest income from Construction finance loans increased by 38.01% from ₹ 2,702.98 million for Fiscal 2023 to ₹ 3,730.49 million for Fiscal 2024. This was primarily due to an increase in our Average Interest Earning Loans of construction finance by 36.34 % from ₹ 15,394.54 million for Fiscal 2023 to ₹ 20,988.89 million for Fiscal 2024.

Fees and commission income

Fees and commission income increased by 49.67 % from ₹ 1,540.97 million in Fiscal 2023 to ₹ 2,306.35 million in Fiscal 2024. The primary reasons for this increase were:

- an increase in commission on loan sourcing from ₹ 1,437.06 million in Fiscal 2023 to ₹ 2,169.16 million in Fiscal 2024 primarily on account of increase in car loan origination value from ₹ 56,939.20 million in Fiscal 2023 to ₹ 97,414.74 million in Fiscal 2024; and
- other commission income from Nil in Fiscal 2023 to ₹ 41.17 million in Fiscal 2024. This was primarily offset by decrease in application fees from ₹ 103.91 million in Fiscal 2023 to ₹ 96.02 million in Fiscal 2024.

Net gain on derecognition of financial instrument

Net gain on derecognition of financial instrument increased by 82.68% from ₹ 557.31 million in Fiscal 2023 to ₹ 1,018.10 million in Fiscal 2024 due in increase in co-lending disbursement.

Sale of service

Sale of service increased by 138.05% from ₹ 265.07 million in Fiscal 2023 to ₹ 630.99 million in Fiscal 2024 primarily due to increase in advertising income from more gold loans branches.

Other operating income

Other operating income increased by 39.02% from ₹ 383.18 million in Fiscal 2023 to ₹ 532.69 million in Fiscal 2024 to primarily due to an increase in foreclosure fees from ₹ 139.64 million in Fiscal 2023 to ₹ 194.80 million in Fiscal 2024 and other charges from ₹ 223.35 million in Fiscal 2023 to ₹ 309.12 million in Fiscal 2024.

Other income

Our other income decreased by 18.89% from ₹ 16.52 million in Fiscal 2023 compared to ₹ 13.40 million in Fiscal 2024, primarily due to a decrease in profit on sale of investment property from ₹ 6.30 million in Fiscal 2023 to ₹ 2.91 million in Fiscal 2024.

Total Expenses

Total expenses increased by 62.83% from ₹ 11,967.13 million in Fiscal 2023 to ₹ 19,485.57 million in Fiscal 2024. This increase was due to an increase in (i) finance costs; (ii) fees and commission expense; (iii) impairment on financial; (iv) employee benefit expenses; (v) depreciation, amortization and impairment and (vi) other expenses.

Our Cost to Income Ratio increased from 63.97% for Fiscal 2023 to 67.44% for Fiscal 2024. The table below sets forth details of our Cost to Income Ratios for Fiscals 2024 and 2023.

Particulars	Year ended March 31,	
	2024	2023
	(₹ in millions, except percentages)	
Interest income excluding interest on security deposit (A)	18,211.43	11,656.56
Finance costs (excluding lease liability) (B)	8,016.76	5,163.56
Non-interest income (adjusted for fee & commission expense) (C)	3,837.06	2,735.65
Net income (D) = (A) – (B) + (C)	14,031.73	9,228.65

Particulars	Year ended March 31,	
	2024	2023
	(₹ in millions, except percentages)	
Employee benefit expense (G)	6,236.92	4,060.78
Depreciation, amortisation and impairment (H)	878.70	439.13
Other expenses (Including lease liability) (I)	2,346.93	1,404.08
Operating Expenses (excluding fees and commission expense) (J) = (G) + (H) + (I)	9,462.55	5,903.99
Cost to Income Ratio (K) = (J)/(D)	67.44%	63.97%

The primary reasons for the increase in total expenses are discussed below.

Finance Costs

The table below sets forth our finance costs for Fiscals 2024 and 2023:

Particulars	Fiscal		Increase/(Decrease) (%)
	2024	2023	
	(₹ in millions, except percentages)		
Interest on borrowings other than debt securities	7,798.89	4,742.90	64.43%
Interest on bank overdraft	-	1.94	(100.00)%
Interest on debt securities	191.29	411.50	(53.51)%
Interest on bank cash credit	2.88	7.22	(60.11)%
Interest on lease liability ⁽¹⁾	342.25	147.62	131.85%
Other charges	23.70	-	0.00%
Total finance costs	8,359.01	5,311.18	57.39%

Notes:

(1) Interest on lease liability is an Ind AS adjustment related to lease assets.

Our finance cost increased by 57.38% from to ₹ 5,311.18 million in Fiscal 2023 to ₹ 8,359.01 million in Fiscal 2024 primarily due to an increase in interest on borrowings (other than debt securities) from ₹ 4,742.90 million in Fiscal 2023 to ₹ 7,798.89 million in Fiscal 2024 and interest on lease liability from ₹ 147.62 million in Fiscal 2023 to ₹ 342.25 million in Fiscal 2024. This was primarily offset by a decrease in interest on debt securities from ₹ 411.50 million in Fiscal 2023 to ₹ 191.29 million in Fiscal 2024.

Fees and commission expense

Our fees and commission expense increased by 324.22% from to ₹ 257.76 million in Fiscal 2023 to ₹ 1,093.48 million in Fiscal 2024 primarily due to increase in commissions paid to agents for increase in car loan distribution business.

Impairment on financial instruments

Our impairment on financial instruments increased by 42.22% from ₹ 641.82 million in Fiscal 2023 to ₹ 912.78 million in Fiscal 2024 primarily due to an increase in impairment on loans, at amortised cost from ₹ 78.64 million in Fiscal 2023 to ₹ 771.61 million in Fiscal 2024. This was partially offset by a decrease in bad debts written off from ₹ 570.47 million in Fiscal 2023 to ₹ 199.33 million in Fiscal 2024.

Employee benefits expenses

Our employee benefit expenses increased by 53.59% from ₹ 4,060.78 million in Fiscal 2023 to ₹ 6,236.92 million in Fiscal 2024, primarily due to increases in (i) salaries and wages from ₹ 3,585.03 million in Fiscal 2023 to ₹ 5,713.50 million in Fiscal 2024 driven by increase in number of employees from 9,076 as of 31 March, 2023 to 10,060 as of 31 March, 2024; (ii) contribution to provident and other funds other than gratuity from ₹ 213.49 million in Fiscal 2023 to ₹ 304.37 million in Fiscal 2024; and (iii) contribution to gratuity from ₹ 16.40 million in Fiscal 2023 to ₹ 30.33 million in Fiscal 2024. This was partially offset by share based payments to employees from ₹ 161.59 million in Fiscal 2023 to ₹ 85.70 million in Fiscal 2024.

Depreciation, amortization and impairment

Our depreciation and amortization expense increased by 100.10% from ₹ 439.13 million in Fiscal 2023 to ₹ 878.70 million in Fiscal 2024, primarily due to an increase in depreciation on right of use assets from ₹ 303.24 million in Fiscal 2023 to ₹ 667.82 million in Fiscal 2024.

Other expenses

Our other expenses increased by 59.55% from ₹ 1,256.46 million in Fiscal 2023 to ₹ 2,004.68 million in Fiscal 2024. This increase was primarily due to increase in the following expenses:

- a) advertising from ₹ 20.67 million in Fiscal 2023 to ₹ 170.71 million in Fiscal 2024;
- b) banking charges from ₹ 9.21 million in Fiscal 2023 to ₹ 14.27 million in Fiscal 2024;
- c) business development expenses from ₹ 22.92 million in Fiscal 2023 to ₹ 43.64 million in Fiscal 2024;
- d) electricity charges from ₹ 51.37 million in Fiscal 2023 to ₹ 94.02 million in Fiscal 2024;
- e) legal and professional expenses from ₹ 224.61 million in Fiscal 2023 to ₹ 334.22 million in Fiscal 2024;
- f) postage, telephone and fax from ₹ 53.02 million in Fiscal 2023 to ₹ 89.37 million in Fiscal 2024;
- g) printing and stationery from ₹ 133.45 million in Fiscal 2023 to ₹ 45.06 million in Fiscal 2024;
- h) recruitment expenses from ₹ 30.57 million in Fiscal 2023 to ₹ 24.87 million in Fiscal 2024;
- i) rent from ₹ 30.45 million in Fiscal 2023 to ₹ 41.97 million in Fiscal 2024;
- j) software expenses from ₹ 133.44 million in Fiscal 2023 to ₹ 241.76 million in Fiscal 2024;
- k) travelling and conveyance from ₹ 226.71 million in Fiscal 2023 to ₹ 314.50 million in Fiscal 2024; and
- l) miscellaneous expenses from ₹ 198.74 million in Fiscal 2023 to ₹ 478.28 million in Fiscal 2024.

This was partially offset by decrease in business development expenses from ₹ 43.64 million in Fiscal 2023 to ₹ 25.46 million in Fiscal 2024.

Tax expense

Our income tax expense increased from ₹ 636.30 million in Fiscal 2023 to ₹ 862.34 million in Fiscal 2024. Current tax increased from ₹ 653.96 million in Fiscal 2023 to ₹ 1,099.90 million in Fiscal 2024, mainly on account of increase in profit before tax from ₹ 2,682.84 million to ₹ 3,656.40 million. Our deferred tax was ₹ (6.41) million in Fiscal 2023 and ₹ (227.54) million in Fiscal 2024. Tax pertaining to earlier years increased from ₹ (11.25) million in Fiscal 2023 to ₹ (10.02) million in Fiscal 2024.

Net profit after tax

Basis above, our net profit after tax in Fiscal 2023 was ₹ 2,046.54 million while our net profit after tax in Fiscal 2024 was ₹ 2,794.06 million.

FINANCIAL CONDITION

Total Assets

The table below sets forth the principal components of our total assets as at the dates specified:

Particulars	As at March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Assets			
Financial Assets			
Cash and cash equivalents	15,065.48	6,396.49	14,767.73
Bank balances other than cash and cash equivalents	246.57	349.72	335.07
Derivative financial instruments	-	41.05	-
Receivables	-	-	322.34
Trade receivables	587.81	1,366.85	-
Other receivables	276.20	52.78	-
Loans ⁽¹⁾	182,515.02	134,211.83	94,753.52
Investments	1,604.17	2,162.29	2,150.41
Other financial assets	1,333.07	948.51	755.49
Total Financial Assets	201,628.32	145,529.52	113,084.56

Particulars	As at March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Non-Financial Assets			
Current tax assets (net)	441.47	279.24	195.04
Deferred tax assets (net)	847.44	706.25	476.09
Property, plant and equipment	2,978.65	3,210.08	2,839.92
Capital work-in-progress	1.15	0.79	25.22
Intangible assets under development	29.53	190.37	148.05
Intangible assets	435.60	285.55	69.67
Other non financial assets	1,950.95	1,295.17	1,107.60
Total Non-Financial Assets	6,684.79	5,967.45	4,861.59
Total Assets	208,313.11	151,496.97	117,946.15

Financial assets

Our cash and cash equivalents decreased from ₹ 14,767.73 million as of March 31, 2023 to ₹ 6,396.49 million as of March 31, 2024, primarily due to a decrease in fixed deposits of ₹ 9,601.40 million. Cash and cash equivalents increased to ₹ 15,065.48 million as of March 31, 2025 due to an increase in balance with banks in current accounts of ₹ 10,461.54 million.

Our bank balances other than cash and cash equivalents increased from ₹ 335.07 million as of March 31, 2023 to ₹ 349.72 million as of March 31, 2024. Bank balances other than cash and cash equivalents decreased to ₹ 246.57 million as of March 31, 2025.

Our loans increased from ₹ 94,753.52 million as of March 31, 2023 to ₹ 134,211.83 million as of March 31, 2024, primarily due to disbursements of ₹ 159,791.69 million. Loans increased to ₹ 182,515.02 million as of March 31, 2025, due to disbursement of ₹ 252,723.84 million. The table below sets forth our loans by product type as at the dates indicated:

Particulars	As at March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Gross Loans:			
MSME loans ⁽¹⁾	42,430.25	41,409.82	38,107.32
Housing loans ⁽²⁾	45,180.67	38,458.40	25,815.42
Construction finance ⁽³⁾	40,523.86	25,774.78	17,943.07
Gold Loan ⁽⁴⁾	55,003.60	27,963.53	11,256.97
Other loans ⁽⁵⁾	2,039.25	3,137.74	3,404.06
Total Gross Loans⁽⁶⁾ [A]	185,177.63	136,744.27	96,526.84
Less: Expected credit loss [B]	2,677.96	2,566.83	1,794.47
Loans [C = A - B]	182,499.67	134,177.44	94,732.37

Notes:

- (1) In relation to MSME loans, excess received from customers amounting to ₹ 281.81 million was netted off against the loan book of ₹ 41,728.22 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 42,764.58 million is presented without this adjustment, and the excess received from customers amounting to ₹ 319.33 million is regrouped under 'other financial liabilities'.
- (2) In relation to housing loans, excess received from customers amounting to ₹ 122.38 million was netted off against the loan book of ₹ 38,905.77 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 46,056.25 million is presented without this adjustment, and the excess received from customers amounting to ₹ 223.42 million is regrouped under 'other financial liabilities'.
- (3) In relation to construction finance, excess received from customers amounting to ₹ 7.02 million was netted off against the loan book of ₹ 26,212.79 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 41,329.13 million is presented without this adjustment, and the excess received from customers amounting to ₹ 1.12 million is regrouped under 'other financial liabilities'.
- (4) In relation to gold loans, excess received from customers amounting to ₹ 5.08 million was netted off against the loan book of ₹ 28,235.67 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 55,612.66 million is presented without this adjustment, and the excess received from customers amounting to ₹ 5.04 million is regrouped under 'other financial liabilities'.
- (5) Other loans includes indirect lending loans, small business loans and loans to employees. In relation to indirect lending loans, excess received from customers amounting to nil was netted off against the loan book of ₹ 2,662.55 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 1,766.97 million is presented without this adjustment, and the excess received from customers amounting to ₹ 4.04 million is regrouped under 'other financial liabilities'. In relation to small business loans, excess received from customers amounting to ₹ 14.75 million was netted off against the loan book of ₹ 478.74 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 254.60 million is presented without this adjustment, and the excess received from customers amounting to ₹ 0.01 million is regrouped under 'other financial liabilities'.
- (6) Excess received from customers amounting to ₹ 455.04 million was netted off against the loan book of ₹ 138,223.75 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 187,784.20 million is presented without this adjustment, and the excess received from customers amounting to ₹ 577.96 million is regrouped under 'other financial liabilities'.

Our investments increased from ₹ 2,150.41 million as of March 31, 2023 to ₹ 2,162.29 million as of March 31, 2024. Investments decreased to ₹ 1,604.17 million as of March 31, 2025.

Our other financial assets increased from ₹ 755.49 million as of March 31, 2023 to ₹ 948.51 million as of March 31, 2024, primarily due to an increase in spread receivable on assigned portfolio from ₹ 622.01 million as of March 31, 2023 to ₹ 807.33 million as of March 31, 2024. Other financial assets increased to ₹ 1,333.07 million as of March 31, 2025 due to an increase in spread receivable on assigned portfolio from ₹ 807.33 million to ₹ 1,130.85 million as of March 31, 2025.

Non-Financial Assets

Current tax assets (net) increased from ₹ 195.04 million as of March 31, 2023 to ₹ 279.24 million as of March 31, 2024 and increased to ₹ 441.47 million as of March 31, 2025.

Deferred tax assets (net) increased from ₹ 476.09 million as of March 31, 2023 to ₹ 706.25 million as of March 31, 2024 and increased to ₹ 847.44 million as of March 31, 2025.

Our property, plant and equipment increased from ₹ 2,839.92 million as of March 31, 2023 to ₹ 3,210.08 million as of March 31, 2024, primarily due to an increase in right of use assets from ₹ 1,871.28 million as of March 31, 2023 to ₹ 2,372.29 million. Property, plant and equipment decreased to ₹ 2,978.65 million as of March 31, 2025 due to a decrease in right of use assets to ₹ 2,243.73 million as of March 31, 2025.

Our other non-financial assets increased from ₹ 1,107.60 million as of March 31, 2023 to ₹ 1,295.17 million as of March 31, 2024, primarily due to increase in assets held for sale from ₹ 144.95 million as of March 31, 2023 to ₹ 209.95 million as of March 31, 2024. Other non-financial assets increased to ₹ 1,950.95 million as of March 31, 2025 due to an increase in accrued income from ₹ 274.39 million to ₹ 711.84 million as of March 31, 2025.

Total Liabilities and Equity

The following table sets forth the principal components of our liabilities as of the dates indicated:

Particulars	As at March 31,		
	2025	2024	2023
Liabilities and Equity			
Liabilities			
Financial Liabilities			
Derivative financial instruments	556.84	-	75.72
Payables			
Trade payables			
(i) Total outstanding dues of micro and small enterprises	7.70	5.44	6.52
(ii) Total outstanding dues of creditors other than micro and small enterprises	1,017.57	1,305.32	960.95
Other Payables			
(i) Total outstanding dues of micro and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	626.69	211.32	144.99
Debt securities	5,086.57	1,521.65	4,386.14
Borrowings (other than debt securities)	150,681.54	102,547.48	70,726.65
Other financial liabilities	6,200.97	6,994.44	5,629.85
Total Financial liabilities	164,177.88	112,585.65	81,930.82
Non-Financial Liabilities			
Current tax liabilities (net)	410.69	24.53	12.92
Provisions	457.90	274.90	214.96
Other non-financial liabilities	225.67	246.18	132.79
Total Non-Financial Liabilities	1,094.26	545.61	360.67
Equity			
Equity share capital	825.12	824.94	412.31
Other equity	42,215.85	37,540.77	35,242.35
Total Equity	43,040.97	38,365.71	35,654.66
Total Liabilities and Equity	208,313.11	151,496.97	117,946.15

Our debt securities decreased from ₹ 4,386.14 million as of March 31, 2023 to ₹ 1,521.65 million as of March 31, 2024 on

account of repayments of non-convertible debentures. Debt securities increased to ₹ 5,086.57 million as of March 31, 2025 on account of issuance of commercial papers. The table below sets forth the breakdown of our debt securities as at the dates indicated:

Particulars	As at March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Non-Convertible debentures	1,721.10	1,521.65	4,386.14
Commercial Paper	3,365.47	-	-
Total (A)	5,086.57	1,521.65	4,386.14
Debt securities in India	5,086.57	1,521.65	4,386.14
Debt securities outside India	-	-	-
Total (B)	5,086.57	1,521.65	4,386.14

Our borrowings (other than debt securities) increased from ₹ 70,726.65 million as of March 31, 2023 to ₹ 102,547.48 million as of March 31, 2024, and further increased to ₹ 150,681.54 million as of March 31, 2025 due to availing new credit facilities commensurate to the growth of loan book.

Particulars	As at March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Secured			
Term loan from banks	118,562.63	85,867.41	61,211.26
Term loan from others	27,908.91	12,555.20	8,871.89
Loan repayable on demand			
From banks (cash credit)	3,940.00	3,794.87	643.50
From bank (overdraft)	-	-	-
Others			
Loan from related parties	270.00	330.00	-
Total (A)	150,681.54	102,547.48	70,726.65
Borrowings in India	150,681.54	102,547.48	70,726.65
Borrowings outside India	-	-	-
Total (B)	150,681.54	102,547.48	70,726.65

Our other financial liabilities increased from ₹ 5,629.85 million as of March 31, 2023 to ₹ 6,994.44 million as of March 31, 2024. Other financial liabilities decreased to ₹ 6,200.97 million as of March 31, 2025. This was primarily on account of an increase in lease liability amounts of ₹ 1,928.87 million, ₹ 2,591.66 million and ₹ 2,589.03 million for Fiscals 2023, 2024 and 2025 respectively.

Our other equity increased from ₹ 35,242.35 million as at March 31, 2023 to ₹ 37,540.77 million as at March 31, 2024 due to increase in profit. Other equity increased to ₹ 42,215.85 million as at March 31, 2025 due to increase in reserves and surplus.

LIQUIDITY AND CAPITAL RESOURCES

Capital Requirements

We fund our operations through equity share capital and other equity, which includes retained profits, and borrowings. Our primary source of funding comes from our borrowings and internal accruals. Our strategy is to raise long-term borrowings and maintain a judicious mix of borrowings from banks and financial institutions and issue non-convertible debentures.

Our Board may declare interim or recommend final and/or special dividend as may be permitted under the Companies Act, 2013 or any amendment, modification, variation or re-enactment thereof. Currently, we do not have any other class of shares (including shares with differential voting rights) other than equity shares. In the absence of any other class of shares and/or shares with differential voting rights, the entire distributable profit for the purpose of declaration of dividend is considered for equity shareholders.

Our objective is to maintain appropriate levels of capital to support our business strategy, taking into account the regulatory, economic and commercial environment. We aim to maintain a strong capital base to support the risks inherent to our business

and growth strategies. We endeavour to maintain a higher capital base than the mandated regulatory capital at all times.

Our assessment of our capital requirements is aligned to our planned growth, which forms part of an annual operating plan, which is approved by the Board and also a long-range strategy. These growth plans are aligned to assessment of risks, which include credit, liquidity and interest rate.

Capital to Risk (Weighted) Assets Ratio

The tables below sets forth details of our Company's CRAR as at the dates indicated on a standalone basis:

Particulars	As at March 31,		
	2025	2024	2023
	(₹ in millions, except percentages)		
Risk Weighted Assets	155,583.46	111,596.08	81,888.91
Total Capital	35,534.68	29,711.81	32,641.72
Tier I Capital	34,896.16	29,178.19	32,221.14
Tier II Capital	638.52	533.62	420.58
CRAR (%)	22.84%	26.62%	39.86%
Tier I (%)	22.43%	26.15%	39.35%
Tier II (%)	0.41%	0.48%	0.51%

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the years indicated:

Particulars	Fiscal		
	2025	2024	2023
	₹ (million)		
Net cash from / (used in) operating activities	(43,116.35)	(37,000.66)	(29,938.48)
Net cash from / (used in) investing activities	600.48	(70.51)	520.93
Net cash flows from / (used in) financing activities	51,184.86	28,702.52	40,960.22
Net change in cash and cash equivalents	8,668.99	(8,368.65)	11,542.67
Cash and cash equivalents at the beginning of the year	6,396.49	14,765.14	3,225.06
Cash and cash equivalents at the end of the year	15,065.48	6,396.49	14,767.73

Operating Activities

Fiscal 2025

Net cash used in operating activities was ₹ (43,116.35) million in Fiscal 2025. While our profit before tax was ₹ 6,333.18 million, we had an operating cash flow before working capital changes of ₹ 5,570.86 million. This was primarily due to depreciation & amortisation of ₹ 1,017.13 million, impairment on financial instruments of ₹ 1,008.16 million, finance cost of ₹ 12,408.41 million and interest received amounting to ₹ 25,332.50 million. This was partially offset by interest income of ₹ (26,055.64) million, interest paid of ₹ (12,626.83) million, net gain on fair valuation of financial instruments of ₹ (641.71) million and net gain on derecognition of financial instruments of ₹ (1,650.77) million.

Our working capital adjustments primarily comprised loans amounting to ₹ (48,367.64) million, other financial assets of ₹ 1,134.32 million, other non-financial assets of ₹ (730.12) million, trade receivables of ₹ 649.59 million, other financial liability amounting to ₹ (792.36) million and derivative instrument of ₹ 659.78 million. Cash flows used in operating activities ₹ (41,649.24) million. Income tax paid was ₹ 1,467.11 million.

Fiscal 2024

Net cash used in operating activities was ₹ (37,000.66) million in Fiscal 2024. While our profit before tax was ₹ 3,656.40 million, we had an operating cash flow before working capital changes of ₹ 3,315.51 million. This was primarily due to depreciation & amortisation amounting to ₹ 878.70 million, impairment of financial instruments amounting to ₹ 896.32 million, finance cost amounting to ₹ 8,016.76 million and interest received amounting to ₹ 17,541.17 million. This was partially offset by interest income of ₹ (18,220.90) million, interest paid of ₹ (8,437.73) million, net gain on fair valuation of financial instruments of ₹ (412.61) million and net gain on derecognition of financial instruments of ₹ (1,009.98) million.

Our working capital adjustments primarily comprised loans amounting to ₹ (39,797.56) million, other financial assets amounting to ₹ (171.29) million, other non-financial assets amounting to ₹ (212.82) million, trade payable amounting to ₹ 412.48 million and other financial liability amounting to ₹ 633.37 million. Cash flows used in operating activities ₹ (35,852.74) million. Income tax paid was ₹ (1,147.92) million.

Fiscal 2023

Net cash used in operating activities was ₹ (29,938.48) million in Fiscal 2023. While our profit before tax from continuing operations was ₹ 2,682.84 million, we had an operating profit before working capital changes of ₹ 2,968.64 million. This was primarily due to depreciation & amortisation amounting to ₹ 439.13 million, impairment of financial instruments amounting to ₹ 631.34 million, finance cost amounting to ₹ 5,163.56 million and interest received amounting to ₹ 11,512.86 million. This was partially offset by interest income ₹ (11,661.61) million and interest paid ₹ (5,338.93) million.

Our working capital adjustments primarily comprised loans amounting to ₹ (32,538.57) million, trade receivables and other financial assets amounting to ₹ (216.31) million, other financial assets amounting to ₹ (736.30) million, trade payable amounting to ₹ 663.13 million and other financial liability amounting to ₹ 821.67 million. Cash flows used in operating activities ₹ (29,093.84) million. Income tax paid was ₹ (844.64) million.

Investing Activities

Fiscal 2025

Net cash generated in investing activities was ₹ 600.48 million in Fiscal 2025, primarily on account of proceed from purchase of mutual fund units amounting to ₹ (156,252.19) million, purchase of shares and bonds amounting to ₹ (7,055.89) million, which was partially offset by purchase of mutual funds units amounting to ₹ 157,595.36 million and proceeds from sale of shares and bonds amounting to ₹ 6,619.94 million.

Fiscal 2024

Net cash generated in investing activities was ₹ (70.51) million in Fiscal 2024, primarily on account of purchase of property, plant and equipment and intangible assets amounting to ₹ (635.74) million, purchase of mutual fund units amounting to ₹ (410.43) million, purchase of investment (PTC) amounting to ₹ (602.37) million which was partially offset by proceeds from sale of investment (PTC) amounting to ₹ 807.65 million and proceed from sale of mutual fund units amounting to ₹ 497.58 million.

Fiscal 2023

Net cash generated in investing activities was ₹ 520.93 million in Fiscal 2023, primarily on account of proceeds from sale of investment amounting to ₹ 17,112.49 million which was partially offset by sale/(purchase) of investment in mutual funds (net) amounting to ₹ (14,797.73) million, purchase of fixed and intangible assets amounting to ₹ (1,225.31) million and purchase of investment in shares amounting to ₹ (474.22) million.

Financing Activities

Fiscal 2025

Net cash generated from financing activities was ₹ 51,184.86 million in Fiscal 2025 on account of proceeds from proceeds from borrowings (other than debt securities) amounting to ₹ 86,199.52 million, debt securities issued amounting to ₹ 10,880.00 million. These were primarily offset on account of repayment of borrowings other than debt securities repaid amounting to ₹ (38,077.23) million, debt securities redeemed amounting to ₹ (7,230.00) million, payments for the interest portion of the lease liability amounting to ₹ (327.57) million and payments for the principal portion of the lease liability amounting to ₹ (282.59) million.

Fiscal 2024

Net cash generated from financing activities was ₹ 28,702.52 million in Fiscal 2024 on account of proceeds from borrowings (other than debt securities) amounting to ₹ 57,086.81 million, other short term loan (net) amounting to ₹ 3,151.37 million. These were primarily offset on account of repayment of borrowings other than debt securities repaid amounting to ₹ (28,194.44) million, debt securities redeemed (net) amounting to ₹ (2,666.67) million, payments for the principal portion of the lease liability amounting to ₹ (226.88) million and payments for the interest portion of the lease liability amounting to ₹ (342.25) million.

Fiscal 2023

Net cash generated from financing activities was ₹ 40,960.22 million in Fiscal 2023 on account of proceeds from borrowings (other than debt securities) amounting to ₹ 38,312.82 million, proceed from issue of equity shares amounting to ₹ 14,347.89 million. These were primarily offset on account of repayment of borrowings other than debt securities repaid amounting to ₹ (11,138.77) million, debt securities redeemed (net) amounting to ₹ (176.79) million, payments for the principal portion of the lease liability amounting to ₹ (157.48) million and payments for the interest portion of the lease liability amounting to ₹ (147.62) million.

Maturity Pattern of Assets and Liabilities

For details on the maturity pattern of our Company's liabilities and assets as at March 31, 2025 on a standalone basis, see "Selected Statistical Information – Asset-Liability Gap – Our Company" on page 43.

CAPITAL EXPENDITURES

We make capital expenditures to expand our operations, primarily through making leasehold improvements and acquiring property, plant and equipment, and intangible assets, primarily consisting of computer software. We have historically funded our capital expenditures using cash generated by our operating activities. The following table sets forth additions to property, plant and equipment by category of expenditure, for the years indicated:

Particulars	Fiscal			Increase / (decrease) for Fiscal 2024 to 2025 (%)	Increase / (decrease) for Fiscal 2023 to 2024 (%)
	2025	2024	2023		
	(₹ in millions, except percentages)				
Buildings:					
Leasehold premises	34.52	124.16	164.28	(72.20)	(24.42)
Computer hardware	70.69	81.48	173.75	(13.24)	(53.11)
Furniture and fixtures	60.62	83.79	367.03	(27.65)	(77.17)
Office equipment	49.86	110.18	220.76	(54.75)	(50.09)
Vehicles	44.30	11.60	14.78	281.90	(21.52)
Electrical installation	-	(77.84)	140.85	(100.00)	(155.26)
Right of use	346.95	931.59	1,885.98	(62.76)	(50.60)
Total	606.94	1,264.96	2,967.43	(52.02)	(57.37)

Our capital expenditure decreased by 52.02% from ₹ 1,264.96 million for Fiscal 2024 to ₹ 606.94 million for Fiscal 2025. This decrease was primarily due to a decrease in right of use assets amounting to ₹ 584.64 million.

Our capital expenditure decreased by 57.37% from ₹ 2,967.46 million in Fiscal 2023 to ₹ 1,264.96 million in Fiscal 2024. This decrease was primarily due to a decrease in right of use assets amounting to ₹ 954.39 million.

CONTINGENT LIABILITIES

The following table sets forth certain information relating to our contingent liabilities as on March 31, 2025 which have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 37 on "Provisions, Contingent liabilities and Contingent assets":

Particulars	As of March 31, 2025 (₹ million)
Income Tax under dispute	37.40
Indirect Tax matters under dispute	34.72

For details on income tax disputes involving us, see "Legal Proceedings – Material Civil Proceedings" on page 263.

CAPITAL AND OTHER COMMITMENTS

The table below sets forth our capital and other commitments as at March 31, 2025:

Particulars	As at March 31, 2025 (₹ in millions)
Estimated amount of contracts remaining to be executed on capital account and not provided for	54.32

Particulars	As at March 31, 2025
	(₹ in millions)
Other commitments	
Amount payable towards acquisition of property	33.51
Pending disbursements of sanctioned loans	26,039.95
Total capital and other commitments	26,127.78

OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet commitments and arrangements that materially affect our financial condition or results of operations.

RELATED PARTY TRANSACTIONS

For details in relation to related parties' transactions entered by us on a consolidated basis during Fiscals 2025, 2024 and 2023, as per the requirements under Ind AS, see Note 54 in the notes to the 2025 Audited Consolidated Financial Statements, Note 54 in the notes to the 2024 Audited Consolidated Financial Statements and Note 42 in the notes to the 2023 Audited Consolidated Financial Statements in "*Financial Information*" on page 283.

CONTRACTUAL OBLIGATIONS

We have certain contractual obligations that require us to make future payments. This may expose us to potential liquidity risk as we may be unable to meet our payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. For details see "*Financial Information*" on page 283.

INTEREST COVERAGE RATIO

The following table sets forth our interest coverage ratio as at March 31, 2025 on a consolidated basis.

Assets	As at March 31, 2025
Interest coverage ratio ⁽¹⁾	1.51

Note:

(1) Our interest coverage ratio is our profit after tax for the period adjusted for finance costs (net off interest on lease liability) and tax and divided by finance cost (net off interest on lease liability).

QUALITATIVE AND QUANTITATIVE DISCLOSURE ABOUT INTEREST RATE AND MARKET RISKS

We are exposed to interest rate risks. For qualitative details on our interest rate risks, see "*Our Business – Risk Management – Interest Rate Risk*" on page 199.

Our investments are subject to market risks. As at March 31, 2025, our investments were ₹ 1,604.17 million, which represented 0.77% of our total assets as at that date. As at March 31, 2025, our investments subject to market risks primarily included units of mutual funds, debt securities, equity instruments, government securities and certificates of deposits. The value of these investments depends on several factors beyond our control, including interest rates, the domestic and international economic and political scenario, inflationary expectations and the RBI's monetary policies.

AUDITORS OBSERVATIONS

Our statutory auditors have not included any reservations, qualifications or adverse remarks in their respective audit reports in the last five Fiscals. For details of emphasis of matters and observations made by our statutory auditors pursuant to requirements under the Companies (Auditors' Report) Order 2020 in their respective audit reports in the last five Fiscals, see "*Legal Proceedings – Reservations, qualifications or adverse remarks of auditors in the last five Financial Years immediately preceding the year of circulation of the Preliminary Placement Document and their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remarks*" on page 271.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2025 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed in this Preliminary Placement Document, no circumstances have arisen since March 31, 2025 that would materially and adversely affect or are likely to affect, within the next 12 months: (a) our trading, operations or profitability; (b) the value of our assets; or (c) our ability to pay our liabilities.

INDUSTRY OVERVIEW

Unless otherwise indicated or the context otherwise requires, the industry-related information contained in this Preliminary Placement Document is derived from the report titled “Report on Loans and Financial Services Industry in India” dated June 2025 (the “**CRISIL Report**”) which has been commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We engaged CRISIL Limited (“**CRISIL**”) in connection with the preparation of the CRISIL Report pursuant to agreement dated December 13, 2024. The CRISIL Report includes information derived from market research information provided by CRISIL and its affiliated companies. CRISIL market research information is proprietary to CRISIL and available on a confidential basis. CRISIL market research information reflects estimates of marketplace activity and should be treated accordingly. In addition, references, to various segments in the CRISIL Report are references to industry segments, sectors, divisions and/or business models and in accordance with the presentation, analysis and categorization in the CRISIL report. See “Risk Factors — Certain sections of this Preliminary Placement Document disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.” and “Industry Overview” respectively.

MACROECONOMIC SCENARIO IN INDIA

As per IMF, Global economy is witnessing downside risks as major policy shifts take control

As per the International Monetary Fund (IMF) (World Economic Outlook – April 2025 outlook), global GDP growth is projected at 2.8% in 2025 and 3.0% in 2026 as compared to 3.3% projected in January 2025 for both 2025 and 2026. Global growth numbers have been revised on account of swift escalation of trade tensions and high level of policy uncertainty intensifying downside risks. Global inflation is projected at 4.3% in 2025 and 3.6% in 2026. Furthermore, the risks to inflation remain significant going forward, with tariffs being imposed by US on imports. US GDP grew at an annualised rate of 2.4% in the fourth quarter of 2024 on account of increase in consumer and government spending, offset by a decrease in investments. The euro area’s GDP rose 0.1% in the fourth quarter of 2024 as compared to a growth of 0.4% in the previous quarter.

The Trump Administration in the United States (US) announced a host of tariffs on products such as automobile, automobile parts, steel and aluminium in the first three months of 2025. On April 5, 2025, US announced additional tariff of 10% on nearly all countries in addition to the existing tariffs. China and European Union announced retaliatory tariffs on the US. On April 9, 2025, US government paused differential tariffs for most countries for 90 days excluding China which will face a higher tariff of 125 percent. Introduction of tariffs on major global economies is expected to increase downside risks on global growth.

India expected to remain one of the fastest growing economies in the world

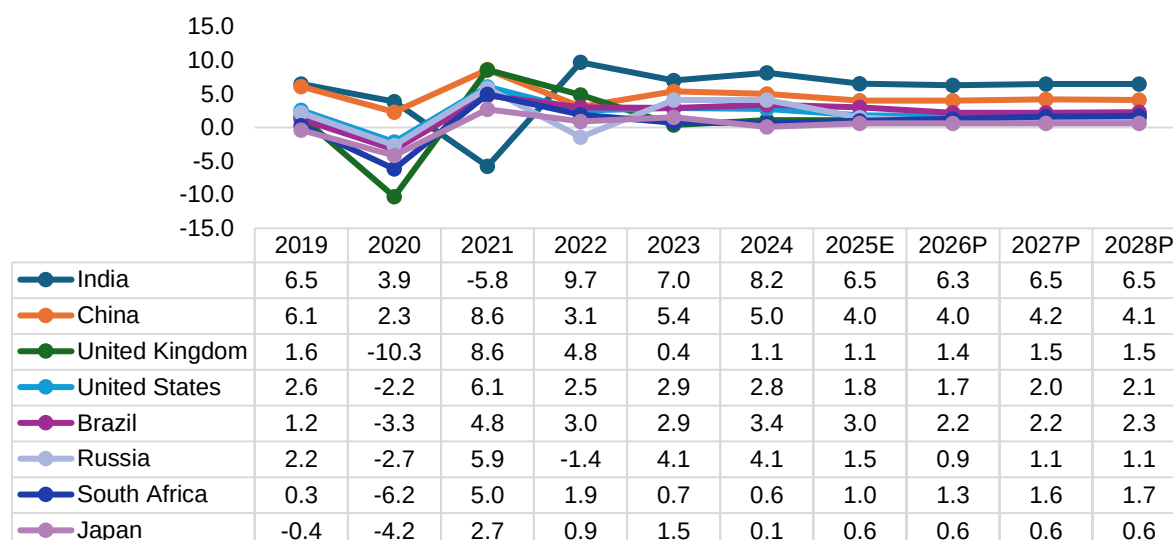
India is expected to remain one of the fastest-growing economies in the world despite challenges posed by global geopolitical instability. The Indian economy was among the fastest-growing even before the Covid-19 pandemic. In the years leading up to the global health crisis, which disrupted economic activities, the country’s economic indicators improved gradually owing to strong local consumption and lower reliance on global demand.

Going forward, the expectation of slower global growth, along with anticipated reciprocal tariffs on India after three months, is likely to exert downside risks to growth forecast for Fiscal 2026. Uncertainty about the duration and frequent changes in tariffs could also hinder domestic investments. Interest rate cuts, income tax relief and easing inflation are expected to provide tailwinds to domestic consumption in Fiscal 2026, while the expected normal monsoon will support agricultural incomes. Moreover, the anticipated decline in global crude oil prices, resulting from a potential global slowdown, is expected to provide additional support to domestic growth.

Private consumption is expected improve further on expectations of healthy agricultural production and cooling food inflation. Softer food inflation should create space in household budgets for discretionary spending. Secondly, the tax benefits announced in Union Budget 2025-2026 and increased allocations towards key asset and employment generating schemes are expected to support consumption. Easing monetary policy by the Reserve Bank of India (RBI) is expected to support discretionary consumption. Crisil Intelligence expects the RBI’s Monetary Policy Committee (MPC) to cut the repo rate by 50-75 bps in Fiscal 2026. The central bank’s recent liquidity-easing measures and easier regulations for non-banking financial companies are expected to transmit the benefits from an easier monetary policy to the broader economy. Geopolitics will continue to be the key monitorable, given the wide-ranging changes that the Donald Trump administration is expected to bring about. Exports will have to navigate heightened uncertainties given United States (US) tariffs.

Over Fiscals 2022-2024, the Indian economy grew at a faster pace than its global counterparts.

India is one of the fastest-growing major economies (real GDP growth, % on-year)



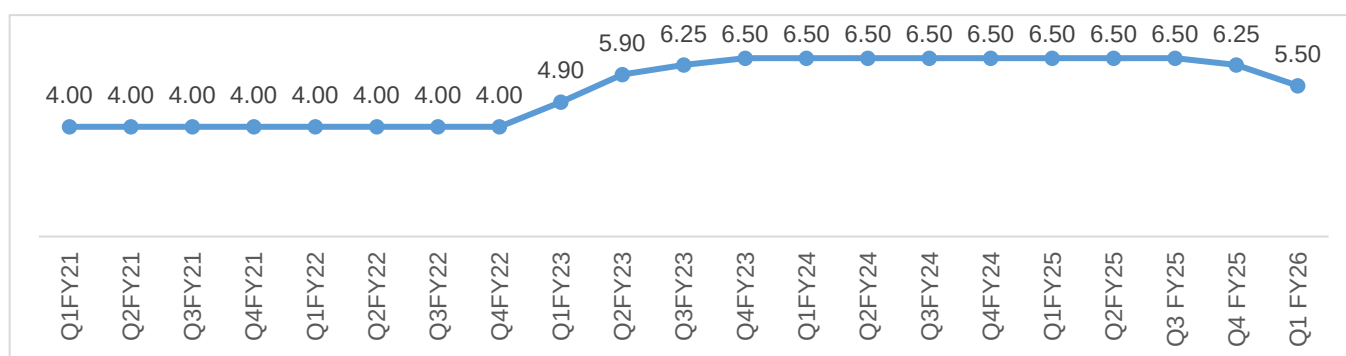
Note: All forecasts refer to IMF forecasts. GDP growth is based on constant prices. Data represented is for calendar years. Growth numbers for India until 2026 are for Financial Year, 2025 is as per the NSO's second advance estimates for Fiscal 2025. Post Fiscal 2025, all estimates for India are as per the IMF and for calendar years. Data represented for other countries is for calendar years
Source: IMF (World Economic Outlook – April 2025), Crisil Intelligence.

RBI cuts repo rate by 50 bps in its June meeting, changes stance to neutral

The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) cut key policy rates by 25 basis points (bps) for the policy meeting in April 2025, and by 50 bps in June 2025 meeting. With inflation softening over the last six months, the MPC is shifting its focus to supporting domestic growth, which faces heightened downside risks following geopolitical tensions and weather related uncertainties.

The repo rate is now 5.50%, standing deposit facility rate is 5.25% and marginal standing facility (MSF) rate is 5.75%. The US Federal Reserve (Fed) reduced the interest rate by 25 bps each in November and December 2024 to 4.25%- 4.50% and kept the rates unchanged in the March meeting. The Bank of England (BoE) in February 2025 eased the UK interest rate by 25 bps to 4.5%.

Repo rate in India (%)

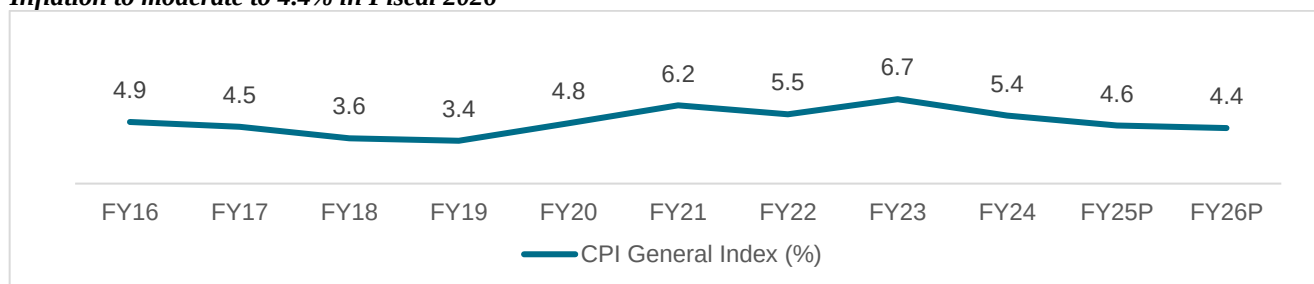


Source: RBI, Crisil Intelligence

Consumer Price Index ("CPI") inflation to average at 4.4% in Fiscal 2026

Consumer price index (CPI) inflation softened sharply to 4.3% in January 2025 from 5.2% in December 2024 due to easing food inflation. Food inflation eased to 6% from 8.4% in December 2024, led by softer inflation in vegetables, pulses and cereals. US inflation rose to 3.0% in January 2025 from 2.9% in December 2024 well above the US central bank's target of 2.0%. Crisil Intelligence expects CPI inflation to continue to soften in Fiscal 2025 to 4.6% and 4.4% in Fiscal 2026 from 5.4% in Fiscal 2024.

Inflation to moderate to 4.4% in Fiscal 2026



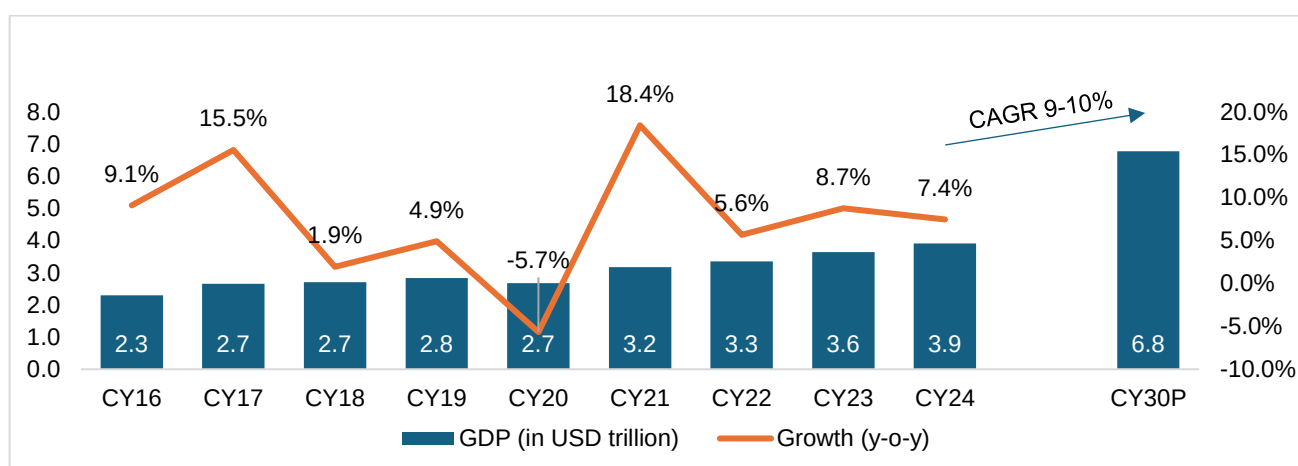
Note: P = Projected, Source: Crisil Intelligence.

Macroeconomic outlook for India (Fiscal 2026)

Macro variables	Fiscal 2024	Fiscal 2025P	Fiscal 2026P	Rationale for outlook
Real GDP (y-o-y)	8.2%#	6.5%#	6.5%	Lower inflation and RBI's rate cuts are expected to boost growth in Fiscal 2026, assuming a normal monsoon and lower crude oil prices. Any substantial pick up in investment growth will hinge on accelerating private capex. Exports face headwinds from tariff hikes initiated by the US.
Consumer Price Index (CPI) inflation (y-o-y)	5.4%	4.6%	4.4%	In Fiscal 2026, food inflation is expected to ease further supported by a healthy rabi crop, assuming normal southwest monsoon that benefits the kharif crop and expectations of soft global food prices. A high base for food inflation this fiscal will also provide some relief. Non-food inflation could see some more hardening lifted by a low base this fiscal and some impact of a weaker rupee. A sharper-than-expected weakening in the rupee, price shock to global oil prices due to any geopolitical turmoil and risks from climate change could impose upside pressures on the forecast.
10-year Government security yield (Fiscal end)	7.1%	6.7%	6.5%	Crisil expects yields to ease mildly next fiscal, supported by rate cuts, softer inflation and lower crude oil prices. Crisil expects the RBI to cut interest rates further in Fiscal 2026 given softening inflationary pressures. However, risks from currency depreciation and any unforeseen flare-up in food prices could impact the timing of rate cuts
Fiscal Deficit (% of GDP) *	5.6%	4.8%	4.4%	Fiscal consolidation will be made possible via moderating revenue expenditure thrust even as capex focus is broadly maintained. The budget banks on revenue collection to remain robust.
CAD (Current Account Deficit as % of GDP)	-0.7%	-1.0%	-1.3%	Current account deficit (CAD) is expected to increase owing to headwinds to exports from US tariffs. Lower crude oil prices, healthy services trade balance and robust remittances growth will prevent CAD from widening too much.
Rs/\$ (March average)	83.0	86.0	87.0	A manageable CAD would mean not much pressure on the rupee but geopolitical shocks could keep the rupee volatile

P – Projected, # As per NSO estimates *Fiscal 2024 and Fiscal 2025 numbers are government's revised and budget estimates; Source: Reserve Bank of India (RBI), National Statistics Office (NSO), Crisil Intelligence

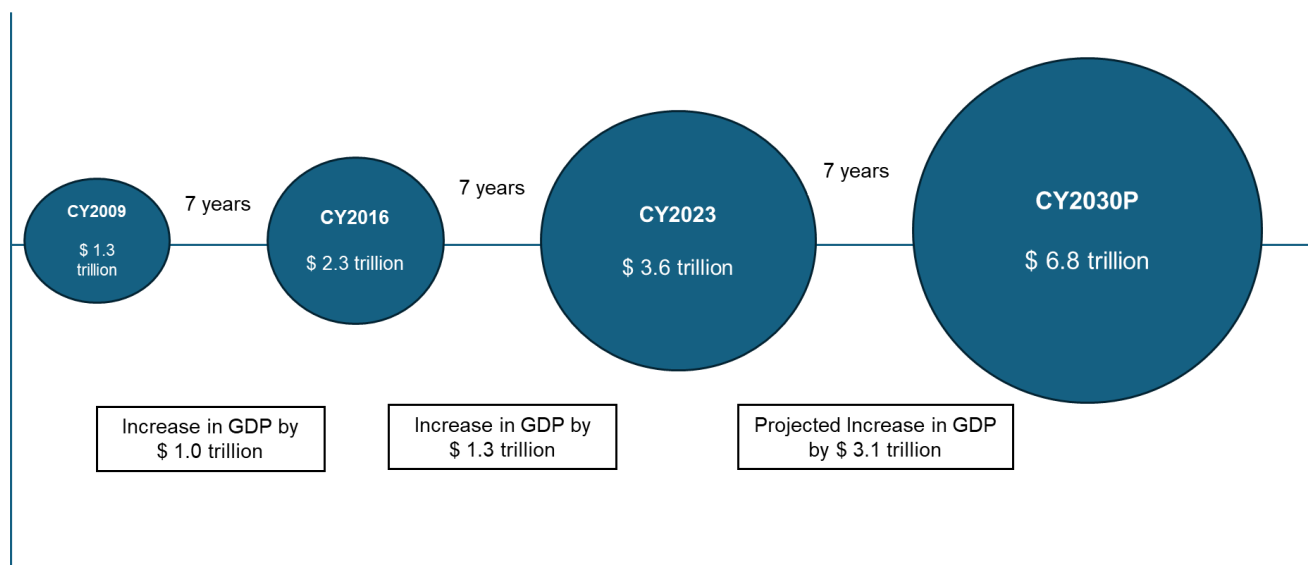
Gross Domestic Product at current prices



Note: P – projected.

Source: IMF (World Economic Outlook – April 2025), Crisil Intelligence

India is projected to increase its GDP by \$ 3.1 trillion in 7 years from 2023 to 2030P, approximately 2.4 times of increase in GDP from 2016 to 2023



Note: P = Projected, Source: IMF World Economic Outlook (April 2025 update), Crisil Intelligence

India's GDP increased by \$ 1.0 trillion between 2009 and 2016 and by \$1.3 trillion between 2016 and 2023. India is projected to add \$ 3.1 trillion to its GDP between 2023 and 2030 driven by factors such as MSME revolution, favourable government initiatives, increasing penetration of financiers into rural India and digitization. The growth of digital lending and financial inclusion initiatives are also expected to play a critical role in supporting India's economic growth and contributing to its GDP.

Key structural trends to drive India's economic growth

Increasing per capita GDP	India's per capita income (at constant prices) is expected to grow at 5-6% CAGR from FY25 to FY28
Rapid urbanization	The percentage of the population residing in urban areas in India is expected to increase to 40.0% by 2030 from 37.4% in 2025 .
Favorable Demographics	India has the highest young population (15-29 years) among major economies
Government support for growth	Strong government policies to boost economic growth
Lower credit penetration for major asset classes	- MSME credit penetration stands at 12% of GDP (current prices) as of March 2024 - Housing Loan credit penetration stands at 11% of GDP (current prices) as of March 2024
Rural Sector supporting growth	Tier 3 and 4 cities are expected to grow faster because of favorable government policies and growing credit need
Change in household savings	India to continue being a high savings economy owing to higher gross domestic savings rate as compared to world average
Rising middle India population	Middle income households are expected to continue growing with rising GDP and household incomes.
Increasing financial inclusion and digital payments	Increasing financial inclusion has emerged as a critical structural driver of growth for India, with the potential to unlock new opportunities

Source: RBI, Crisil Intelligence

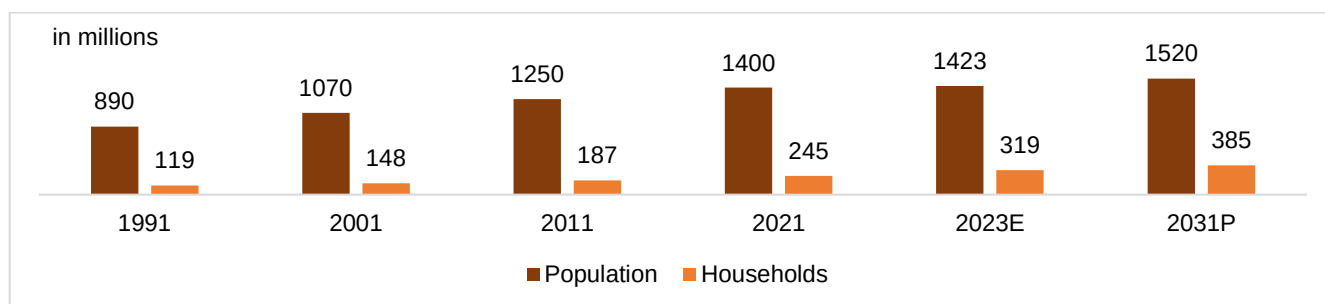
Key growth drivers

India has the world's largest population

As per Census 2011, India's population was approximately 1.3 billion and comprised nearly 187 million households. The population, which grew at nearly 1.5% CAGR between 2001 and 2011, is expected by CRISIL Intelligence to have increased at 1.1% CAGR between 2011 and 2021 and reached 1.4 billion. The population is expected to reach 1.5 billion by 2031, and

the number of households are expected to reach to approximately 385 million at a CAGR of 4.6% from Fiscal 2021 to Fiscal 2031.

India's population growth trajectory and number of households

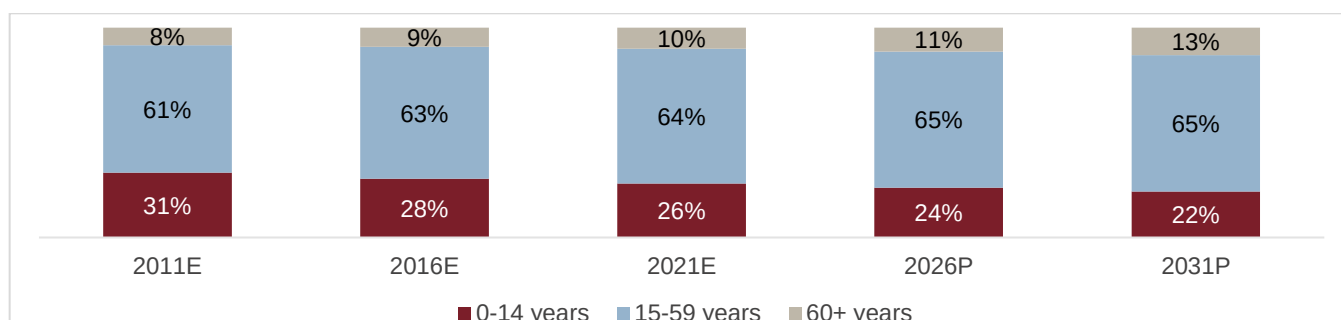


Note: As at the end of each Fiscal. P: Projected, Source: United Nations Department of Economic and Social Affairs, (<https://population.un.org/wpp/>), Census India, CRISIL Intelligence

Favourable demographics

India has one of the world's largest youth populations, with a median age of 28 years. About 90% of Indians are below 60 years of age. As of CY 2023, it is estimated that India had the highest share of young working population (15 to 29 years) compared to major developed and developing countries with the share of 27%. CRISIL Intelligence expects that the large share of working population, coupled with rapid urbanisation and rising affluence, will propel growth in the economy.

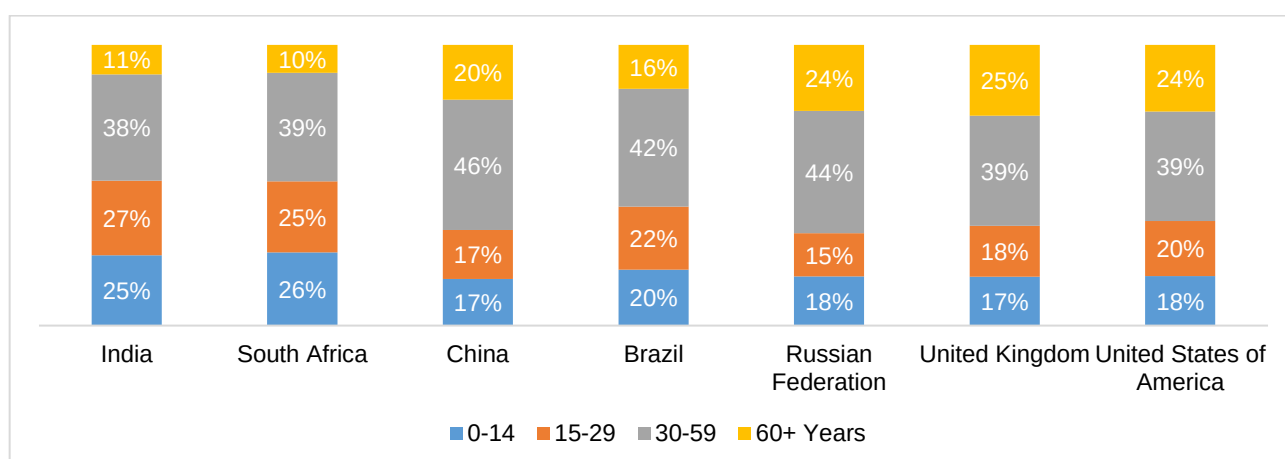
India's demographic division (share of different age groups in population)



Note: P – Projected, E – Estimates

Source: Census of India 2011, Ministry of Health and Family Welfare, CRISIL Intelligence

India has the highest share of young population (15 to 30 years) among the major economies (2023)



Source: World Urbanization Prospects 2024

Rising Urbanization

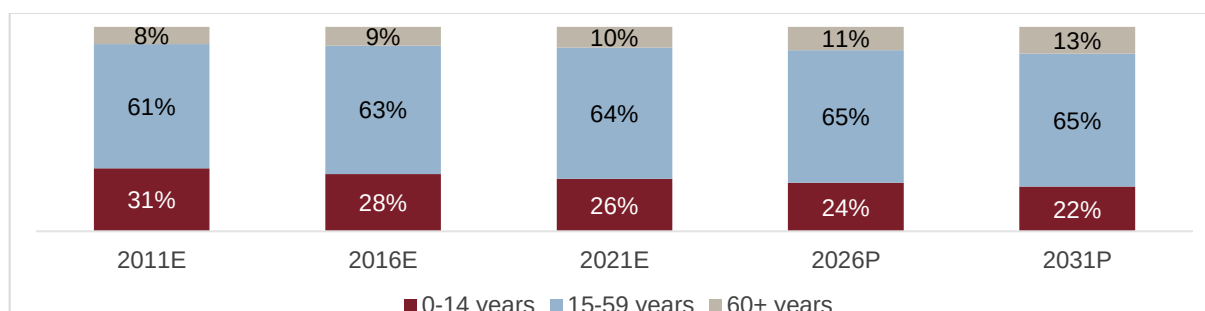
Urbanization is one of India's most important economic growth drivers. It is expected to drive substantial investments in infrastructure development, which in turn is expected to create jobs, develop modern consumer services, and increase the ability to mobilize savings. India's urban population has been rising consistently over the decades. As per the 2018 revision of World

Urbanization Prospects, the urban population was estimated at 36% of India's total population in 2022. According to the World Urbanization Prospects, the percentage of the population residing in urban areas in India is expected to increase to 40% by 2030.

Favourable demographics

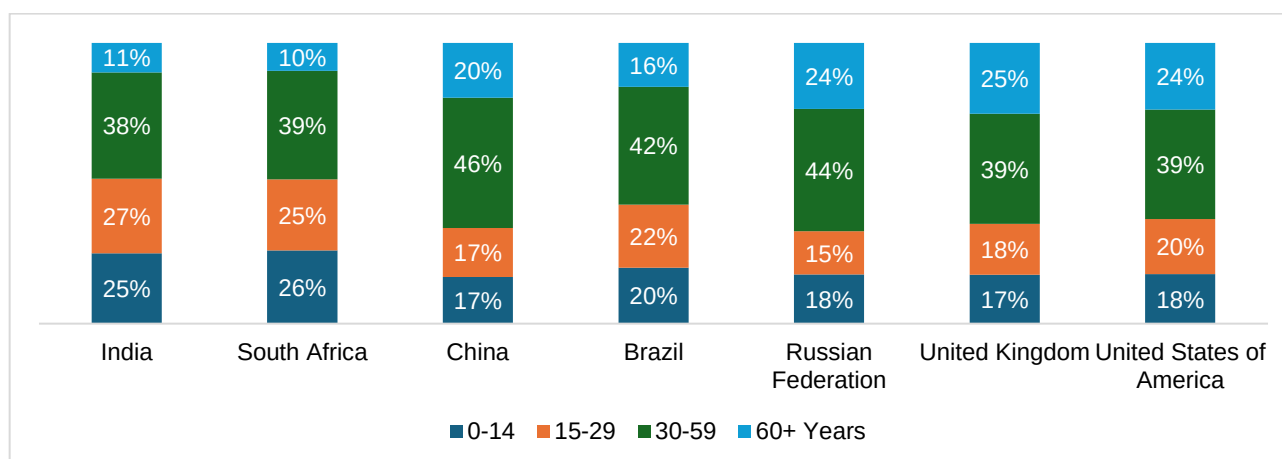
India has one of the world's largest youth populations, with a median age of 28 years. About 90% of Indians are below 60 years of age. In 2022, it was estimated that India had the highest share of young working population (15 to 30 years) compared to major developed and developing countries with the share of 27%. CRISIL Intelligence expects that the large share of working population, coupled with rapid urbanisation and rising affluence, will propel growth in the economy.

India's demographic division (share of different age groups in population)



Note: P – Projected, E – Estimates; Source: Census of India 2011, Ministry of Health and Family Welfare, CRISIL Intelligence

India has the highest share of young population (15-30 years) among the major economies (2023)

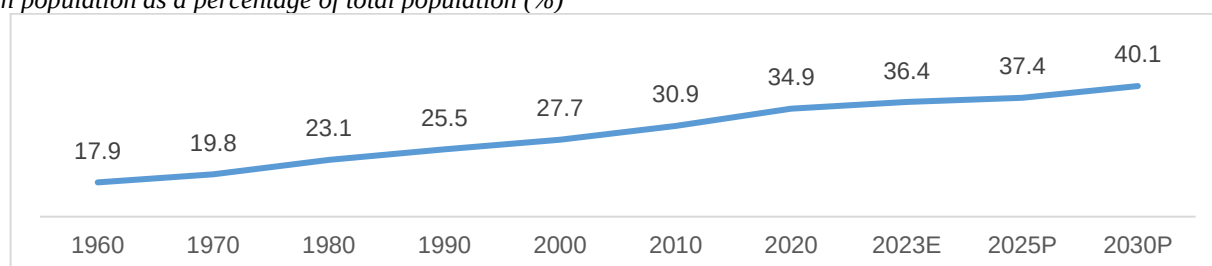


Source: World Urbanization Prospects: 2024

Rising Urbanization

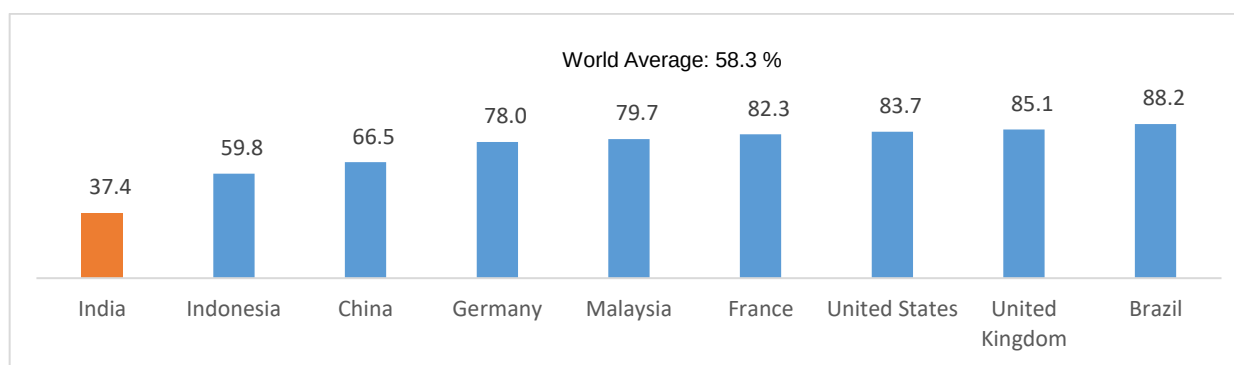
Urbanization is one of India's most important economic growth drivers. It is expected to drive substantial investments in infrastructure development, which in turn is expected to create jobs, develop modern consumer services, and increase the ability to mobilize savings. India's urban population has been rising consistently over the decades. As per the 2018 revision of World Urbanization Prospects, the urban population was estimated at 36% of India's total population in 2022. According to the World Urbanization Prospects, the percentage of the population residing in urban areas in India is expected to increase to 40% by 2030.

Urban population as a percentage of total population (%)



Note: E- Estimated, P – Projected, Figures in percentage, Source: Census 2011, World Urbanization Prospects: The 2018 Revision (UN)

Urban population as a percentage of total population in % (2025P)



Source: United Nations World Urbanization Prospects: The 2018 Revision ("UN")

Increasing per capita GDP

India's per capita net national income at constant price expanded 5.5% in Fiscal 2025, reflecting robust economic growth and the government's continued endeavour to make the country an upper middle-income economy. As per IMF estimates, India's per capita income (at constant prices) is expected to grow at 5 to 6% CAGR in real terms from Fiscal 2025 to Fiscal 2028.

Per capita NNI	Fiscal 2025 (₹ '000)		Growth of Real GDP Per Capita at constant prices (%)												
	Current prices	Constant prices	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	
	205	115	4.6	6.2	6.7	6.9	5.5	5.2	2.5	-8.9	7.6	5.7	8.2	5.5	

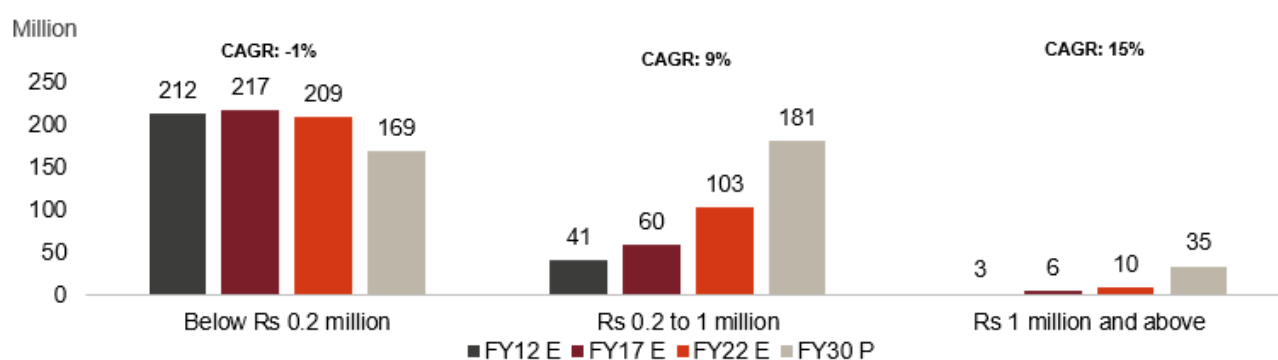
Note: P – projected. (ⁿ) Per capita NNI as per Second Advance Estimates of Annual GDP, 2024 to 2025

Source: Ministry of Statistics and Program Implementation (MoSPI), International Monetary Fund (IMF), Crisil Intelligence

Rising Middle India population to help sustain economic growth

The proportion of "Middle India" (defined as households with annual income of ₹ 0.2 to 1.0 million) has been on the rise over the past decade and is expected to continue increasing with rising GDP and household incomes. CRISIL Intelligence estimates there were 41 million middle-income households in India in Fiscal 2012 and by Fiscal 2030, expects it to increase to 181 million households. A large number of households that have entered the middle-income bracket in the past few years are likely to be from semi-urban and rural areas. As per NSS 76th round (2018), 83.3% of households were living in pucca dwelling units compared to 74.6% as per 69th NSS round (2012).

Middle India households projected to witness CAGR of 9% between Fiscal 2012 to Fiscal 2030



Note: E: Estimated, P: Projected; Source: CRISIL Intelligence

MSME Revolution

The backbone of India's economy, MSMEs significantly contribute to the country's growth, accounting for approximately 29% of the GDP, 45% of manufacturing output, and providing employment opportunities to a substantial 11 crore people. The growth of MSMEs is crucial in generating employment opportunities for the Indian population. Crisil Intelligence believes that improvement in literacy levels, increasing access to information and awareness, increase in the availability of necessities and improvement in road infrastructure have increased the aspirations of Middle India, which is likely to translate into increased

demand for financial products and opportunities for providers of financial services providers.

Rural sector supporting India growth story

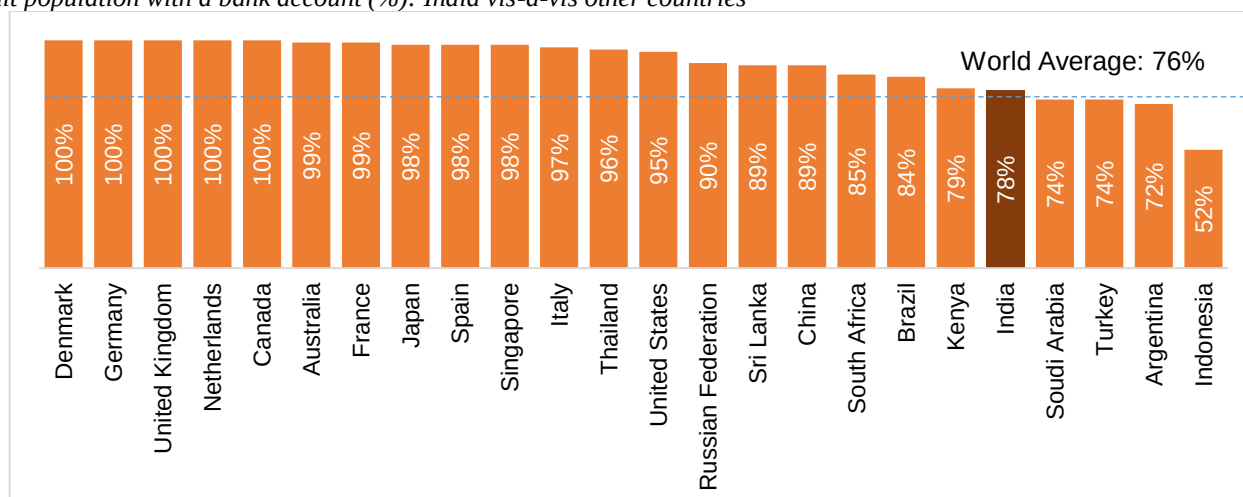
India's rural segment has been a key driver of the country's consumption growth story in recent years. In the past decade, the rural segment in India has expanded at a rapid pace, driven by factors, such as rising disposable income, urbanisation, and the proliferation of e-commerce.

According to the Economic Survey, the government strategy has been that of an integrated and sustainable development of rural India. The government aims to fuel rural growth through decentralised planning, better access to credit, skilling of youth, enhanced livelihood opportunities, empowerment of women, social security net provision, basic housing, education, health and sanitation facilities, etc.

Financial Inclusion on a fast path in India

According to the World Bank's Global Findex Database 2021, the global average percentage of adult population with an account opened with a bank, financial institution or mobile money provider, was approximately 78% in calendar year 2021. India's financial inclusion has improved significantly over calendar years 2014 to 2021 as adult population with bank accounts increased from 53% to 78% (Source: Global Findex Database) This remarkable progress can be attributed to the Indian government's concerted efforts to promote financial inclusion through a range of initiatives, including the launch of Jan Dhan Yojana, the proliferation of mobile banking and digital payments, and the implementation of government subsidies and benefits such as the Direct Benefit Transfer (DBT) scheme. Moreover, advancements in financial technology have also contributed to this significant improvement in financial inclusion.

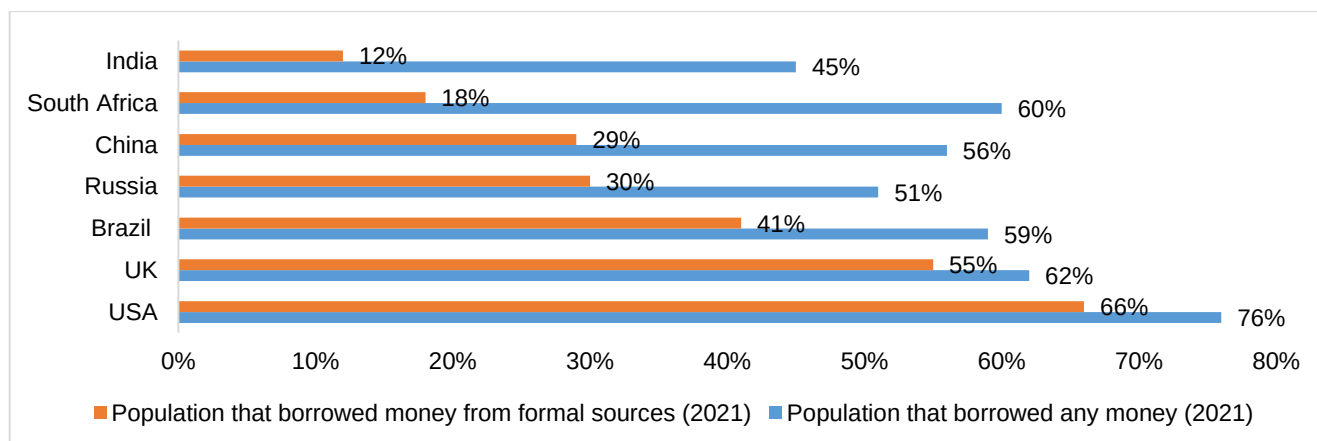
Adult population with a bank account (%): India vis-à-vis other countries



Notes: 1. Global Findex data for India excludes northeast states, remote islands and selected districts. 2. Account penetration is for the population within the age group of 15+, Source: World Bank – The Global Findex Database 2021, CRISIL Intelligence

As per the Global Findex Database 2021, approximately 54% of the world's 740 million unbanked adults live in only seven countries (India, Bangladesh, China, Indonesia, Egypt, Nigeria and Pakistan), of which almost 31% (230 million) are in India. This shows an immense opportunity for furtherance of financial inclusion.

Only 12% of India's population borrowed money from formal sources (2021).



Note: Global Findex data for India excludes northeast states, remote islands and selected districts. 2. Data is for the population within the age group of 15+ Money borrowed from formal sources includes money borrowed from Banks, NBFCs and usage of credit card; Source: World Bank – The Global Findex Database 2021, CRISIL Intelligence

Financial penetration to rise with increase in awareness and access of financial products

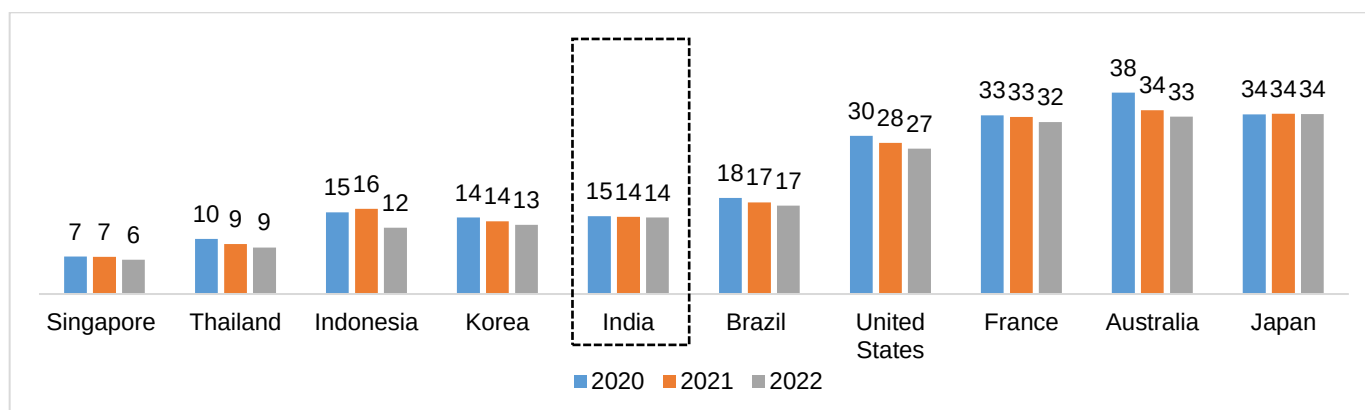
Overall literacy in India was at 77.7% as per the results of NSO survey conducted from July 2017 to June 2018, which is still below the world literacy rate of 86.5%. However, according to the National Financial Literacy and Inclusion Survey (“**NCFE-FLIS**”) 2019, only 27% of Indian population is financially literate indicating huge gap and potential for financial services industry. The survey defines financial literacy as a combination of awareness, knowledge, skill, attitude, and behaviour necessary to make sound financial decisions and ultimately achieve individual financial wellbeing.

Government initiatives like Pradhan Mantri Jan Dhan Yojana, financial literacy programs, and continuous focus on financial inclusion have increased financial literacy, resulting in significant uptick in demand for financial products, particularly in smaller cities over the past few years. Going forward, CRISIL Intelligence expects financial penetration to increase on account of increasing financial literacy.

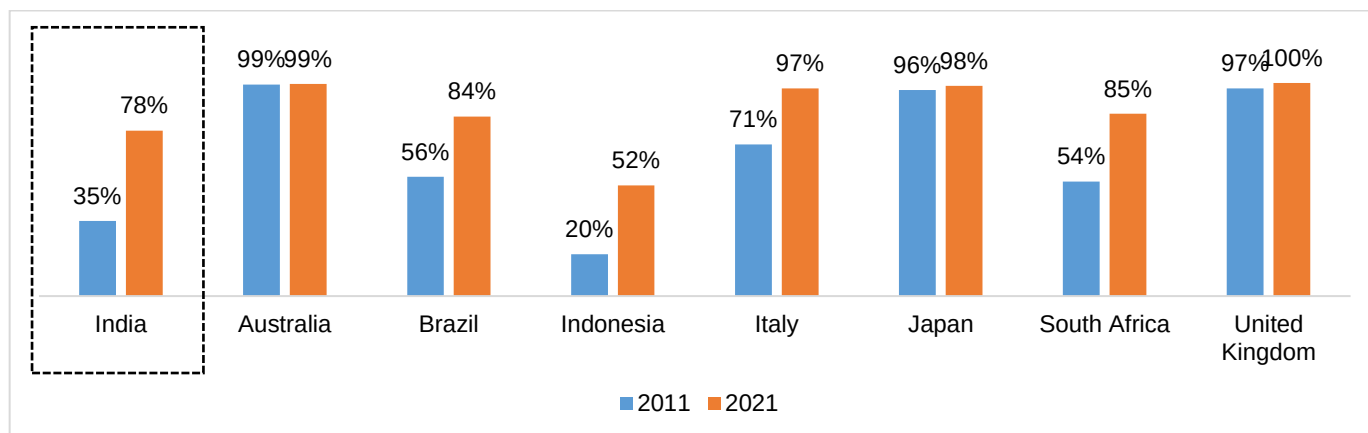
Under-penetration of the Indian banking sector provides opportunities for growth

The Indian banking sector is significantly under-penetrated as observed in the current bank credit-to-GDP ratio of 56% for India as of the fourth quarter of 2023. The number of commercial bank branches as well as ATMs in India per 100,000 people, contrast in comparison to other countries. This provides immense opportunities for banks and other financial institutions over the long term.

Number of Commercial Bank Branches per 100,000 Adults

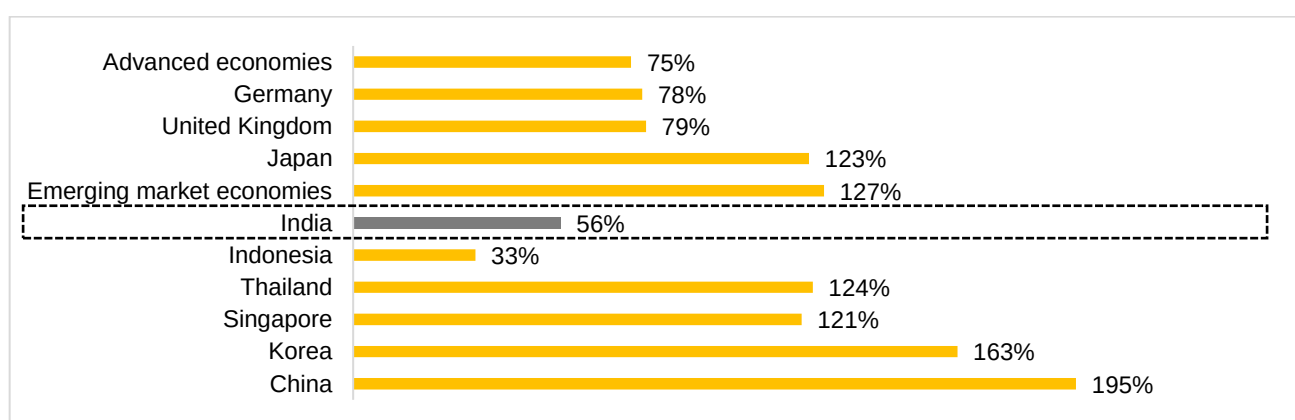


Percentage of population above 15 years having an account at bank or another type of financial institutions



Note: percentage of population above 15 yrs having an account at bank or another type of financial institutions; Source: IMF: Financial Access Survey; CRISIL Intelligence

Bank credit to private non-financial sector as a % of GDP ratio for major economies (as of Q4 2023)



Note: Emerging market economies comprise Argentina, Brazil, Chile, China, Colombia, Czechia, Hong Kong SAR, Hungary, India, Indonesia, Israel, Korea, Malaysia, Mexico, Poland, Russia, Saudi Arabia, Singapore, South Africa, Thailand, and Turkey; Advanced economies comprise Australia, Canada, Denmark, the euro area, Japan, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, and the United States. Source: BIS Data, CRISIL Intelligence

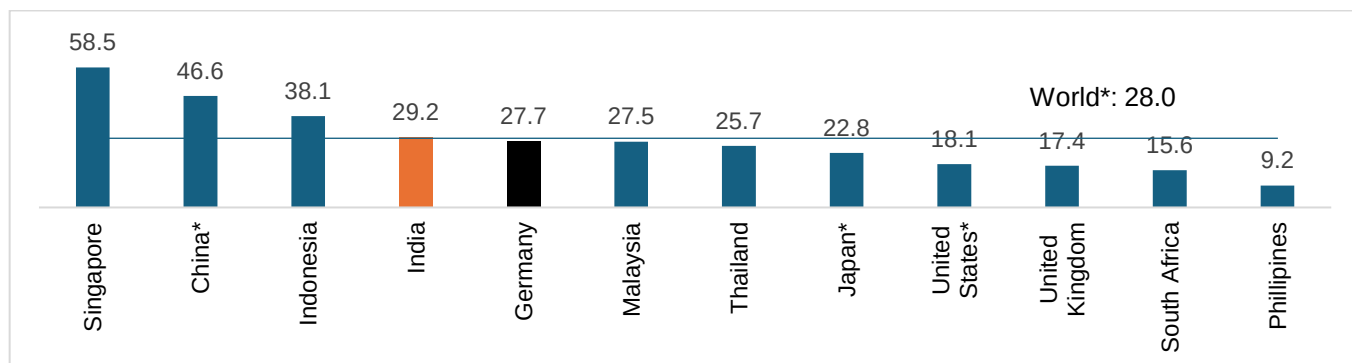
Digital Public infrastructure reforms by Government of India

Digitization improves the transparency and efficiency of government processes, and widespread digital transformations help governments and institutions with policy implementation and broad policy outreach. The key idea for Digital Public Infrastructure (“DPI”) is not the complete digitization of narrow public services but the establishment of a building block of digital modularity, which can be used modularly by both government and private players to create the specific digital infrastructure required. The India Stack is a collective name for a set of open APIs and public goods in digital form like DigiLocker, UPI, e-sign etc.

Household savings expected to increase

In 2023, India's gross domestic savings as a percentage of GDP rose to 29.2%, reflecting an upward trend from 2022 when it reached 28.4%, highlighting the economy's recovery and improved income levels. However, in 2020, this percentage declined to 27.3% due to the economic disruptions caused by the pandemic. India remains favourable in terms of gross domestic savings rate compared with most other emerging market peers at 29% in 2023, greater than the world average of 28% in 2022.

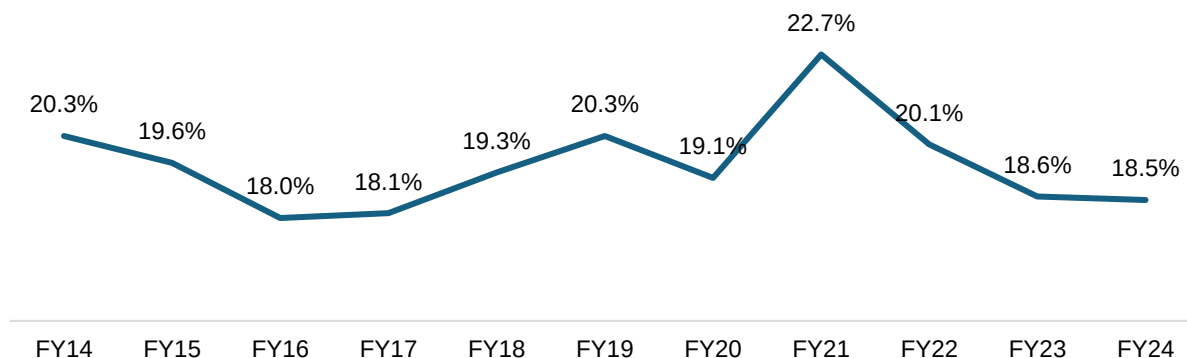
India's gross domestic savings rate is higher than global average (2023)



Note: The savings rate is in %, * Data as of 2022. Source: World Bank, Crisil Intelligence.

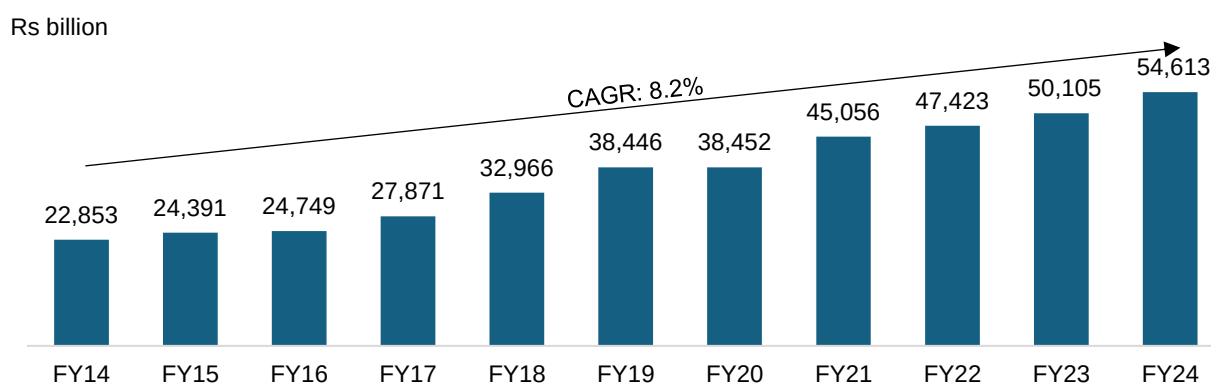
During the pandemic, household savings as a percentage of GDP increased from 19.1% in Fiscal 2020 to 22.7% in Fiscal 2021. However, household savings moderated to 18.6% in Fiscal 2023 and 18.5% in Fiscal 2024, due to households borrowing at a faster pace than they were saving since the pandemic. This was driven by a significant retail credit push by lenders, increased willingness among individuals (particularly the younger demographic) to borrow, and enhanced access to lenders facilitated by technological advancement. Crisil Intelligence expects India to remain a high-savings economy owing to a higher gross domestic savings rate than the global average.

Household savings as a percentage of GDP moderated in Fiscals 2022 and 2023



Source: MoSPI, NSO, Crisil Intelligence.

Household savings growth



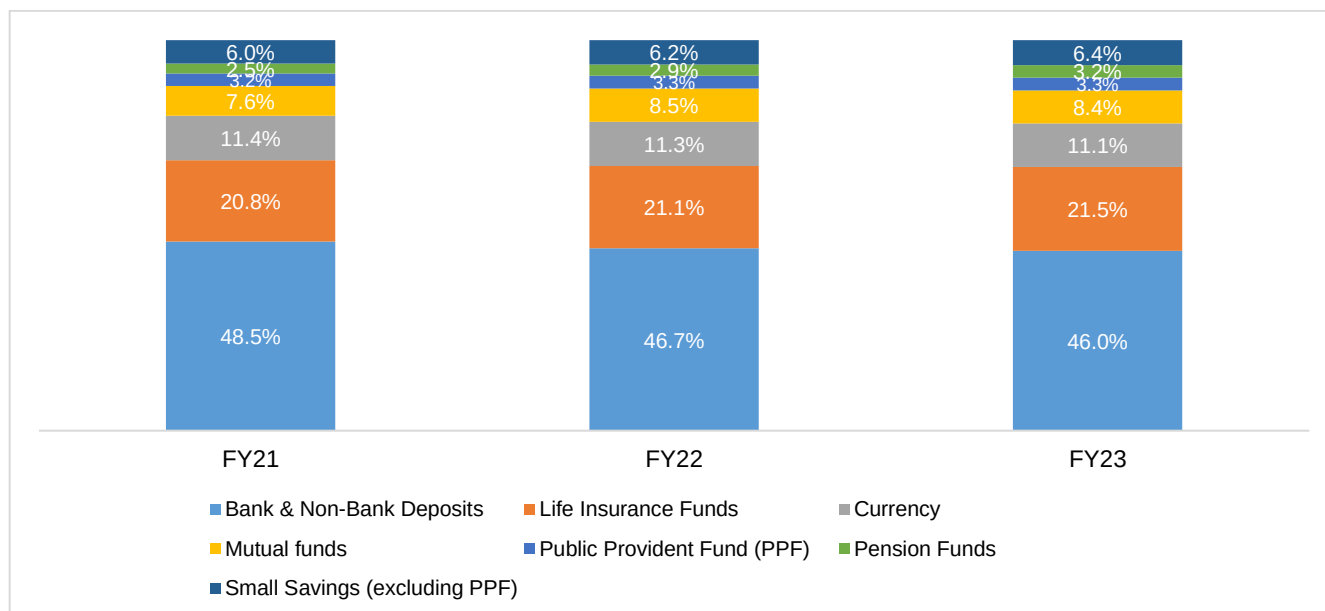
Source: MoSPI, Crisil Intelligence

Gross domestic savings trend

Parameters (₹ billion)	Mar-2014	Mar-2015	Mar-2016	Mar-2017	Mar-2018	Mar-2019	Mar-2020	Mar-2021	Mar-2022	Mar-2023	Mar-2024
Gross Domestic Savings (GDS)	36,082	40,200	42,823	48,251	54,807	60,004	59,411	57,869	73,631	82,440	92,592
Household sector savings (net financial savings, and savings in physical assets and in the form of gold and silver ornaments)	22,853	24,391	24,749	27,871	32,966	38,446	38,452	45,056	47,423	50,105	54,613
Household sector savings as a proportion of GDS (%)	63%	61%	58%	58%	60%	64%	65%	78%	64%	61%	59%
Gross financial savings	11,908	12,572	14,962	16,147	20,564	22,637	23,246	30,670	26,120	29,276	34,306
Net financial savings (% of household sector savings)	36%	36%	45%	41%	40%	39%	40%	52%	36%	27%	28%
Savings in physical assets (% of household sector savings)	62%	62%	53%	57%	59%	60%	59%	47%	63%	72%	70%
Savings in the form of gold and silver ornaments (% of household sector savings)	2%	2%	2%	2%	1%	1%	1%	1%	1%	1%	1%

Note: Data is for financial year ended March 31. Net financial savings are financial savings after excluding financial liabilities. Physical assets are those held in physical form, excluding gold and silver ornaments. Source: MoSPI, National Accounts Statistics, Crisil Intelligence

Trend in constituent of financial savings in India

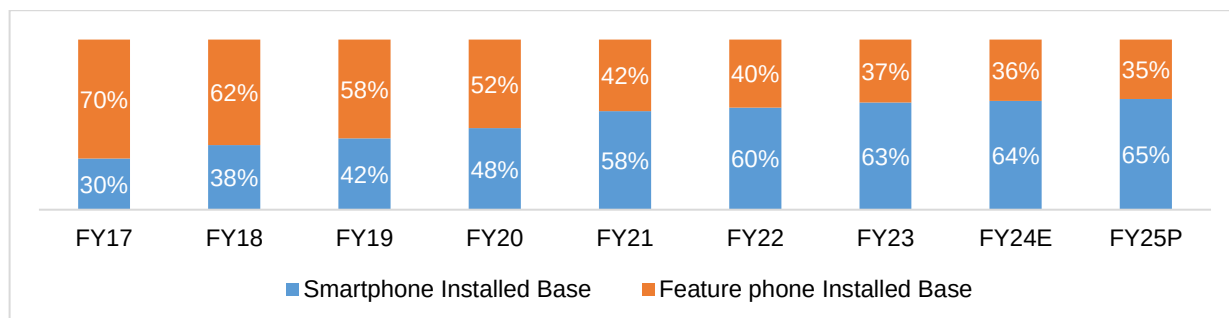


Note: Fiscal 2024 data not available; Source: RBI, CRISIL Intelligence

Digitization aided by technology to play pivotal role in growth of economy

Technology is expected to play an important role by progressively reducing the cost of reaching out to smaller markets. India has seen a tremendous rise in fintech adoption in the past few years. Among many initiatives by the government, the Unified Payments Interface (“UPI”) is playing a pivotal role towards financial inclusion. It provides a single-click digital interface across all systems for smartphones linked to bank accounts and facilitates easy transactions using a simple authentication method. The volume of digital transactions has also seen a surge in the past few years, driven by increased adoption of UPI. Apart from financial services industry, digitization in other industries like retail will also play an important role in the growth of economy.

Younger users to drive adoption of smartphones

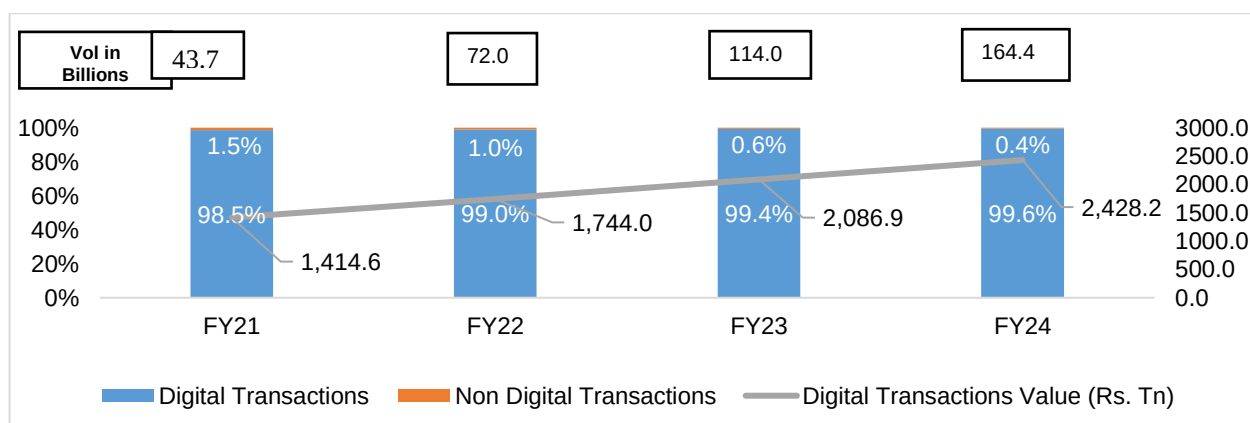


Note: E: Estimated, P: Projected; Source: CRISIL Intelligence

Digital payments have witnessed substantial growth

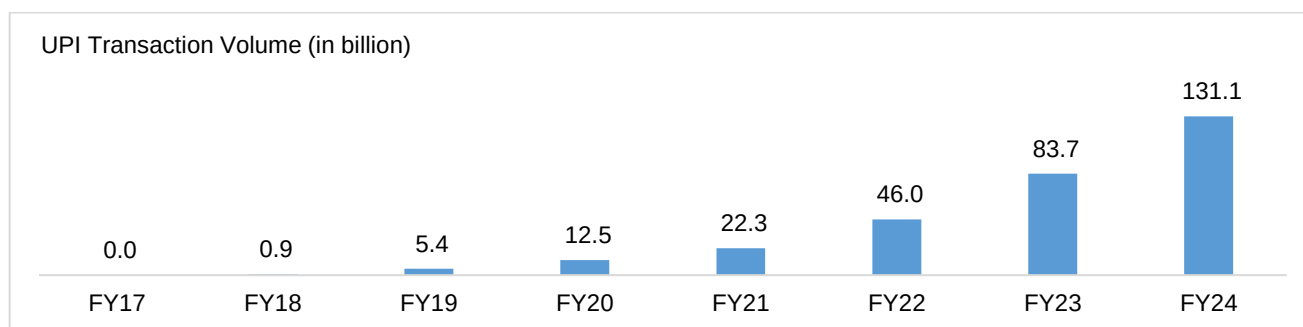
Higher mobile penetration, improved connectivity, and faster and cheaper data supported by Aadhaar, and bank account penetration have led India to shift from being a cash-dominated economy to a digital one. Total digital payments in India have witnessed significant growth over the past few years. Between Fiscal 2021 and Fiscal 2024, the volume of digital payments transactions increased from ₹43.7 billion to ₹164.4 billion, growing at a CAGR of approximately 56%. During the same period, the value of digital transactions has increased from ₹ 1,414.6 trillion in Fiscal 2021 to ₹2,428.2 trillion in Fiscal 2024. Consumers are increasingly finding transacting through mobile convenient. CRISIL Intelligence expects the share of mobile banking to increase dramatically over the coming years. In addition, CRISIL Intelligence expects improved data connectivity, low digital payment penetration and proactive government measures to drive digitalization in the country.

Trend in value and volume of digital payments



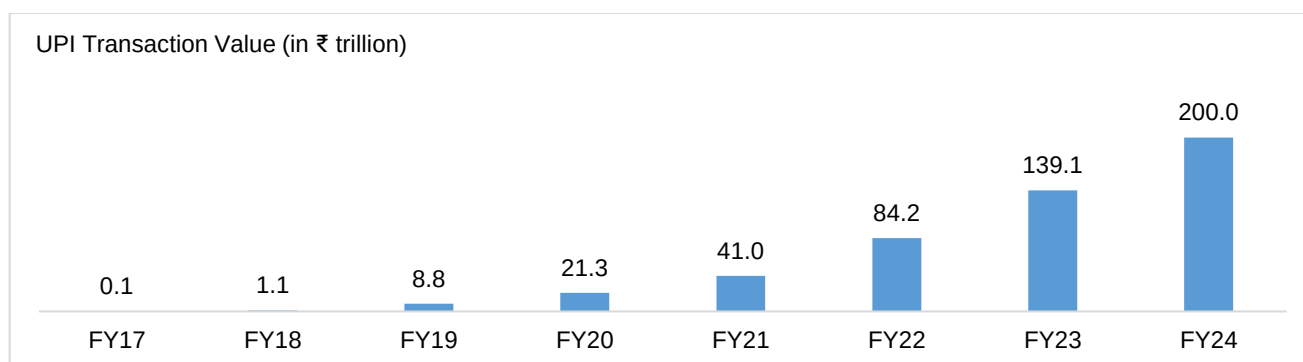
Note: Digital Payments includes RTGS payments, Credit transfers (AePS, APBS, ECS Cr, IMPS, NACH, NEFT, UPI), Debit Transfers (BHIM, ECS Dr, NACH Dr, NETC), Card Payments (Debit and Credit Cards) and Prepaid Payments Instruments; Source: RBI, CRISIL Intelligence

UPI transactions volumes zoomed between Fiscal 2017 and Fiscal 2024



Source: RBI, CRISIL Intelligence

UPI transactions value continue to rise with surge in volumes



Source: RBI, NPCI, CRISIL Intelligence

Key Drivers for Growth of Digital Lending in India

Multiple Hurdles for Physical Lending Channels

Physical lending channels, such as bank branches and storefront lenders, face multiple hurdles in today's digital age. One major challenge is the high operational costs associated with maintaining a physical presence, including rent, utilities, and staffing expenses. Additionally, these channels often struggle to provide a seamless customer experience, with lengthy application processes and limited hours of operation. Furthermore, physical lending channels may not be able to reach a wider audience, particularly in rural or underserved areas, limiting their accessibility and scalability.

Efficiency in Catering to Credit Pan-India in Remote / Tier-2+ Regions via Digital Lending

Digital lending has transformed the way credit is accessed in remote and tier-2+ regions of India, bringing remarkable efficiency in meeting the credit requirements of underserved populations. Through digital channels, lenders can now reach borrowers in even the most remote areas, without requiring having physical branches leading to reduced operational expenses. Digital lending platforms make use of sophisticated data analytics, artificial intelligence, and machine learning algorithms to evaluate creditworthiness, streamline loan processing, and swiftly disburse funds. This empowers lenders to provide customized loan products to borrowers in remote regions who were previously excluded from the formal credit sector. Additionally, digital lending platforms offer a smooth and user-friendly experience, enabling borrowers to apply for loans and monitor their applications remotely, thereby advancing financial inclusion and narrowing the credit disparity in India's remote and tier-2+ regions.

Higher ability to cross sell as 360-degree view in customer lifecycle

Digital lending, with its sophisticated data analytics and technology-driven approach, has a higher ability to cross-sell other financial products to its existing customer. This is made possible by the platform's capacity to maintain a comprehensive 360-degree view of the customer throughout their lifecycle. This comprehensive view allows lenders to understand customer behavior, preferences, and financial needs more accurately, enabling them to identify cross-selling opportunities tailored to individual customers. With insights gained from this holistic view, lenders can offer relevant financial products or services at the right time, enhancing customer satisfaction and increasing the likelihood of successful cross-selling.

Phygital Network Key for Distribution + Underwriting

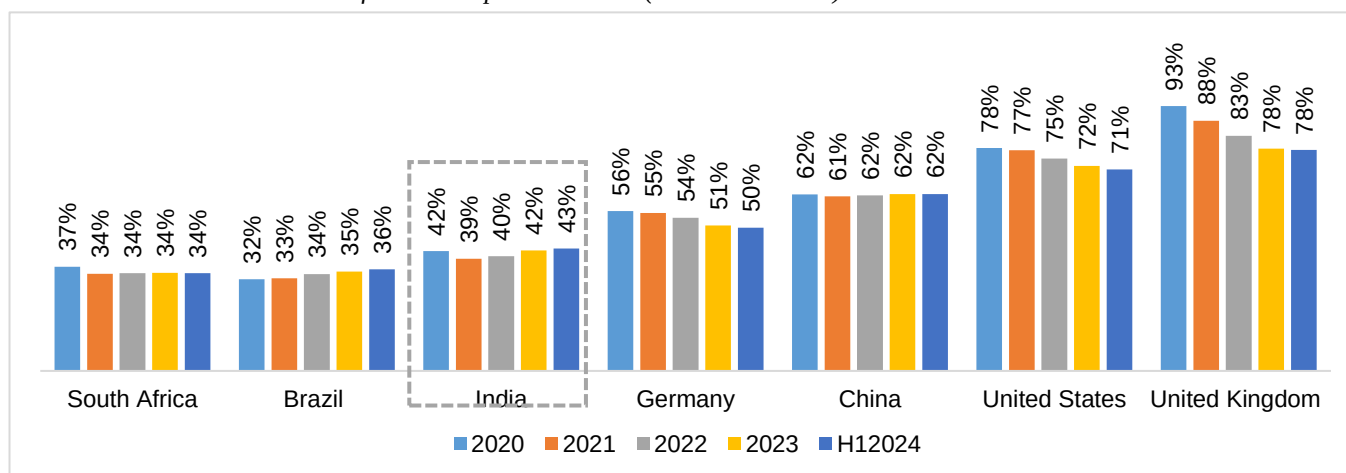
By combining the benefits of physical and digital channels, phygital networks enable lenders to reach a wider audience, increase operational efficiency, and reduce costs. Physical touchpoints, such as branches, provide a human interface for customers who require guidance and support, while digital channels facilitate seamless onboarding, loan processing, and disbursal. This hybrid approach allows lenders to leverage the strengths of each, ensuring a more efficient and effective distribution of loan products. Moreover, phygital networks enable lenders to gather richer data and insights, which can be used to refine underwriting models, improve risk assessment, and make more informed lending decisions.

Overview of Credit Scenario in India

Significant retail credit gap exists in India, as compared to other nations

Significant retail credit gap exists in India, as evident by India's household credit to GDP ratio of 43% as of H1 2024, as compared to 62%, 71% and 78% for China, United States and United Kingdom respectively. With rising financial awareness, government's continuous efforts for financial inclusion and rising credit accessibility to the underserved population, credit penetration in India is expected to rise. The surge in credit penetration would be led by growth in retail credit.

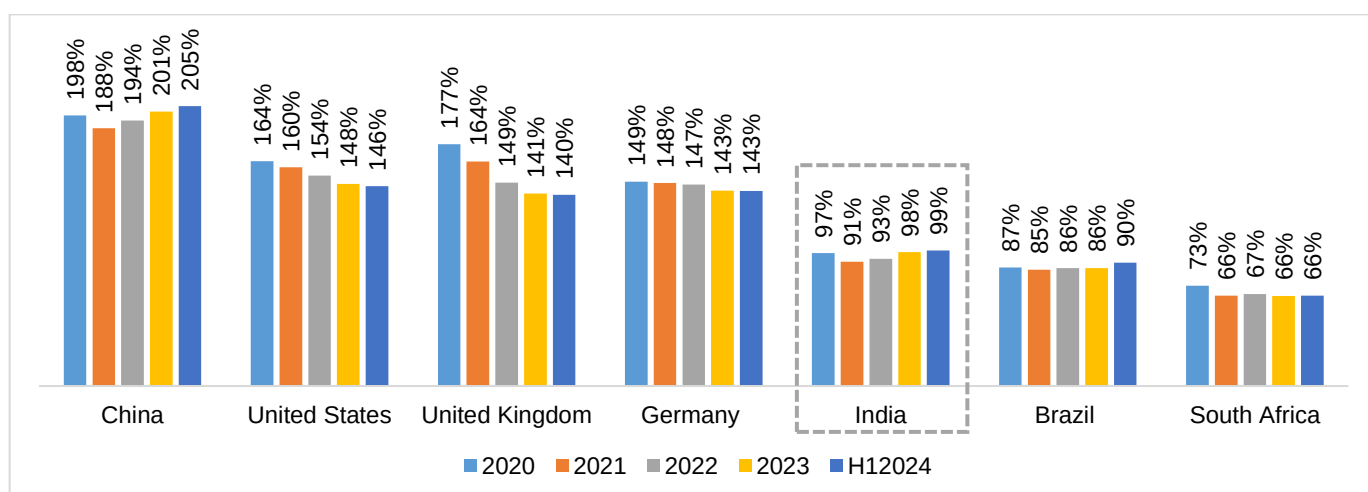
Household credit to GDP ratio of India and peer countries (2020 to H1 2024)



Note: H1 2024 as of June 2024. Source: Bank of International Settlements, CRISIL Intelligence

Overall credit to GDP ratio in India stood at 99% as of H1 2024, which was significantly lower as compared to 140% for United Kingdom, 146% for United States and 205% for China, signalling significant room for credit penetration in the nation.

Credit to GDP ratio from (2020-H1 2024)



Note: H1 2024 as of June 2024. Source: Bank of International Settlements, CRISIL Intelligence

Levels of banking credit penetration indicate growth opportunities for financiers

Chandigarh, Delhi, Maharashtra, Telangana and Tamil Nadu have a banking credit to GDP ratio of more than 100% as of September 2024 which indicates that banking credit penetration in the state is higher as compared to other states in India. Based on the credit penetration data, there seems a huge scope for increasing bureau coverage as well in India. Further, people who don't have credit history, formal income proofs, documentation, etc. still rely on informal sources for debt which comes at a very high cost. It could provide growth opportunities for NBFCs which provide loans at reasonable rates.

State wise credit penetration (September 2024)

States	GSDP - constant prices Fiscal 20 (in ₹ billion)	Banking Credit H1Fiscal 2025 (in ₹ billion)	Credit Growth CAGR (Fiscal 2020 to H1Fiscal 2025)	Credit Penetration to H1Fiscal 2025	% credit in rural areas to H1Fiscal 2025	% credit in semi urban areas to H1Fiscal 2025	% credit in urban areas - H1Fiscal 2025	% credit in metropolitan areas - H1Fiscal 2025
Chhattisgarh	3,219	1,883	15%	58%	8%	16%	26%	49%
Madhya Pradesh	6,604	4,683	13%	71%	10%	22%	19%	49%
Uttarakhand	2,134	922	12%	43%	18%	21%	62%	0%
Uttar Pradesh	14,234	8,277	14%	58%	15%	15%	34%	35%
Central Region	26,190	15,765	14%	60%	13%	18%	30%	39%
Andaman & Nicobar Islands	76*	43	13%	56%	19%	15%	66%	0%
Bihar	4,645	2,469	17%	53%	21%	25%	26%	28%
Jharkhand	2,851	1,289	16%	45%	17%	19%	28%	36%
Odisha	5,209	2,400	15%	46%	19%	24%	57%	0%
Sikkim	249	70	19%	28%	31%	9%	60%	0%
West Bengal	9,041	5,794	8%	64%	14%	10%	21%	54%
Eastern Region	22,071	12,064	12%	55%	17%	17%	31%	36%
Chandigarh	338*	853	2%	252%	0%	0%	99%	0%
Delhi	6,722	17,312	5%	258%	0%	1%	0%	99%
Haryana	6,340	5,431	16%	86%	7%	14%	71%	8%
Himachal Pradesh	1,428	529	13%	37%	57%	33%	9%	0%
Jammu & Kashmir	1,384	1,018	13%	74%	36%	26%	21%	18%
Punjab	4,959	3,545	9%	71%	16%	30%	27%	27%
Rajasthan	8,451	5,726	13%	68%	13%	23%	26%	39%
Northern Region	29,623	34,455	8%	116%	7%	11%	21%	61%
Arunachal Pradesh	188*	89	18%	47%	29%	71%	0%	0%
Assam	3,186	1,279	14%	40%	21%	28%	51%	0%
Manipur	223*	118	18%	53%	32%	21%	48%	0%
Meghalaya	283	129	16%	45%	34%	18%	49%	0%
Mizoram	202*	49	16%	24%	8%	24%	68%	0%

States	GSDP - constant prices Fiscal 20 (in ₹ billion)	Banking Credit H1Fiscal 2025 (in ₹ billion)	Credit Growth CAGR (Fiscal 2020 to H1Fiscal 2025)	Credit Penetration to H1Fiscal 2025	% credit in rural areas to H1Fiscal 2025	% credit in semi urban areas to H1Fiscal 2025	% credit in urban areas - H1Fiscal 2025	% credit in metropolitan areas - H1Fiscal 2025
Nagaland	202*	91	16%	45%	22%	47%	31%	0%
Tripura	465	134	10%	29%	24%	30%	46%	0%
North-Eastern Region	4,747	1,887	15%	40%	23%	30%	47%	0%
Andhra Pradesh	8,209	7,069	14%	86%	16%	27%	32%	26%
Karnataka	14,232	11,819	12%	83%	9%	12%	16%	63%
Kerala	6,351	5,643	12%	89%	2%	51%	47%	0%
Puducherry	268	209	12%	78%	9%	20%	71%	0%
Tamil Nadu	15,714	15,781	11%	100%	12%	24%	15%	50%
Telangana	7,929	8,710	12%	110%	7%	12%	9%	72%
Southern Region	52,703	49,233	12%	93%	10%	22%	20%	48%
Goa	544*	304	9%	56%	20%	80%	0%	0%
Gujarat	14,660*	9,316	11%	64%	6%	13%	18%	63%
Maharashtra	24,109	48,420	11%	201%	2%	4%	5%	90%
Western Region	39,313	58,113	11%	148%	3%	6%	7%	85%
ALL-INDIA	174,649	171,517	11%	98%	8%	14%	18%	61%

Note: 1. Credit penetration calculated as banking credit to states as of September 2024 divided by state GSDP (at constant prices) as of Fiscal 2020/2024/Fiscal 2023 whichever available.

2. (*) GSDP as of Fiscal 2023; Source: RBI, MOSPI, CRISIL Intelligence

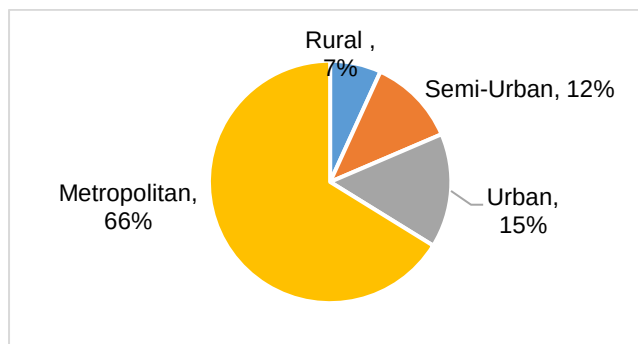
(the remainder of this page has been left blank intentionally)

Rural and semi-urban India – Under penetration and untapped market presents a huge opportunity for growth of financiers

Bank credit to metropolitan areas has decreased over the past few years with its share decreasing from 66% as of March 31, 2019, to 61% as of September 30, 2024. Between the same period, credit share has witnessed a marginal rise in rural (7% as of Fiscal 2019 to 8% as of H1 Fiscal 2025) and semi-urban areas (12% as of Fiscal 2019 to 14% as of H1 Fiscal 2025). As of September 30, 2024, rural areas, which is estimated to account for 47% of GDP, received just 8% of the overall banking credit, which shows the vast market opportunity for banks and NBFCs to lend in these areas. With increasing focus of government towards financial inclusion, rising financial awareness, increasing smartphone and internet penetration, CRISIL Intelligence expects delivery of credit services in rural area to increase. Further, usage of alternative data to underwrite customers is also expected to help banks and NBFCs to assess customers and cater to the informal sections of the society in these regions.

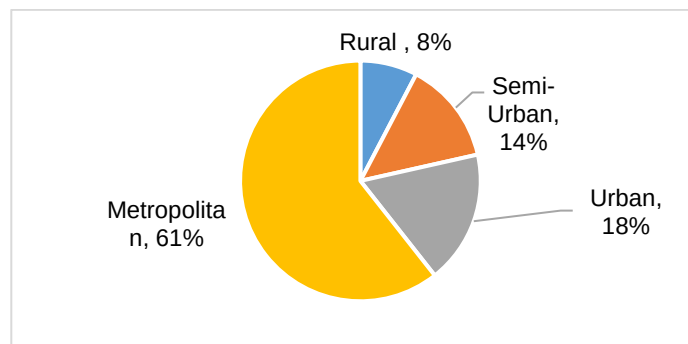
Share of rural and semi-urban regions in banking credit increased marginally between Fiscal 2019 & H1 Fiscal 2025

Share of region wise banking credit data as of Fiscal 2019



Source: RBI, CRISIL Intelligence

Share of region wise banking credit data as of H1 Fiscal 2025

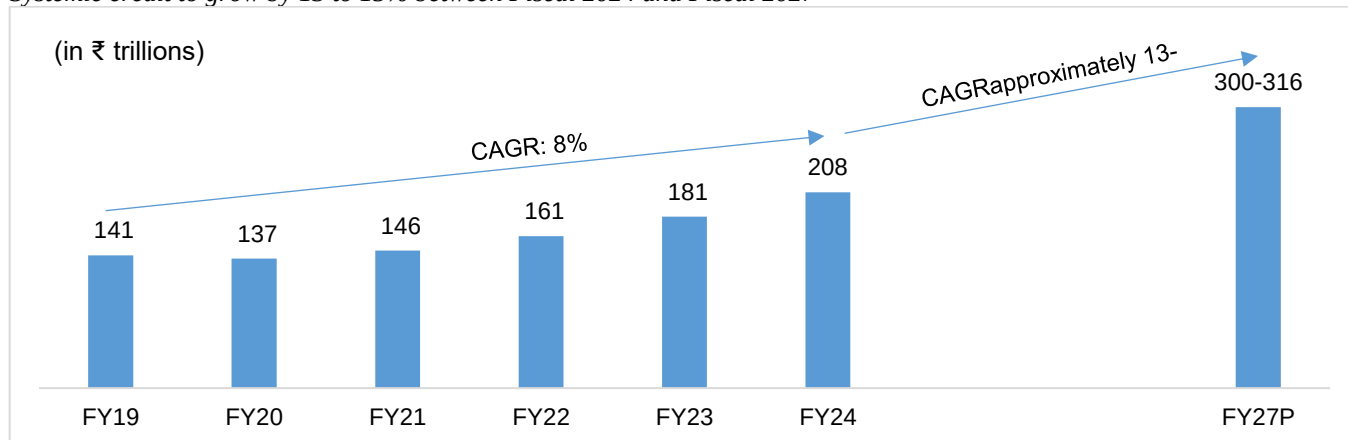


Source: RBI, CRISIL Intelligence

Systemic credit

CRISIL Intelligence projects systemic credit to grow at 13 to 15% between Fiscal 2024 and Fiscal 2027.

Systemic credit to grow by 13 to 15% between Fiscal 2024 and Fiscal 2027

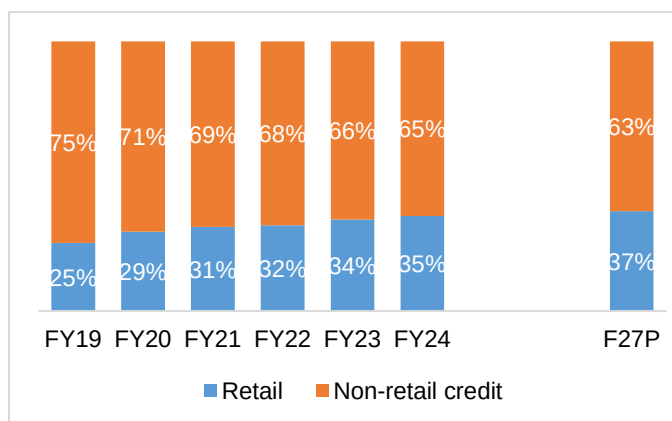


Note: P: Projected, E: Estimated, Systemic credit includes domestic banking credit (after deduction of bank lending to NBFC), NBFC credit, commercial papers, external borrowings, corporate bonds excluding those issued by Banks and NBFC.

Source: RBI, Company Reports, CRISIL Intelligence

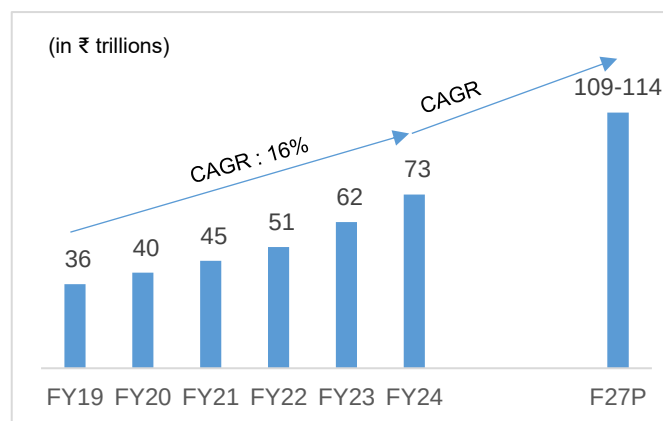
The retail credit including small ticket loans for asset classes such as Housing finance, Vehicle Financing, Gold Loans, Education Loans, Consumer Durables, Personal loans, credit cards and microfinance, in India stood at ₹73 trillion, as of Fiscal 2024 which rapidly grew at a CAGR of 16% between Fiscal 2019 and Fiscal 2024. Retail credit grew at 19% in Fiscal 2024 supported by steady demand in underlying assets like housing, auto and growth in credit card and personal loans growth driven by consumption. The Indian retail credit market has grown at a strong pace over the last few years and is expected to grow further at 14 to 16% between Fiscal 2024 and Fiscal 27. Moreover, the increasing demand and positive sentiments in the Indian retail credit market, presents an opportunity for both banks and NBFCs to broaden their investor base. However, RBI's risk weight circular, sustained inflation and increase in lending rates could moderate the retail credit growth.

Retail segment is projected to account for 37% of overall systemic credit as of Fiscal 2027



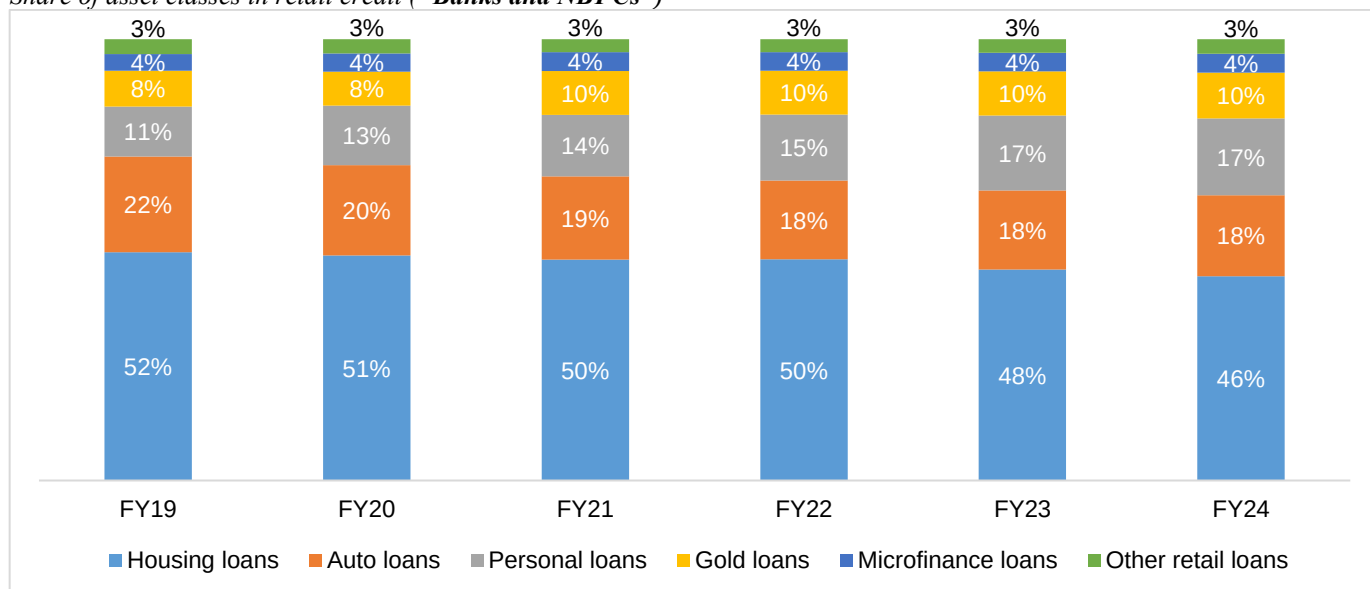
Note: E: Estimated, P: Projected. The above percentages are calculated on total systemic credit
Source: RBI, CRISIL Intelligence

Retail credit growth is projected to grow on a strong footing from Fiscal 2024 to Fiscal 2027



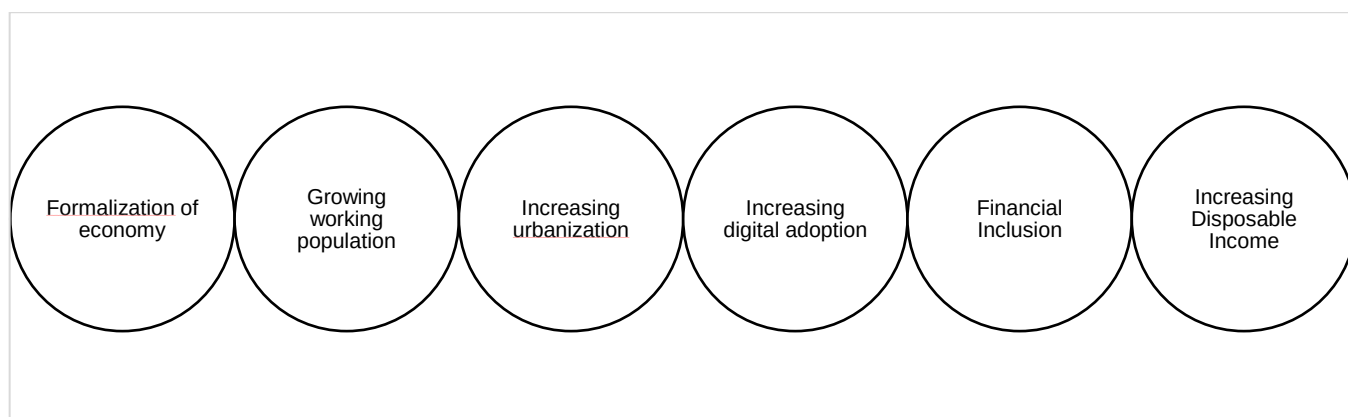
Note: E: Estimated, P: Projected
Source: RBI, CRISIL Intelligence

Share of asset classes in retail credit (“Banks and NBFCs”)



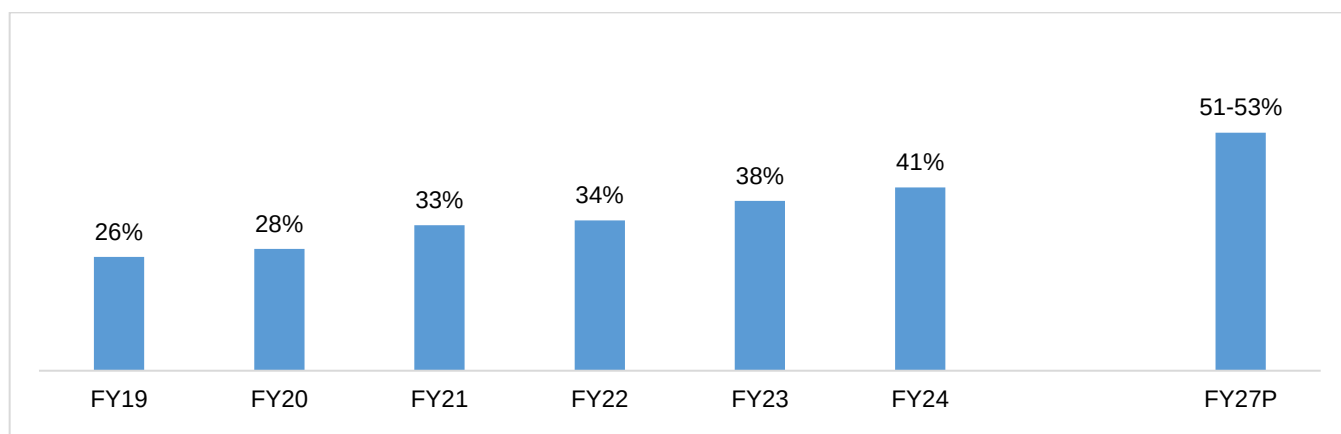
Note: Auto Loans include personal vehicle loans, commercial vehicle loan, two-wheeler loan and used car loan. The above data includes portfolio outstanding of banks as well as NBFCs. Other retail loans include consumer durable and education loans; Source: CRISIL Intelligence

Factors that will support retail credit growth



Source: CRISIL Intelligence

Retail Credit as % of GDP (at constant prices) is expected to reach 51% to 53% as of Fiscal 2027



Note: Above retail credit includes banking and non-banking credit. Source: RBI, IMF, CRISIL Intelligence

Overview of NBFC Sector in India

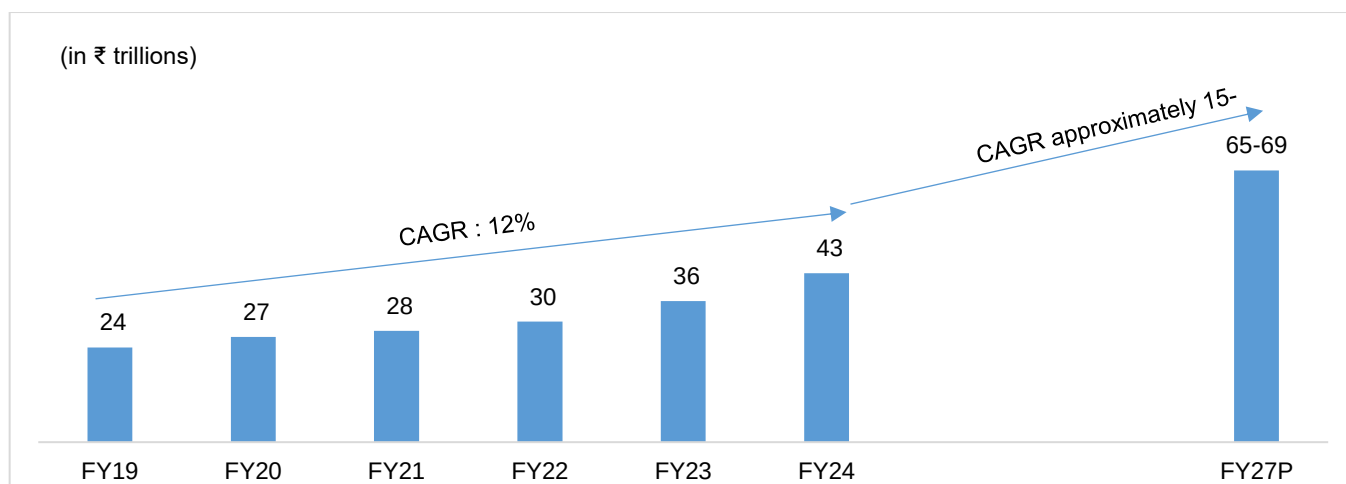
The Indian financial system includes banks and non-banking financial companies (“NBFCs”). Though the banking system dominates financial services, NBFCs have grown in importance by carving a niche for themselves by catering to customers in underbanked regions or those who would not be catered to by traditional financial institutions, due to absence of credit history or lack of proper collateral records.

NBFC Market Landscape

NBFC Credit to grow faster than systemic credit

The credit growth of NBFCs which has trended above India’s GDP growth historically, is expected to continue to rise at a faster pace. NBFCs have shown remarkable resilience and gained importance in the financial sector ecosystem, growing from less than ₹2 trillion AUM at the turn of the century to ₹43 trillion at the end of Fiscal 2024. During Fiscal 2019 to Fiscal 2024, NBFC credit is estimated to have witnessed a growth at CAGR of 12%. NBFCs AUM as of Fiscal 2014 was approximately ₹12.9 trillion which has grown at a 10 year CAGR of 13% to ₹42.6 trillion as of Fiscal 2024. Rapid revival in the economy is expected to drive consumer demand in Fiscal 2025, leading to healthy growth in NBFCs.

NBFC credit to grow at 15 to 17% between Fiscal 2024 and Fiscal 2027



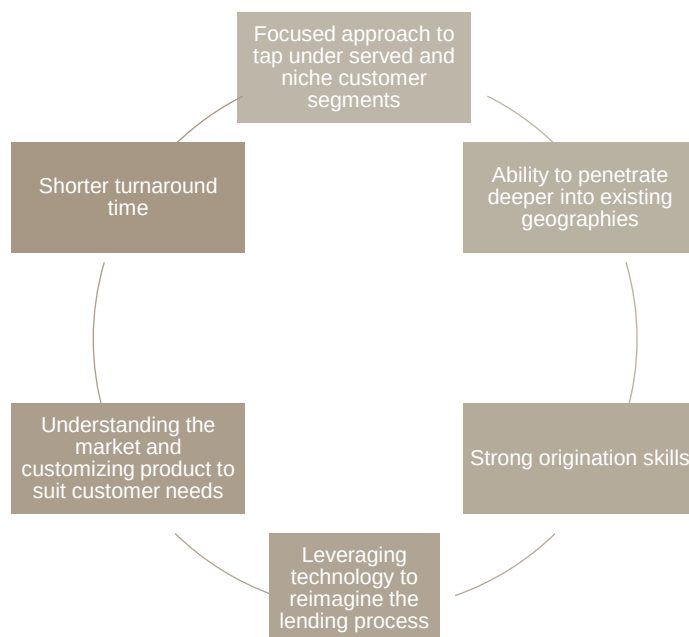
Note: P = Projected, E: Estimated; HDFC is not considered while calculating overall NBFC Credit, Source: RBI, Company reports, CRISIL Intelligence

Going forward, CRISIL Intelligence expects NBFC credit to grow at 15 to 17% between Fiscal 2024 and Fiscal 2027 driven by growth in retail segment, and MSME loans in the wholesale segment continuing to be the primary drivers.

NBFC’s share in systemic credit is estimated to have increased from 12% in Fiscal 2008 to 13% in Fiscal 2014 to 20% in Fiscal 2024. Overall, consolidation in certain corporate groups and other corporate activities indicate buoyancy in the NBFC space and expectations of healthy credit growth.

CRISIL Intelligence believes that NBFCs will remain a force to reckon within the Indian credit landscape, given their inherent strength of providing last-mile funding and catering to customer segments that are less in focus by the Banks. Going forward, NBFCs are expected to continue to gain market share over other lenders due to their ability to provide flexible lending solutions and tailored services, focused approach to tap under-served and niche customer segments, ability to penetrate deeper into geographies, leveraging technology to reimagine the lending process, strong origination skills and shorter turnaround time.

Growth of NBFCs reflects the customer value proposition offered by them



Source: CRISIL Intelligence

With high focus on retail loans, NBFCs are driving financial inclusion

The NBFC sector has, over the years, evolved considerably in terms of size, operations, technological sophistication, and entry into newer areas of financial services and products. The number of NBFCs as well as the size of the sector have grown significantly, with several players with heterogeneous business models starting operations. The increasing penetration of neo-banking, digital authentication, and mobile phone usage as well as mobile internet has resulted in the modularization of financial services, particularly credit. Overall NBFC credit during Fiscal 2019 to Fiscal 2024, is estimated to have witnessed a CAGR of approximately 12% which was majorly led by retail segment which is estimated to have witnessed a CAGR of approximately 14%, while NBFC non-retail credit is estimated to have witnessed a growth of approximately 10% during the same time period.

NBFC Growth Drivers

NBFCs are better placed than traditional financial institutions like banks to service the growing credit need in niche segments in India. NBFCs help fill gaps in the availability of financial services with respect to products, customer and geographic segments. A strong linkage at the grassroots level makes them a critical cog in the financial machine. They cater to the unbanked masses in rural and semi-urban reaches and lend to the informal sector and people without credit histories, thereby enabling the government and regulators to realize the mission of financial inclusion. Some of the factors favoring the growth of NBFCs are:

- Rural Reach – NBFCs have access to geographies which are outside the ambit of banks' geographies and customer segments
- High Touch Model – NBFCs have strong ownership of its customers through the regular interactions done by them
- Specialized Underwriting – NBFCs have put in place digitized, and data linked systems through which they have been able to provide credit to people with informal income and those with Self Occupied Residential Property /Self Occupied Commercial Property, faster and effectively.
- Understanding of Micro Markets – NBFCs have gained expertise in understanding the nuances of the rural and semi-urban geographies.

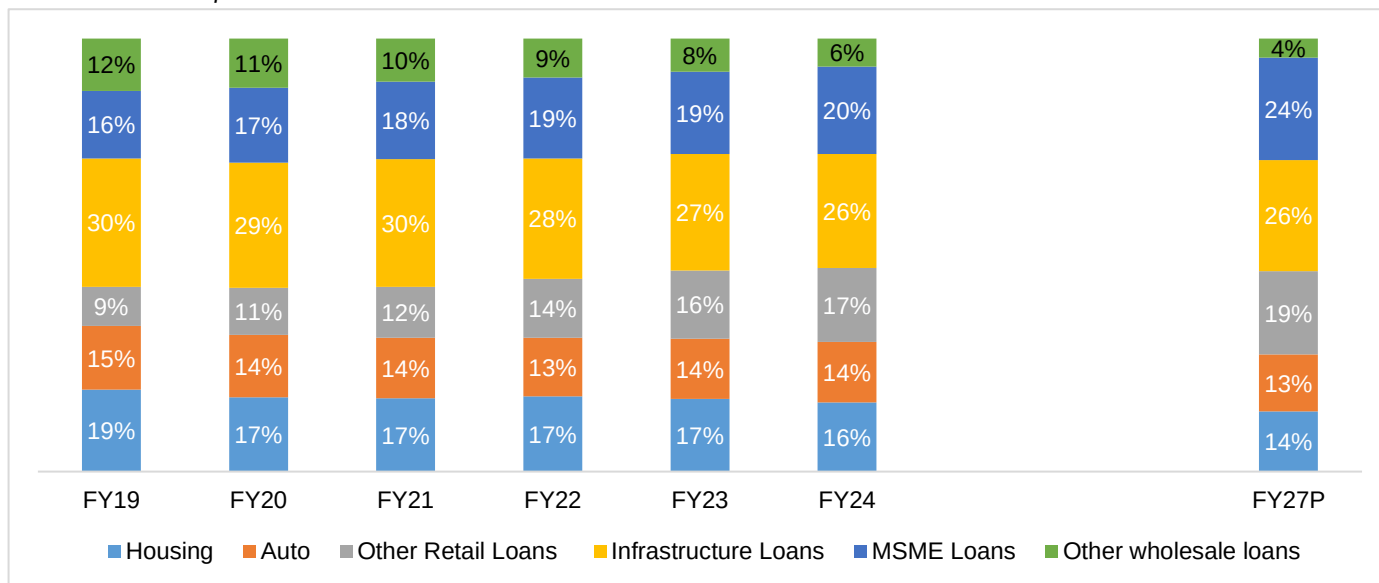
MSME, Housing and Auto Financing contributed approximately 50% to overall NBFC credit in Fiscal 2024

Though infrastructure accounts for the highest share in NBFC credit (26%) as of Fiscal 2024, its share in the overall NBFC credit outstanding has come down over the past years from 30% in Fiscal 2019. Retail and MSME segments are expected to

experience higher growth in the upcoming fiscals. MSME credit accounted for 20% share as of Fiscal 2024, witnessing a rise in its market share from 16% in Fiscal 2019. Housing and auto segment constitute approximately 16% and approximately 14% share in overall NBFC credit as of Fiscal 2024.

Going forward, the growth trend is expected to moderate for retail segment on account of caution on unsecured lending and due to visible stress in unsecured book such as micro finance and personal loans where there are higher slippages in stage 1 loans during first quarter of Fiscal 2025 primarily due to overleveraging of customers and impact of elections. Meanwhile, the RBI's vigilant oversight and recent risk weight circular will temper growth in unsecured portfolios, ensuring a more measured pace of expansion. On the other hand, wholesale credit is expected to grow faster supported by credit momentum among the infrastructure finance NBFCs and MSME lending. The share is expected to remain steady, with retail and wholesale segments expected to comprise 46% and 54%, respectively, in Fiscal 2027.

Distribution of NBFC Credit across asset classes



Note: Other retail loans include gold loans, microfinance loans, personal loans, consumer durable loans, education loans, Other wholesale loans include wholesale loan and construction equipment loan; Source: Company reports, CRISIL Intelligence

Growth of asset classes

Asset class (₹ trillion)	Fiscal 2024 portfolio outstanding (₹ trillion)	Share of NBFCs/HFCs/ NBFC-MFIs	Overall portfolio CAGR (Fiscal 2020 to Fiscal 2024)	NBFCs/HFCs portfolio CAGR (Fiscal 2020 to Fiscal 2024)	Growth (Fiscal 2024 to Fiscal 2025) for overall portfolio	Growth (Fiscal 2024 to Fiscal 2025) for NBFCs
MSME Loans	35.4	24%	18%	17%	20-21%	24-25%
Housing loans	34.0	20%	13%	11%	14-15%	12-13%
Auto Loans	13.4	44%	13%	12%	15-16%	16-17%
Personal loans	12.8	25%	24%	34%	17-18%	25-26%
Gold loans	7.6	21%	25%	16%	21-22%	18-19%
Microfinance loans	3.1	54%	17%	24%	16-17%	18-19%
Consumer durables	0.8	48%	18%	19%	22-23%	23-24%

Source: RBI, NHB, MFN and CRISIL Intelligence estimates

Banks continue to gain share in borrowing mix of NBFCs; expected to undergo moderation in near to medium term

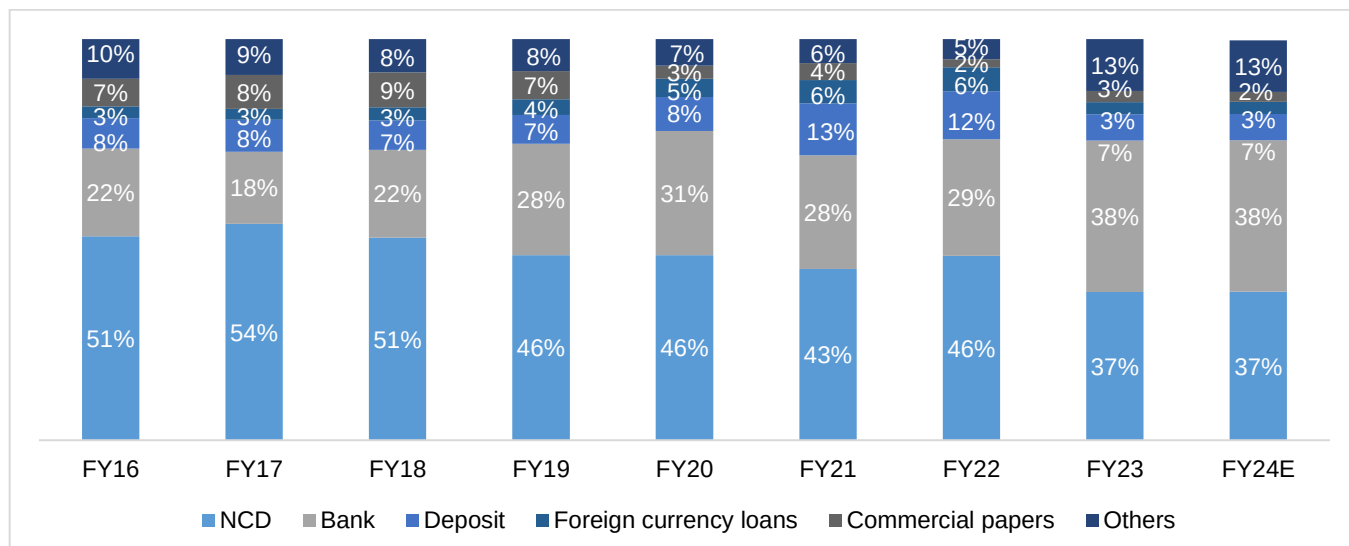
Share of bank's lending to NBFCs have almost doubled during last 10 years.

Going forward, CRISIL Intelligence believes that funding access would gradually improve for NBFCs who are able to demonstrate strong performance. Reliance on bank funding is expected to remain at 38% as of Fiscal 2025, while it is expected to moderate in the near term with impact of RBI circular on risk weight and further transmission of rate hikes accelerated by deficit liquidity in the banking system.

The RBI circular acted as a catalyst against the backdrop of rapid growth of unsecured lending by NBFCs and banks. As per CRISIL Intelligence, impact of RBI circular will be higher on players giving unsecured loans. The impact of the circular was

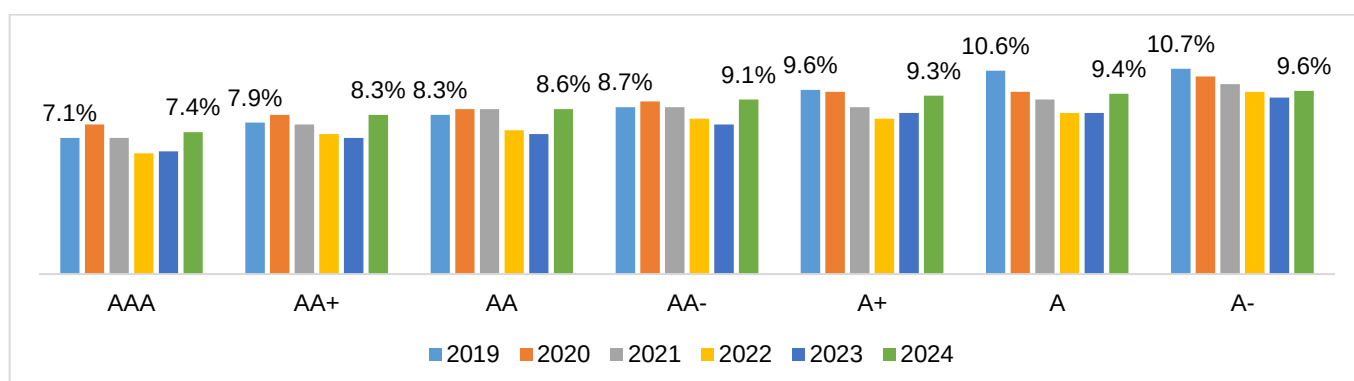
visible with reduced growth in unsecured segment in second half of Fiscal 2024.

Bank borrowings expected to remain primary source of funds for the NBFCs, apart from NCDs



Note: Based on sample set of NBFCs accounting for more than 80% of overall borrowings of NBFCs as of March 2023; For Fiscal 2023, NCD includes Debt Securities and NCDs, Bank includes Banks and National Housing Bank, and Others include Related Parties, Foreign Institutions, External Commercial Borrowings, and other sources; Source: Company reports, CRISIL Intelligence

Average cost of borrowings for companies issuing bonds in the last five fiscals



Source: CRISIL Intelligence

Average cost of borrowing for companies increases with deterioration in credit rating. With softer policy rates abroad, large NBFCs have also tapped overseas funding options through the external commercial borrowing (“ECB”) route. Going forward with a decline in rates globally the share of borrowing via the ECB route is expected to see an uptick in current and next fiscals. Commercial papers in past have remained on a lower end as a financing source for NBFCs, however, the instrument has seen an uptick during Fiscal 2025 on account of non-banks accessing the short term funding market in anticipation of rate decline in the near term post which the options of bond and bank term loan funding would be more attractive. However, the pass on of interest rate will come with a lag and hence the cost of funds are expected to be higher for most NBFCs creating pressure on margins in the near term.

Alternatively, NBFCs have also started exploring several other sources of funds through securitization, there are generally two types of securitization structures, direct assignment (“DA”) and pass-through certificate (“PTC”), the common feature of these two types of transactions is that they both involve pooling of loans and selling them to a counterparty, therefore transferring credit risk. CRISIL Intelligence expects, securitisation will continue to remain an important tool for NBFCs to mobilise liquidity. While volumes are expected to evolve significantly in Fiscal 2025 with a rebound in both economic and credit growth, the overall pace of recovery in the transactions will be a function of extent in improvement in economic activities.

Importance of Liability Management by an NBFC:

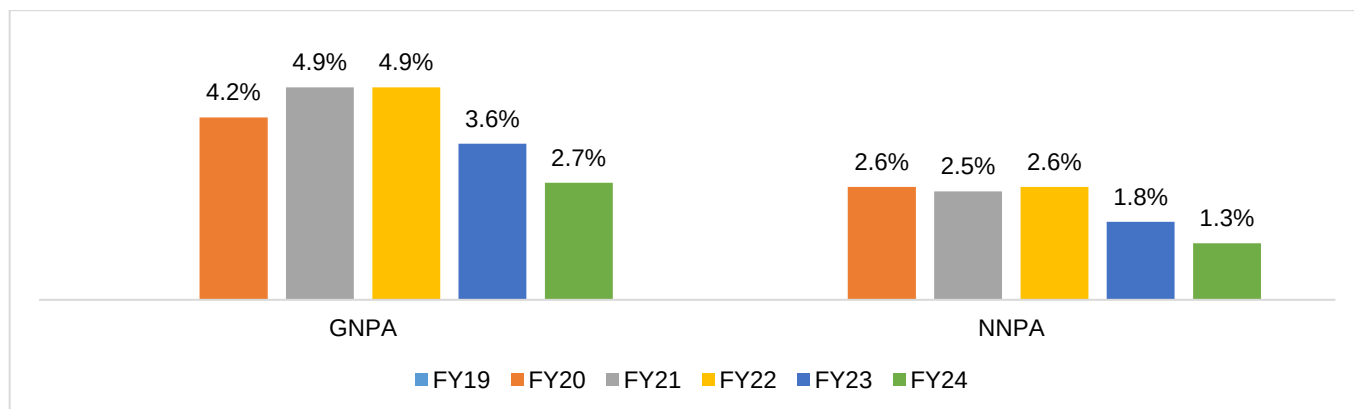
Liability Management is an important requirement for any NBFC ensuring there is continuous flow of fund to be used for on lending by an NBFC. Matching liability with asset management helps in financial stability of the NBFC as well as helps in future business planning. It becomes an integral part of effective risk management of an NBFC. RBI as a monitor for country’s

financial stability also monitors NBFCs asset liability returns. Impact of interest rate sensitivity on an NBFC's portfolio is also monitored by a prudent asset liability framework. Ability of an NBFC to raise liability at duration profile that matches asset side at competitive costs is also a key important factor. NBFCs with better credit ratings (“**A and above**”) have been able to consistently raise long term funds from the market during adverse business cycles.

Asset Quality

Asset quality for NBFCs is influenced by various factors such as economic cycle, target customer segment, geographical exposure, and local events. Within the NBFC universe itself, it is observed that various asset classes tend to exhibit heterogeneous behaviour. For example, the asset quality in small business loans and personal loans tends to be highly correlated with the macroeconomic environment. This is because asset quality is more influenced by local factors, events that have wide ranging repercussions such as demonetisation and COVID-19 and relative leverage levels amongst borrowers.

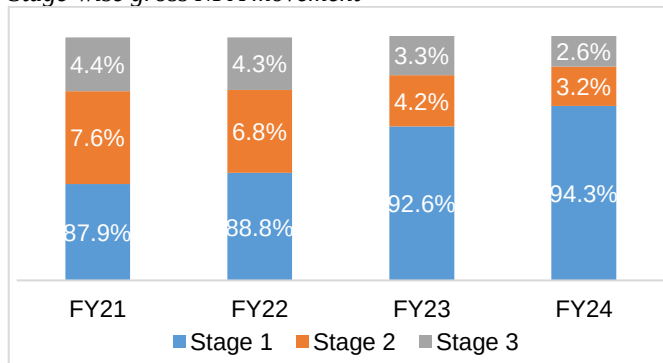
Improving asset quality of NBFCs gives more comfort for mid-term growth



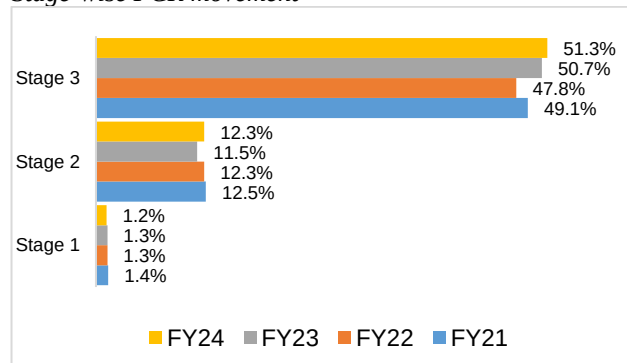
Note: For calculating GNPA and NNPA, 100 NBFCs are considered that collectively account for loans and advances of ₹23,000 billion as on March 31, 2024. The above set excludes PFC and REC Limited. Source: RBI, CRISIL Intelligence

Decline in stage-3 assets and corresponding increase in provisioning by NBFCs instil optimism

Stage-wise gross NPA movement



Stage-wise PCR movement



Note: The above analysis is basis aggregate data for NBFCs / HFCs that covers 27 companies in Fiscal 2024, that collectively account for a gross exposure of ₹ 15,810 billion as on March 31, 2024.; Source: RBI, company reports, CRISIL Intelligence

Asset quality metrics improved in Fiscal 2023 for two reasons. First is the RBI's follow-up circular dated February 15, 2022, deferring the implementation of the NPA upgradation norm till September 30, 2022. This provides a reasonable transition time for NBFCs to recalibrate processes, revamp their collection infrastructure and teams, and persuade borrowers to align with the new dispensation. Second is the improvement in macro-economic activity, which acted as a tailwind.

Asset Quality for NBFCs improved in Fiscal 2024 on account of normalisation of economic activity and improved collection efficiency across segments with the gold segment being an exception. The asset quality of NBFCs continued the improvement trend till March 2024, however, with the challenges in unsecured lending segments and high PAR 90 in gold finance segment, it will lead to increase in segmental NPAs in short term. Along with this the credit cost and write off is also expected to elevate during Fiscal 2025 primarily due to deterioration in unsecured lending portfolio's such as micro finance and personal loans.

Credit cost for NBFCs moderately declined in Fiscal 2024, with improvement seen in profitability as well as asset quality

Overall yield for the retail segments increased in Fiscal 2023 due to the interest rates hikes. However, the amount of pass-on

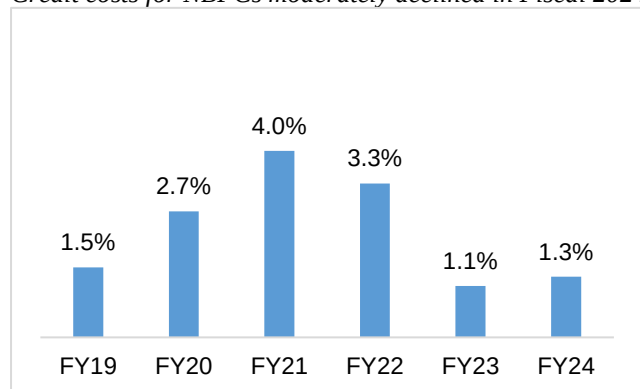
has been distinct across all segments on account of level of competition, nature of asset class and segmental credit demand. Accordingly, a stable or modest increase in RoA was seen across all segments in Fiscal 2024.

In Fiscal 2023, decline in credit costs due to improved collections and lower slippages supported improvement in profitability aided by higher yields. The MFI segment, which typically has more pricing power, was able to improve its NIM. Similarly, the housing segment also improved its NIM owing to the floating nature of its loan book where it was able to pass on the increase in rates to its customers faster. However, competition from banks and subdued credit demand resulted in NIM compression for the gold segment.

In Fiscal 2024, credit cost moderately declined on account of improved collections and lower asset quality stress translating to moderate increase in RoA. In the near term, the impact of RBI circular on risk weights on cost of funds, thereby NIM and RoA will be a key monitorable.

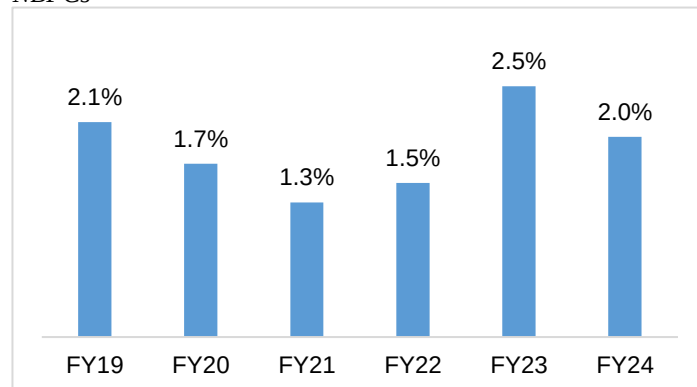
Profitability ratios of NBFCs

Credit costs for NBFCs moderately declined in Fiscal 2024



Note: Credit Costs calculated on average total assets
Source: CRISIL Intelligence

Profitability ("RoA") moderately increased in Fiscal 2024 for NBFCs



Note: Return on assets calculated on average total assets
Source: CRISIL Intelligence

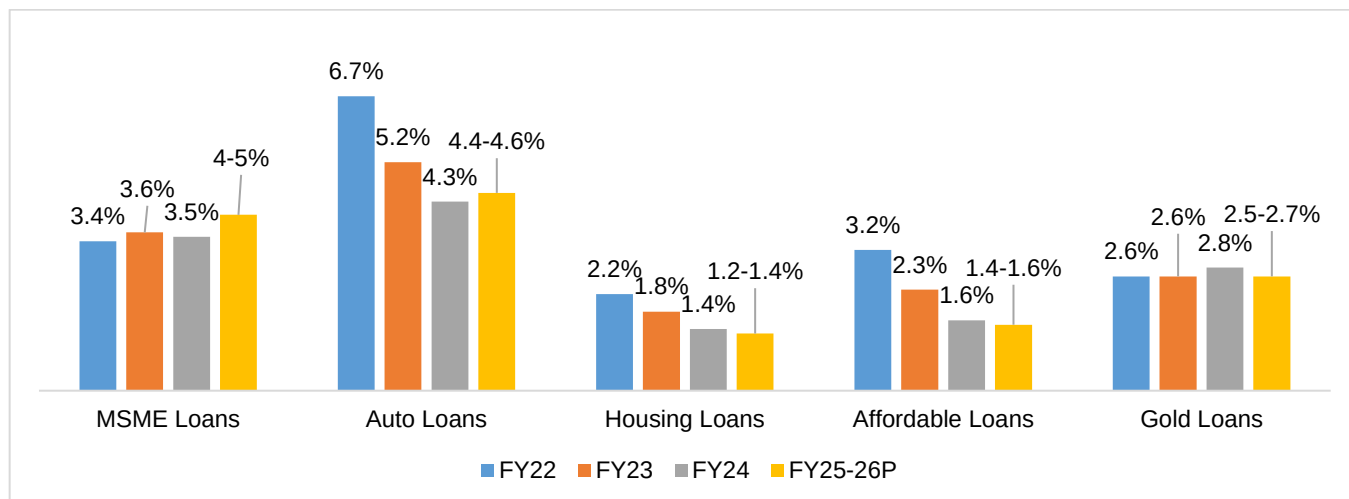
ROA Tree for NBFCs across asset classes

Asset Class	Financial Metric	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025P-2026P
MSME Loans	Interest income	14.5%	15.5%	16.0%	approximately 15-16%
	Interest expense	5.6%	5.7%	6.3%	approximately 5-6%
	Credit Cost	1.2%	1.3%	1.7%	approximately 1.7-2.1%
	ROA	3.3%	3.7%	3.5%	approximately 3.4-3.6%
Auto Loans	Interest income	12.0%	12.2%	12.6%	approximately 12-13%
	Interest expense	5.8%	5.7%	6.4%	approximately 6.5-6.6%
	Credit Cost	1.8%	1.1%	1.9%	approximately 1.9-2.1%
	ROA	1.9%	2.6%	2.5%	approximately 2.2-2.6%
Housing Loans	Interest income	8.6%	9.0%	9.7%	approximately 9.4-9.6%
	Interest expense	5.8%	6.0%	6.4%	approximately 6.2-6.3%
	Credit Cost	0.6%	0.5%	0.5%	approximately 0.4%
	ROA	1.4%	1.7%	2.1%	approximately 1.9-2.0%
Affordable Housing Loans	Interest income	10.4%	10.6%	11.0%	approximately 10.5-10.7%
	Interest expense	5.5%	5.5%	6.0%	approximately 5.7%
	Credit Cost	0.6%	0.3%	0.1%	approximately 0.4%

	ROA	2.3%	2.8%	2.9%	approximately 2.6-2.7%
Gold Loans	Interest income	16.4%	14.9%	16.1%	approximately 16.1-16.4%
	Interest expense	5.6%	5.2%	5.9%	approximately 5.9-6.3%
	Credit Cost	0.1%	0.1%	0.2%	approximately 0.1-0.3%
	ROA	5.6%	4.7%	5.2%	approximately 4.9-5.1%

Note: The ratios are calculated on total average assets. Source: CRISIL Intelligence, Company Documents

GNPAs for NBFCs across asset classes



Source: CRISIL Intelligence, Company Documents, Note: Ratios on average total assets

Gold loans

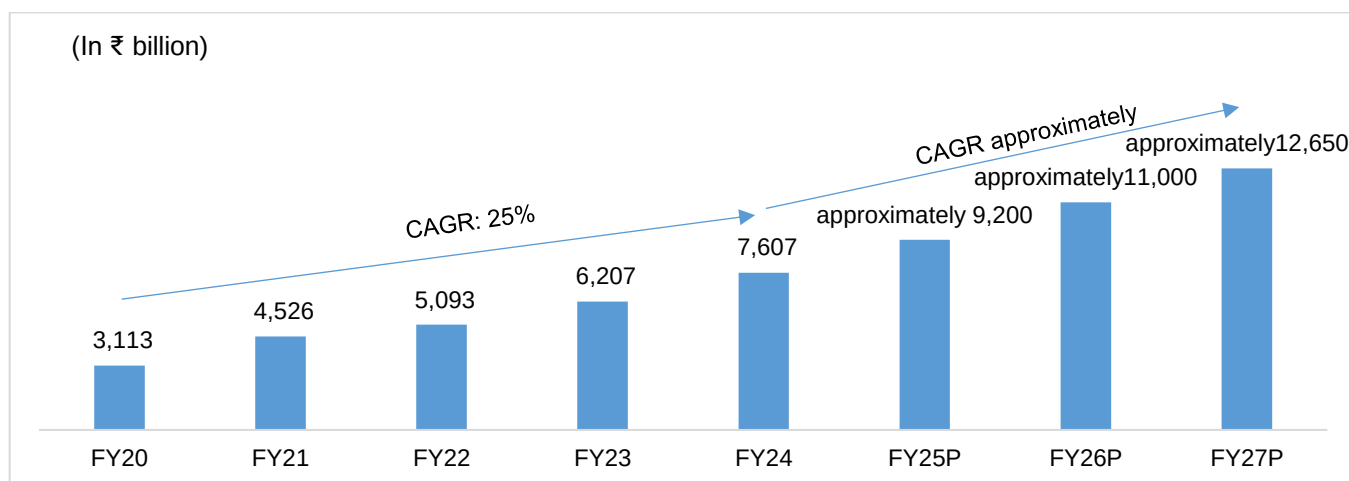
Gold loan growth momentum to continue

Overall gold loan financing market grew by 25% CAGR between Fiscal 2020 and Fiscal 2024. As of March 2024, according to CRISIL Intelligence, the outstanding value of loans given out by organised financiers' – banks and NBFCs is ₹7.6 trillion, with NBFCs accounting for 21% of the said market.

While credit growth of banks in the segment have normalized, credit growth of NBFCs has recovered post a slack seen post pandemic, leading to healthy growth in the overall segment in Fiscal 2024, primarily driven by increasing gold prices, an inherently better asset quality performance and better rates of interest.

Going further, in Fiscal 2025, the overall segment is expected to grow by 19-21% with NBFCs slated to grow at 17 to 18% and banks expected to grow at 21-23%. Gold loan NBFCs will continue to lose market share to banks amid competition in the segment, although their disbursements are expected to recover. Because of regulatory action on a key gold loan NBFC by RBI, imposing curbs on new sanctions led to the company's portfolio to shrink considerably which dragged the overall credit growth of non-banks during first half of Fiscal 2025. However, on September 19, 2024, RBI lifted the ban on its gold loan business with an immediate effect allowing it to sanction, disburse, assign/ securitise and sell its gold loans.

Gold loan AUM to benefit from rising gold prices

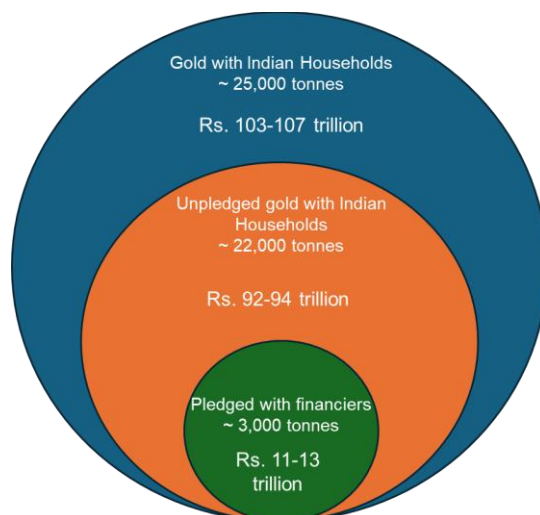


Note: Includes agriculture lending by banks with gold as collateral, P- Projected; Source: CRISIL Intelligence

Gold loan penetration in India estimated to be approximately at 12%

As per World Gold Council, Indian households store approximately 25,000 tonnes of gold with them. Post assuming an LTV of 70 to 75%, organised gold loan penetration in the country (defined as quantum of gold pledged with organised financiers' divided by total stock of gold in the country) is estimated to be approximately at 12% as of March 2025, which presents a reasonable growth opportunity for players going forward. While low penetration provides an opportunity to grow, gold prices can be a key factor while looking at penetration because in case of increasing gold prices, customers need to keep less gold with the lender for the same amount of loan. Similarly, in case of decrease in gold prices, lenders will ask for more gold to keep as collateral, which would increase the penetration. Crisil Intelligence believes that going forward, gold loan penetration is expected to increase further on geographical diversification, rising branch network and expectations of micro-enterprises using gold loans to fund working capital requirements. Wider acceptance of doorstep gold loan service and online availability of gold loans from leading financiers' is also expected to buoy growth.

Unpledged gold with Indian households presents an attractive opportunity for gold loan financiers (as of March 2025)



Note: The above portfolio outstanding number includes agriculture lending by banks with gold as collateral and includes priority sector gold loans given by financiers. Gold value for above numbers has been taken as ₹ 6,000 per gram. Source: Crisil Intelligence.

India's gold loan space witnesses evolving dynamics

Banks have enjoyed a majority share in the domestic gold loan market historically. After Fiscal 2021, despite lowering of the regulatory cap on LTV to 75%, banks continued to grow in the segment, as the country reeled under the impact of the second pandemic wave and subsequent reimposition of lockdowns.

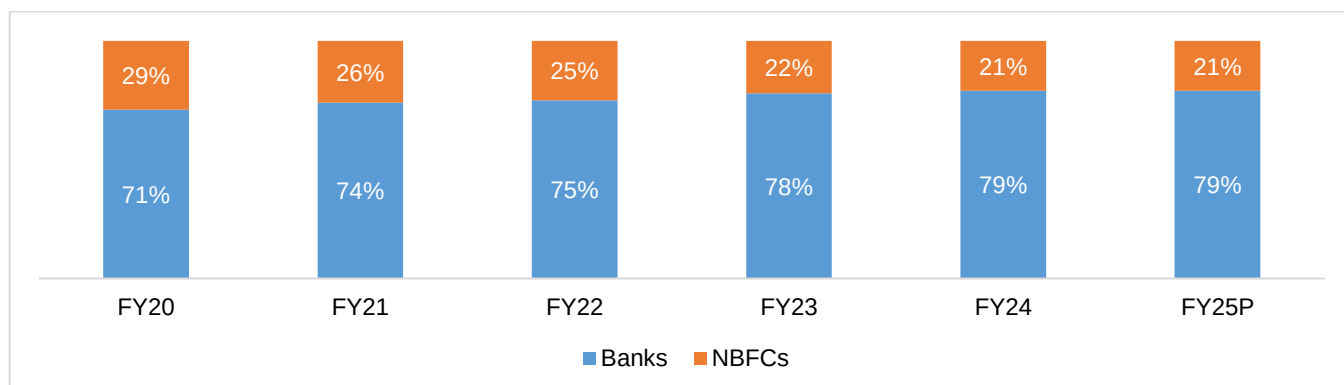
With banks aggressively focusing on the segment, gold loan NBFCs have seen a sustained reduction in their share. Banks are competing in the organized gold loan financing market by focussing on agri-gold loans, which qualify for priority sector lending,

along with offering lower interest rates to existing-to-bank (ETB) customers in higher ticket. However, gold loan NBFCs compete on turnaround time (as low as 5 to 15 minutes), service levels and ease of processing, wider and deeper reach geographically.

In H1Fiscal 2025, the competition among bank and NBFC witnessed some normalisation. However, the ban on one of the key NBFC benefited some large NBFCs and banks, allowing them to gain market share, which got evenly distributed among all players. Also, lesser availability of unsecured loans for the borrowers in the market created more demand for secured gold loan leading to new customer acquisitions, moderating demand from banks further benefitted the industry players. Going forward, the top NBFCs in gold finance space are expected to register a healthy double-digit growth rate.

However, recent concerns raised by the RBI on irregular practices among NBFCs, including weaknesses in maintaining LTVs, may negatively impact NBFC growth as this may keep delinquencies elevated. The RBI has highlighted the lack of a robust system for periodical LTV monitoring, which is only checked at the time of sanction and not thereafter. This could lead to a shift in market share in favour of banks and other players, posing a downside risk to NBFC growth.

NBFCs face stiff competition as banks are expected to gain market share in coming years



Note: The above portfolio outstanding number includes agriculture lending by banks with gold as collateral and excludes priority sector gold loans given by financiers. P- Projected

Source: Company Reports, Crisil Intelligence

NBFCs compete on the basis of operating efficiency, turnaround time, local connect while managing risks

Despite banks having a competitive advantage of offering gold loans at lower cost, gold loan NBFCs have been trying to compete with banks through aggressive expansion of branch and increased focus on customer experience. NBFCs focus more single-mindedly on the gold loans business and have, accordingly, built their service offerings by investing significantly in manpower, systems, and processes as per the needs of the customer, some of which are listed below:

- **Lower turnaround time and lesser documentation:** The gold loan borrower generally wants to procure the loan as quickly as possible and availability of well-trained and experienced employees in assessment and valuing gold helps NBFCs to disburse loans faster as compared to a bank.
- **Wider reach and better local connect:** NBFCs have a geographically wider and deeper reach, especially in rural and semi-urban regions, where demand for gold loans is higher.
- **Risk management process:** Most NBFCs have put in place a comprehensive and robust risk management process taking into account their experiences over the years and the key risks in the process including steps taken to prevent fraud, store the gold safely, and recoup losses in case of a loan turning non-performing.
- **Operational Efficiency:** Gold loan finance requires operational efficiency in storing, securing, transporting, and auctioning assets. Industry leaders Muthoot and Manappuram finance have achieved significant growth in AUM per branch, with 14% and 20% increase respectively, indicating improved operational efficiency. As they dominate 60% of the NBFC gold loan market, their performance sets a benchmark for the industry's operational efficiency.

Looking to compete more effectively with banks and Fintechs, gold loan NBFCs are expanding their reach and customer base through focused marketing strategies, and also by increasing advertising and employee incentives. They are also working towards ringfencing their high-value customer base (loans > ₹ 2 lakh), which is targeted by the banks, and expanding to cater to rural low-income customers. The majority of customer base of gold loan NBFCs, though, remains stable, as banks typically cater to higher ticket sizes.

NBFC growth logged a 16% CAGR between Fiscal 2020 to 2024 despite low credit growth of 8% in Fiscal 2023. CRISIL Intelligence projects credit growth of gold loan NBFCs at 17 to 18% in Fiscal 2025 on account of branch expansion and optimisation, expected firming up of gold prices, an increase in credit demand from the target consumer segment of NBFCs

and easing competition from banks. However, the recent flagging by RBI on irregular practices in the loan against gold jewellery space and subsequent requirement of review of policies, processes and practices to identify gaps and initiate remedial measures is expected to impact the growth and would pose a downside risk on credit growth outlook.

The average ticket size of gold loans has been rising over the past five years, as higher gold prices have created headroom for incremental credit. Since the LTV ratio for NBFCs is capped at 75%, the increase in average ticket size suggests a rise in the gold loan portfolio owing to higher gold prices. Thus, AUM growth is also led by an increase in ticket size, in addition to higher volumes.

Increase in average ticket size contributed to loan book growth

Average Ticket Size (₹ lakh)	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
Manappuram Finance	0.39	0.45	0.57	0.58	0.59
Muthoot Finance	NA	0.61	0.69	0.70	0.83
IIFL Finance	0.56	0.59	0.70	0.63	0.90

Source: Company reports, CRISIL Intelligence

Low LTV create headroom for credit growth

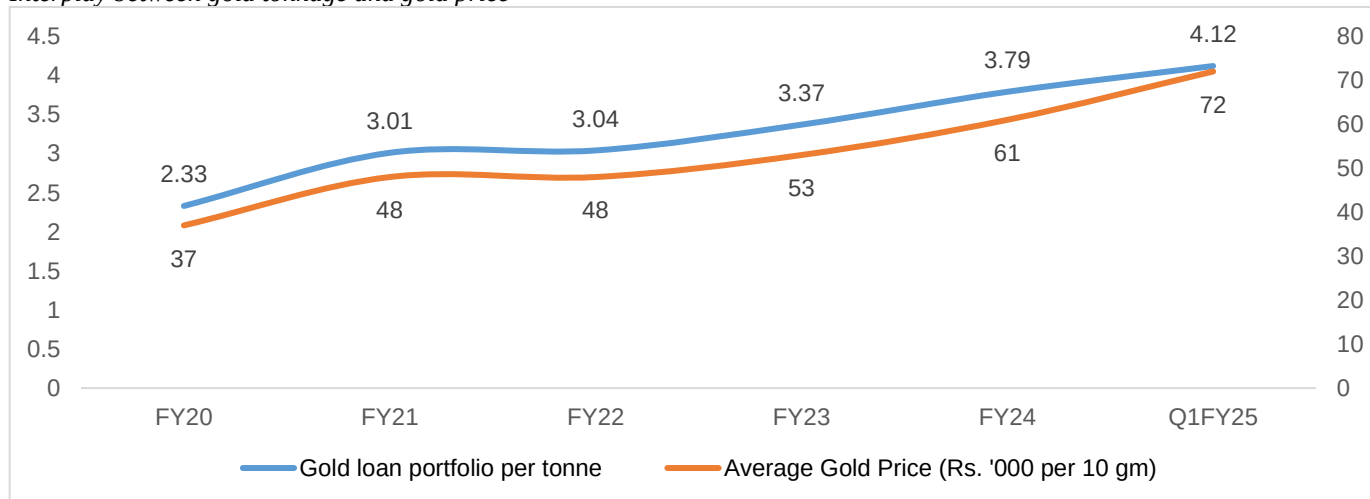
Gold stocks of the top two NBFCs were declining for much of Fiscal 2023 before reporting a moderate uptick in the last quarter of Fiscal 2024. The momentum continued in the first quarter of Fiscal 2025. Despite the rise in gold stocks, LTVs have remained range bound to 62-65% since fiscal 2021 to first half of Fiscal 2025 as compared to pre-covid levels of approximately 55-60% due to considerable jump in gold prices.

Gold loan book per tonne indicates growth fuelled by gold prices

The chart below includes data for top two non-bank finance companies.

Gold tonnage per customer for top two NBFC on a combined basis has been in a declining trend from approximately 33 grams per customer in Fiscal 2022 to approximately 30 grams per customer in Fiscal 2024 and the same has further slightly moderated in first half of Fiscal 2025. On the other hand, gold loan book per customer for these two companies has seen uptick from approximately ₹ 1,00,000 per customer in fiscal 2023 to approximately ₹ 1,14,000 per customer in Fiscal 2024. The same has increased to approximately ₹ 1,22,000 per customer in first half of Fiscal 2025.

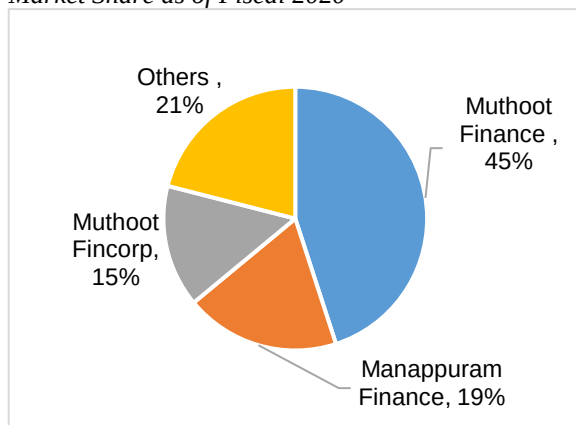
Interplay between gold tonnage and gold price



Source: Company Reports, CRISIL Intelligence

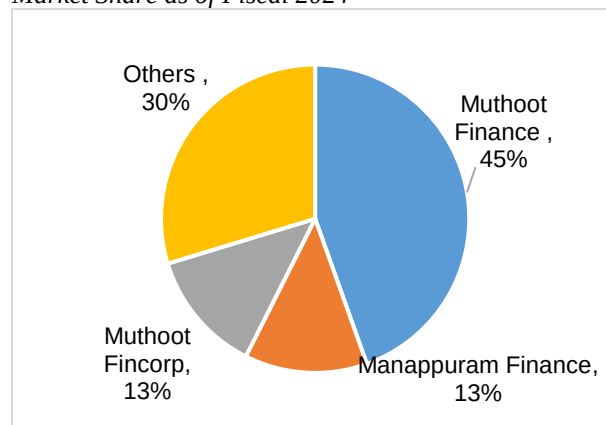
Market Share Shift among gold loan players with key players losing considerable market share

Market Share as of Fiscal 2020



Note: The above market share is calculated on total gold loan book of NBFCs. Source: Company Reports, CRISIL Intelligence

Market Share as of Fiscal 2024

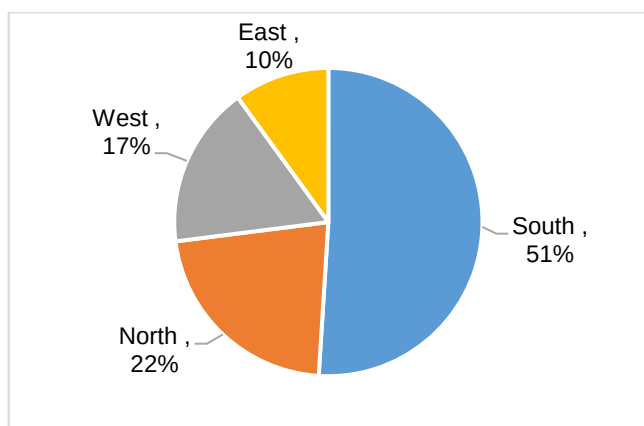


Note: The above market share is calculated on total gold loan book of NBFCs. Source: Company Reports, CRISIL Intelligence

Southern India retains a major share of AUM

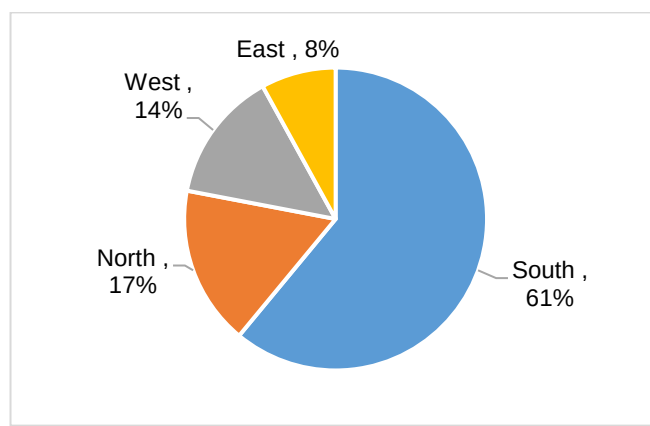
Southern India will continue to have a dominant share in AUM of gold loan NBFCs, though the players will increase their penetration in other regions. Changing consumer perception of gold loans, driven by increasing awareness and funding requirements, will give an impetus to the sector in the other regions.

Region wise share of AUM in Fiscal 2024



Note: Aggregate includes Muthoot Finance and Manappuram Finance. Source: Company Reports, CRISIL Intelligence

Region wise share of branches in Fiscal 2024



Note: Aggregate includes Muthoot Finance and Manappuram Finance. Source: Company Reports, CRISIL Intelligence

According to CRISIL Intelligence, southern states accounts for 50-55% of the overall gold loan AUM due to the following factors:

- Gold owners in the region have better awareness about the utility of the yellow metal as a collateral to raise funds
- The region has seen the origination and establishment of gold loan franchisees, which have devised simple procedures that ensure quick loan disbursement

Though the south continues to dominate, several players have been shifting focus to untapped markets in the eastern and western regions, where there are fewer branches, but they provide an incremental growth opportunity.

Asset Quality

Gross non-performing assets (GNPAs) of key gold loan NBFCs, despite remaining elevated, are estimated to have eased on-year in Fiscal 2024 for most of the key companies, supported by both customer repayments, auctions and sale of NPAs to asset reconstruction companies (ARCs). The overall industry Gross NPA for Fiscal 2024 showed an increase of approximately 20 bps on account of material slippages in book of IIFL Finance in fourth quarter of Fiscal due to RBI's regulatory actions where the Gross NPA of the company have increase by close to 300 bps.

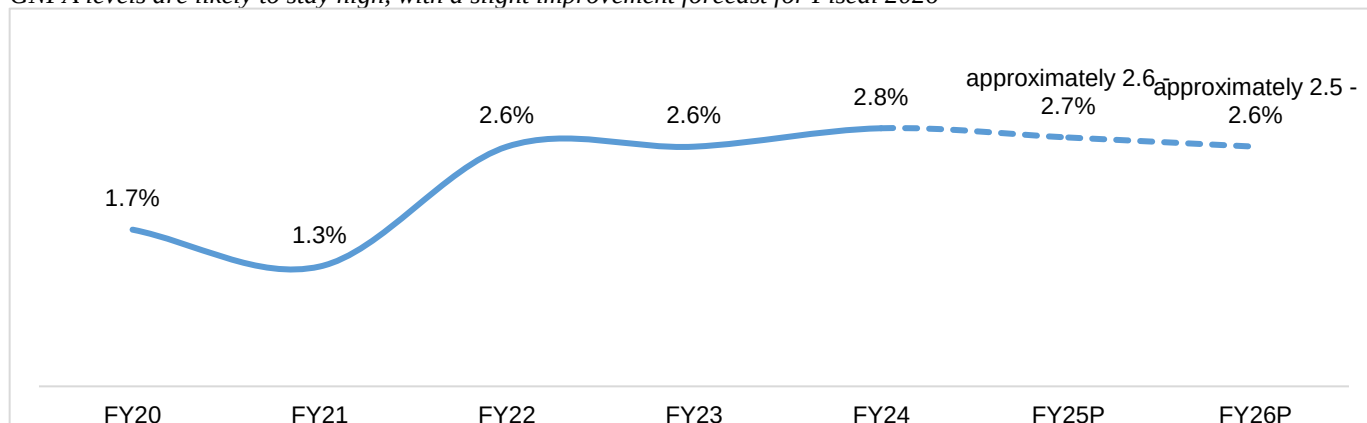
Due to rising gold prices and options with borrower to take higher/ excess loan against same quantity of gold, many entities have been observed giving out top-up loans.

RBI has highlighted instances of lack of a specific identifier for top up gold loans in the Core Banking System / Loan Processing System with no fresh appraisal done at the time of sanctioning of these top up loans, Also, unusually high number of gold loans being granted to the same individual with the same PAN during a financial year. Use of internal accounts for disbursement as well as repayment of loans were observed. Practice of rolling over loans at the end of tenor. Non-categorization of gold loans as NPA in the system, evergreening by renewing overdue loans/ issuing a fresh loan and further absence of controls over third-party entities. All these factors indicate the irregular practice being followed by gold finance companies including banks leading to evergreening of loans. These observations of RBI indicate the delinquencies of these companies might stay elevated ahead as these companies might tweak their process and policies to include more loans in their bad loans bucket.

Also, lower average realisation from gold as compared to the value of gold due to discrepancies in valuations were observed. This could also further affect the delinquencies.

The regulatory challenges might impact GNPA's ahead, however, better collection efficiency and lower slippages, recovery via auctions and sale of stressed assets might offset any adverse impact hence at industry level CRISIL Intelligence expects GNPA's to remain range bound at approximately 2.6 - 2.7%. It should be noted that, though gold financing involves personal connect with customers, gold auctions tend to be the last resort for recoveries. Typically, customers somehow repay and, thus, the NPAs get resolved. Furthermore, the rising gold prices also provide comfort in this regard, as they increase the value of the collateral and make it easier for lenders to recover their dues in case of default.

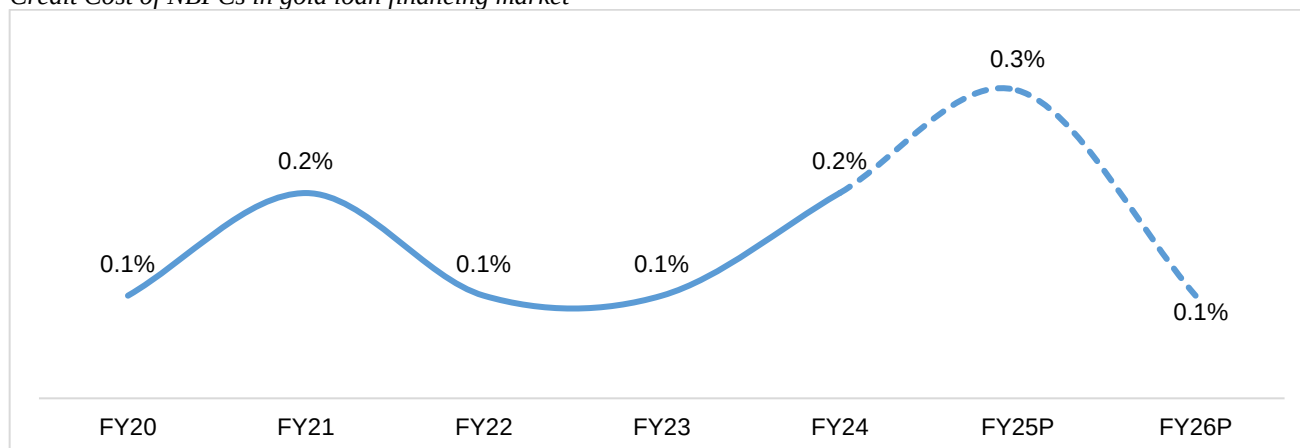
GNPA levels are likely to stay high, with a slight improvement forecast for Fiscal 2026



Note: P – Projected. Source: CRISIL Intelligence

An uptick in credit costs was witnessed in Fiscal 2024 as GNPA's remained above historical levels, only to be offset by auction and sale of NPAs to ARCs. However, with respect to sale to ARCs, the write-offs remained negligible owing to the value and liquidity of gold as collateral, thereby limiting credit costs. Additionally, higher gold prices will lower the LGD for ECL calculation, resulting in lower provision, leading to further buffering of credit costs, assuming stable LTV levels. Credit cost is expected to show slight increase due to regulatory reasons before they moderate in the Fiscal 2026. Going forward, RBI's scrutiny over evergreening and guidelines for gold loan NBFCs announced on September 30, 2024 to have adequate process in place for valuation, NPA recognition and end use of loans for classification as priority sector, may lead to a rise in GNPA for some companies, resulting in higher credit costs.

Credit Cost of NBFCs in gold loan financing market



Overview of Real Estate Financing

NBFC's Real Estate Financing Credit book to change direction owing to increasing developer's penetration in the Indian market

Over the past few fiscals, non-banking financial companies' ("NBFCs") lending to the real-estate sector has undergone a considerable change in terms of size, complexity, and interconnectedness with the financial sector. Majority of housing finance companies ("HFCs") are downsizing their real-estate portfolios due to asset quality concerns, but few are actively expanding and have been able to do well owing to prudent credit quality and monitoring, diversified portfolio books and quality customer sourcing strategy.

In recent years NBFC's real estate financing credit book to change directions owing increasing developer's penetration in the Indian markets.

Factors affecting residential housing demand post pandemic:

- Supply rationalisation during the pandemic
- Pent-up demand, lower home loan interest rates and tax incentives
- Sustained economic growth and hybrid working model

Top residential markets witnessed strong momentum in the past few fiscals supported by sustained economic growth and continuation of hybrid working models, growth is expected to continue in Fiscal 2025 primarily due to necessity for larger living spaces and an enhanced lifestyle, catalysed by the pandemic.

Rising supply of housing projects helped in housing sales revival post pandemic

Top 7 cities	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024E	Fiscal 2025P
Annual Demand^ (msf)	202	184	125	211	262	304	325-345
Annual Supply (msf)	223	149	111	184	269	322	320-340
Inventory at Fiscal End (msf)	871	835	821	794	802	812	790-810
YTS*	4.3	4.5	6.6	3.8	3.1	2.7	2.2-2.4

Note: ^Demand refers to booking or absorption in the primary market (developer sales) in newly launched as well as under-construction projects; top 7 cities –MMR, NCR, Pune, Hyderabad, Chennai, Kolkata and Bengaluru Opening inventory for Fiscal 2019 is 850 msf

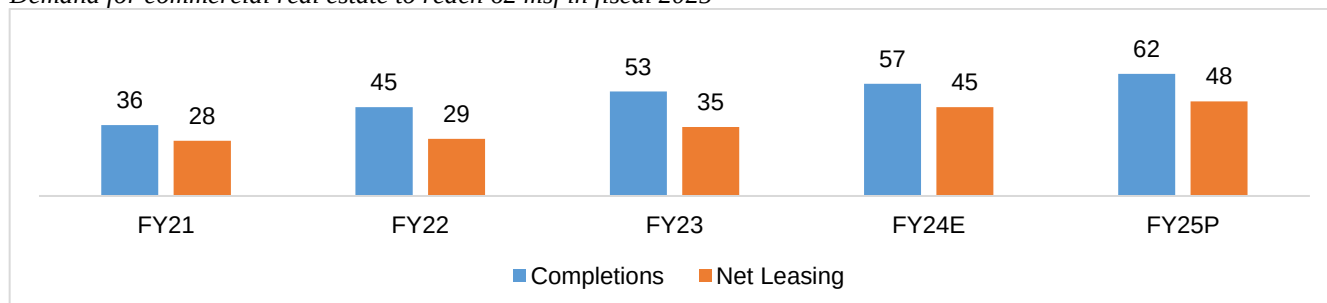
*YTS = years to sale, which denotes how many years it would take for the inventory to be liquidated at current pace of demand

Source: Industry, CRISIL Intelligence

Rising supply and demand of commercial real estate projects expected to grow

The commercial real estate market is expected to grow and expand supported by the healthy growth of Indian corporate and start-up ecosystem and their need for office space, strong office leasing trend and advent of the global capabilities centres ("GCCs") of the multinationals.

Demand for commercial real estate to reach 62 msf in fiscal 2025



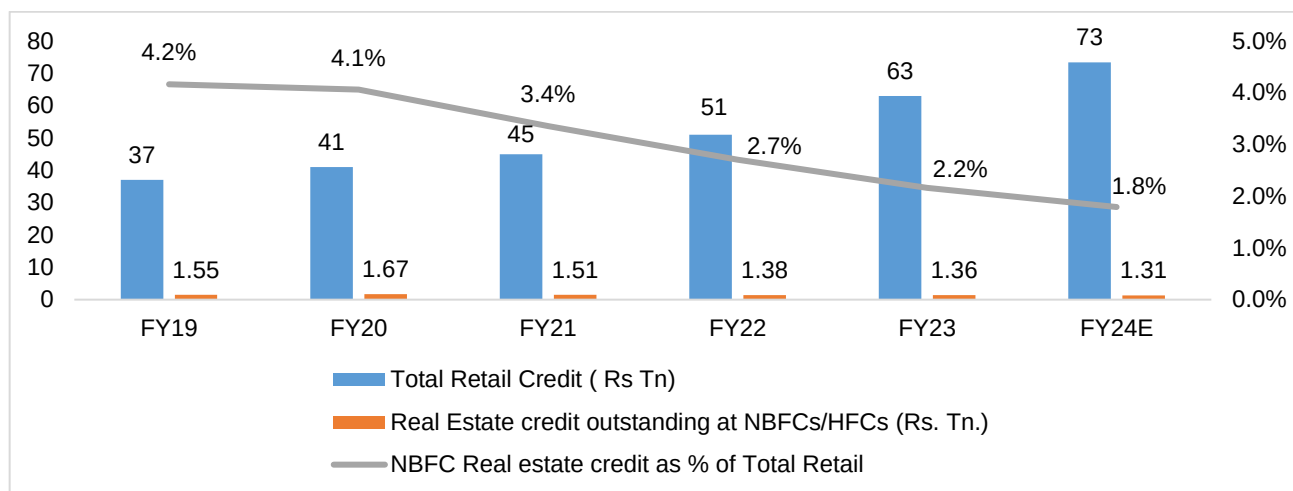
Note: Above numbers are for top 7 cities which account for more than 85% of top 10 cities in India, Top 7 cities include Bengaluru, Chennai, Delhi-NCR, Hyderabad, Kolkata, Mumbai (MMR), and Pune

Source: CRISIL Intelligence estimates

NBFCs were cautious in lending to both the corporate and real-estate sectors. NBFCs have reported a decline in their lending to the segment, as they have been prioritising retail credit over wholesale lending. Volatile asset quality driven by high ticket

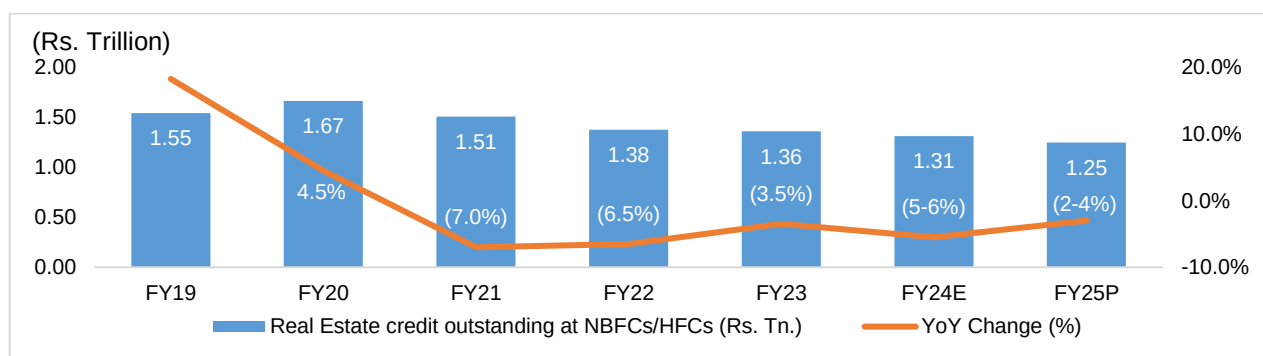
sizes is the primary reason why these NBFCs have been gradually shedding their wholesale portfolios.

NBFC real estate credit as a % of total retail credit



Source: Company reports, RBI, CRISIL Intelligence

NBFCs' real-estate credit is estimated to have declined 5-6% in Fiscal 2024



Note: Negative data points are mentioned in the brackets (). Data is of overall real-estate credit (residential and commercial) and is excluding of lease rental discounting ("LRD")

Source: Company reports, RBI, CRISIL Intelligence

NBFCs real-estate lending declined to approximately ₹ 1.4 trillion in Fiscal 2023 from approximately ₹ 1.6 trillion in Fiscal 2019, primarily due to asset quality stress aggravating from pandemic-led lockdowns as real estate industry was already in considerable stress before Covid-19.

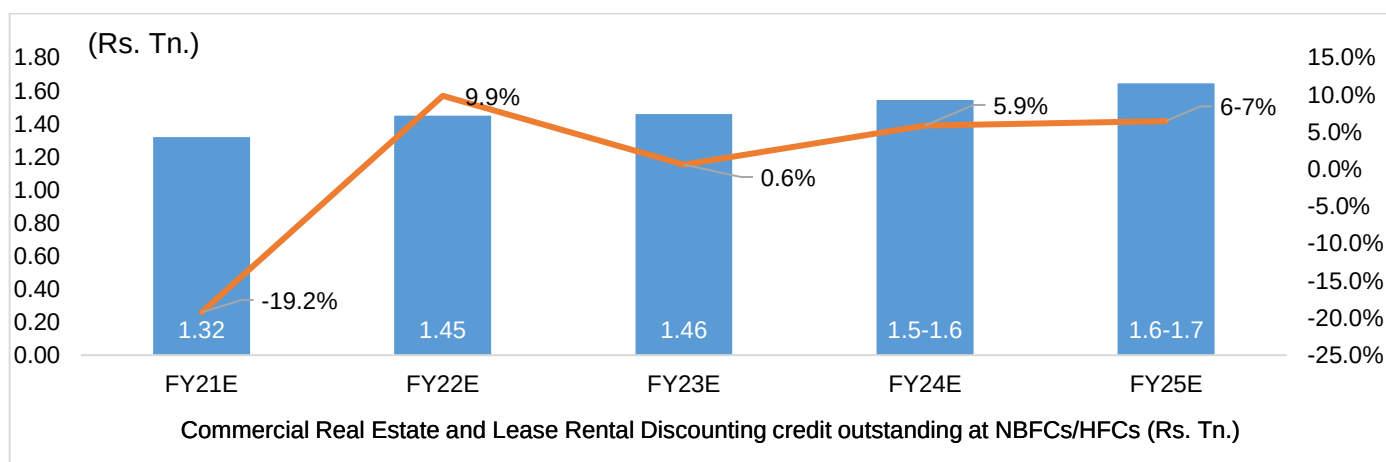
The pandemic and its aftermath accelerated the growth of affordable housing market, outpacing other segments. This was fuelled by an uptick in affordable real-estate demand in Tier II and III cities. With a young population demographic, major cities have been burdened to fill the supply-demand gap in housing and commercial real estate. Since the pandemic has now subsided, demand for luxury and prime housing is on the rise. Affordable housing demand, on the other hand, has moderated due to lower affordability within the targeted segment. Furthermore, sudden changes in economic and global conditions have rendered projects volatile, elevating the risk of bankruptcies. To address this, the Government of India has promoted a more diversified resource mix for developers, wherein they are introduced to the capital markets to raise capital through real-estate investment trusts ("REITs") as an alternative financing source.

NBFCs' real-estate book plummeted 4% in Fiscal 2023, driven by muted disbursements and lower exposure of players to real-estate portfolios. With further downsizing of wholesale and real-estate lending books, CRISIL Intelligence Research believes NBFC funding for the real-estate segment contracted an estimated 5-6% to ₹ 1.31 trillion in Fiscal 2024. However, in Fiscal 2025, the decline is expected to normalise to (2-4%) as most of the portfolio transition by NBFCs is likely to have been completed. CRISIL Intelligence expects NBFCs' real estate book to reach ₹ 1.25 trillion in Fiscal 2025.

Prior to the 2018 financial crisis, NBFCs had expanded their real-estate portfolios aggressively. However, their portfolios have declined ever since. Only a select few NBFCs continue to expand their real-estate portfolios, and the growth is marginal. A vacuum was created, and banks seized the opportunity and started expanding their position in the segment but few NBFCs/HFCs are actively expanding and have been able to do well owing to prudent credit quality and monitoring, diversified portfolio books and quality customer sourcing strategy. CRISIL Intelligence expects NBFCs' real-estate credit to have declined an estimated 5-

6% in Fiscal 2024. Furthermore, funding is expected to stabilise in Fiscal 2025 and lead to a marginal decline of 2-4% as NBFCs look to exit the real-estate lending space and offload their major share of real-estate exposure.

NBFC's Commercial Real Estate Book (including Lease Rental Discounting) is estimated to grow 6-7% in Fiscal 2025



Note: E: estimated. Data is of commercial real-estate credit and is including of lease rental discounting ("LTD")

Source: Company reports, RBI, CRISIL Intelligence

The rising real estate prices and a preference for asset-light business models drive the inclination towards leasing over purchasing properties, particularly in sectors like Organised Retail and IT services. Leasing shifts capital expenditure to operating expenditure, eliminating the need for long-term resource raising to support corporate growth plans, in result driving the demand for lease rental discounting loan.

NBFCs commercial real estate and lease rental discounting lending is estimated to have grown to ₹ 1.5 to 1.6 trillion from the low of ₹ 1.32 trillion in Fiscal 2021 primarily driven by the momentum in lease rental discounting portfolio of the NBFCs and HFCs. CRISIL Intelligence expects the commercial real estate including lease rental discounting credit book to reached around ₹ 1.6 to 1.7 trillion in Fiscal 2025 clocking growth rate of 6-8%.

Key Growth Drivers

Rise in urbanization to create demand for residential real estate in urban India: Urbanisation provides an impetus to housing demand in urban areas as migrants from rural areas require dwelling units. In 2020, about 35% of Indian population lived in urban areas of the country and this share of urban population is expected to increase to about 40% in by 2030. This trend in urbanization has pushed the demand for houses in urban areas.

Infrastructure development across India is driving growth in the real estate sector: The development of infrastructure plays a key role in enhancing the demand for residential estate. Infrastructure development leads to an increase in connectivity through railways, air, and road, reducing commute time. Well planned transportation infrastructure attracts investments and business which further creates demand for commercial and residential real estate. Also, other infrastructure development such medical facilities, educational institutions, entertainment hubs, retail market, business centers, schools, retail outlets etc. promote real estate prices as these infrastructure projects are the most preferred aspect for residential real estate buyers.

Focus on integrated lifestyle especially by millennial buyers: Nowadays, residential real estate buyers, especially millennials, have key preferences for their homes. These residential real estate buyers look for work-life balance and seek residences which offer modern amenities, vibrant communities, and access to leisure and entertainment options. They prefer integrated townships with gated communities which offer a variety of amenities such as fitness centers, swimming pools, and recreational spaces. Due to this, developers today are focusing on offerings to cater these lifestyle-based preferences, resulting in real estate development projects for aspirations and dreams of millennial generation.

Asset quality

Real Estate sector has greater levels of stress than other segments

Overall stress in the real estate segment has remained higher than other segments. CRISIL Intelligence estimates the overall stress in the real estate book to be high as commercial real estate showed a deterioration in asset quality. The GNPA's for non-banks (including HFCs) has moderated marginally during Fiscal 2023, however, for few players the GNPA's are being on high double digit due to continued decline in real estate book and no new disbursements. CRISIL Intelligence estimates the overall GNPA to have remained on a higher side at 10 to 12% during Fiscal 2024.

Key Risks in the Overall Real Estate Financing Industry

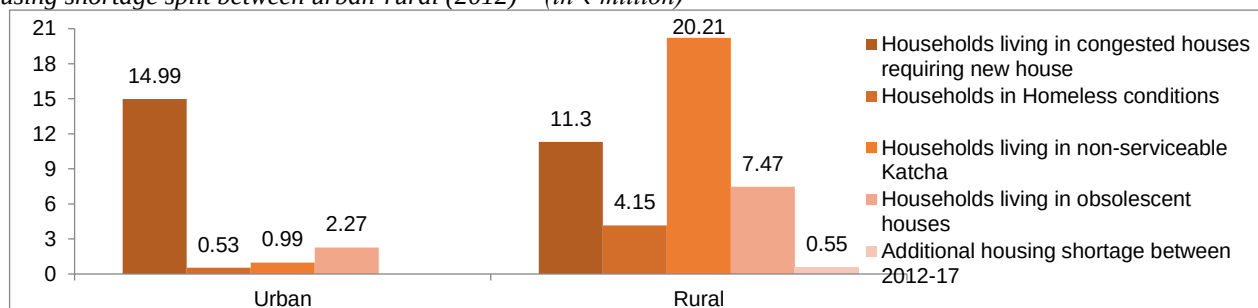
- **Operational risk in project approvals and construction:** Operational risks in real estate financing include project delays due to legal issues, funding shortfalls, or logistical challenges, and construction risks such as poor construction quality, labour shortages, and unreliable contractors. Effective project management, regular monitoring, and contingency planning are essential to mitigate these risks and ensure timely project completion.
- **Market and regulatory risks:** In the real estate financing industry, market risks such as property price volatility and demand-supply mismatches, combined with regulatory and compliance risks like frequent policy changes and legal non-compliance, pose significant challenges. Also, the recent RBI draft guidelines related to sharp increase in provision for standard assets to 5% for all new and ongoing under construction project loans, to have direct impact on cost of debt and limited impact on capital adequacy levels of NBFCs and HFCs. Effective risk management requires market analysis, adaptive strategies, and strict adherence to evolving regulations to ensure project stability and profitability.

Housing Finance in India

Housing shortage in India

Despite the constant focus on the housing segment, housing in India is far from adequate. The shortage of overall houses (rural & urban regions) is at a very high level at 62.5 million houses (as per twelfth five-year plan 2012 to 17) due to changing social and demographic pattern in India such as nuclearization of families and rapid growth of urbanisation.

Housing shortage split between urban-rural (2012) – (in ₹ million)

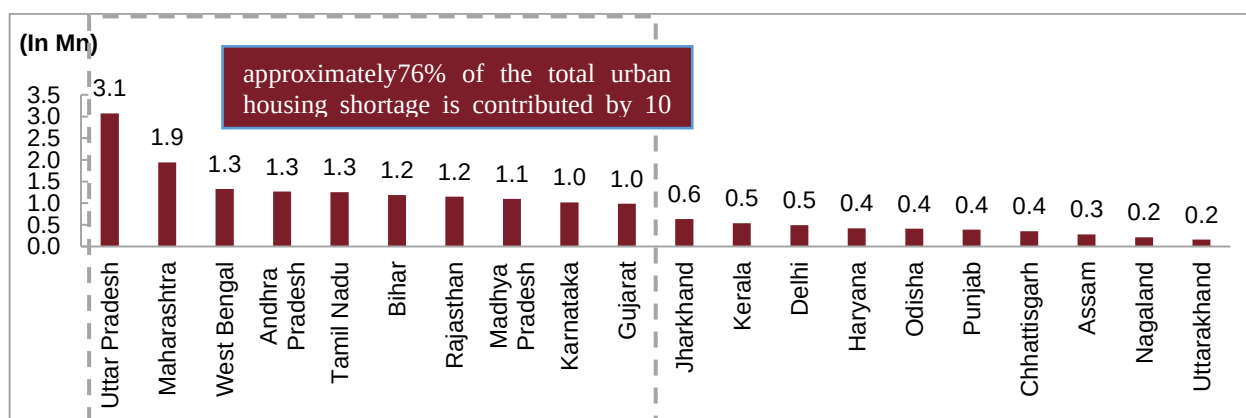


Source: 2012 Estimates, Ministry of Rural development, Planning commission, CRISIL Intelligence

76% of total urban housing shortage is contributed by top 10 states (2012)

As per the estimates of the Twelfth Five Year Plan, 10 states accounted for approximately 76% of the urban housing shortage. Uttar Pradesh has a housing shortage of over 3 million, followed by Maharashtra (1.94 million), West Bengal (1.33 million), Andhra Pradesh (1.27 million) and Tamil Nadu (1.25 million).

State-wise housing shortage (2012)

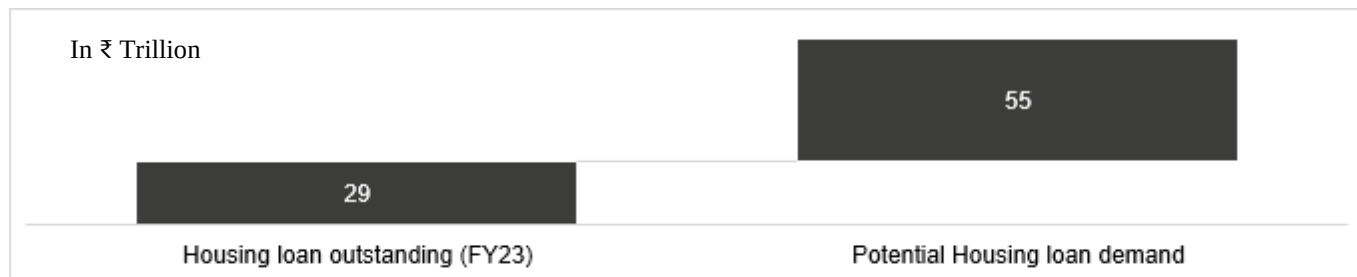


Source: Report of the Technical Urban Group on Urban Housing Shortage (TG-12), CRISIL Intelligence

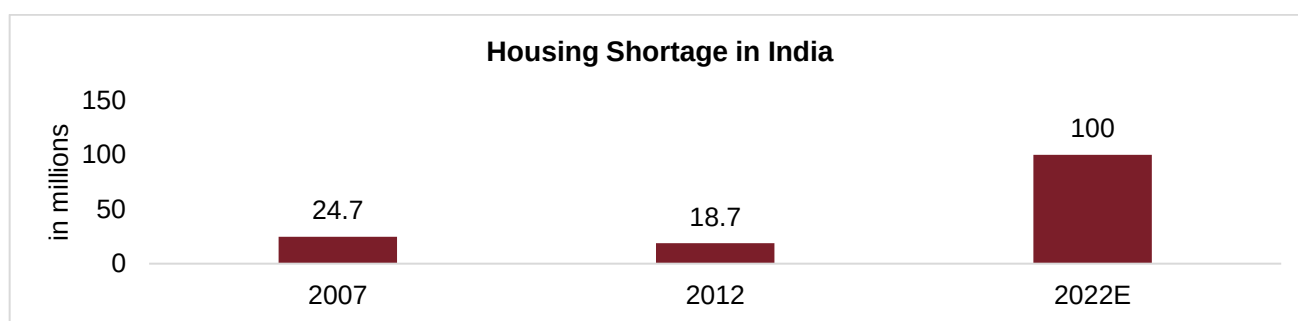
Amongst the top states with high shortage of homes, some states such as Uttar Pradesh, Bihar, West Bengal, Rajasthan & Madhya Pradesh have a lower per capita income, as compared to the national average. This shows that there is significant headroom for growth in terms of increasing per capita income and reducing the housing shortage in the country.

Estimated shortage and requirement of approximately 100 million houses in 2022

The housing shortage in India has only increased since the estimates at the time of the Twelfth Five-year plan. As per the report of RBI-appointed Committee on the Development of housing finance securitisation market (September 2019), the housing shortage in India was estimated to increase to 100 million units by 2022. Majority of the household shortage is for Lower income group (“LIG”) and Economic weaker section (“EWS”) with a small proportion (5-7%) of the shortage coming from middle income group or above. Total incremental housing loans demand, if this entire shortage is to be addressed, is estimated to be in the region of ₹ 50 trillion to ₹ 60 trillion, as per the Committee report. In comparison, the overall housing loans outstanding (excluding PMAY loans) as of March 2023 is around ₹ 28.7 trillion. This indicates the immense latent potential of the market; in case a concrete action is taken for addressing the shortage of houses in the country.



Note: housing loan outstanding excludes PMAY loans for Fiscal 2023, CRISIL Intelligence



Note: E: Estimated; Source: RBI, Planning Commission, CRISIL Intelligence

Opportunity for financiers well established in affordable housing segment

As per the report of RBI-appointed Committee on the Development of housing finance securitisation market (September 2019), the total value of units to fulfil the entire shortage is estimated at ₹ 149 trillion, out of which ₹ 58 trillion is estimated to be the aggregate loan demand for housing.

Estimates for aggregate demand for housing

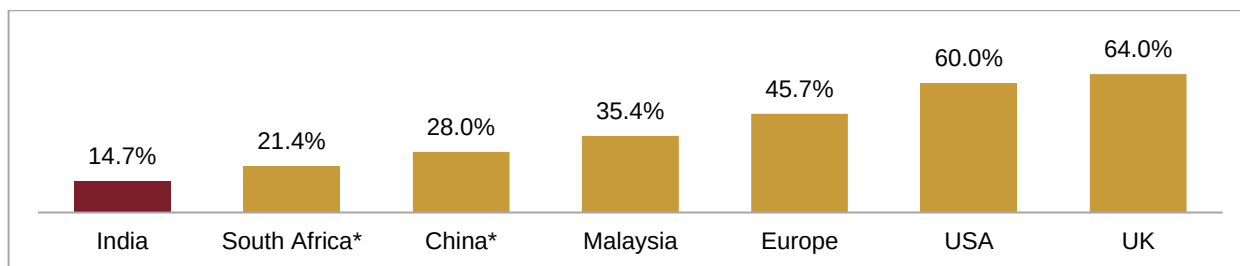
Income Segment	Housing Shortage (in Mn)	Avg ticket size (₹ Mn)	Value of Units (in ₹ Tn)	LTV	Credit Penetration	Aggregate loans demand (in ₹ Tn)
EWS	45	< 0.75	34	40%	40%	5
LIG	50	1.5 – 5	75	50%	80%	30
MIG & above	5	> 5	40	65%	85%	22
Total	100		149			58

Source: RBI Committee Discussion (Sept 2019), CRISIL MI&A

India's mortgage penetration is lower than other economies

India has very low penetration in terms of housing finance as compared to its rising peers which shows a high potential for expansion of Indian housing finance companies. The Housing finance market continues to face supply constraints from Banks and NBFCs, particularly for the lower income.

Mortgage-to-GDP ratio in India (Fiscal 2024) compared with other countries (2018)

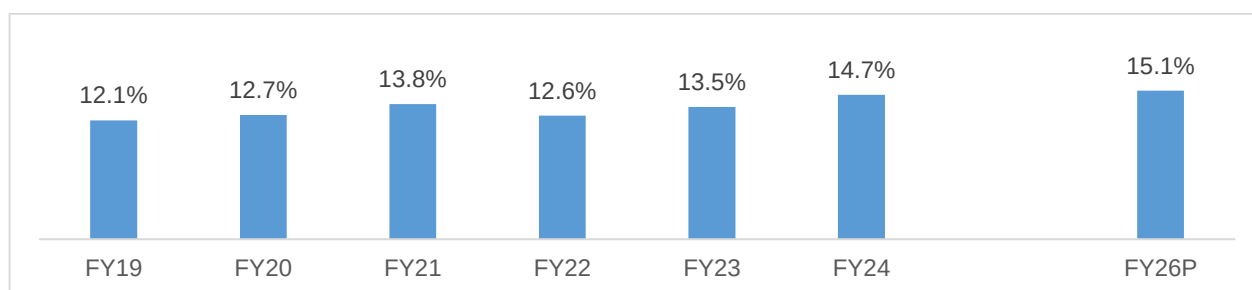


Note: (*) – As of 2017, Indian mortgage to GDP is for Fiscal 2024 – 14.7%; Europe 28 includes the 28 European Union Member states as of December 2018; Source: HOFINET, European Mortgage Federation, NHB, CRISIL Intelligence

Mortgage-to-GDP ratio in India to grow to approximately 15% by Fiscal 2026

In Fiscal 2024, India's mortgage-to-GDP ratio stood at 14.7%. Though low compared with other developing countries, it has improved from 12.1% in Fiscal 2019. The factors that contributed to the improvement are rising incomes, improving affordability, growing urbanisation and nuclearization of families, emergence of tier-II and tier-III cities, ease of financing, tax incentives, and widening reach of financiers. Given the expected steady growth from Fiscal 2024, CRISIL Intelligence projects the ratio at approximately 15% by Fiscal 2026.

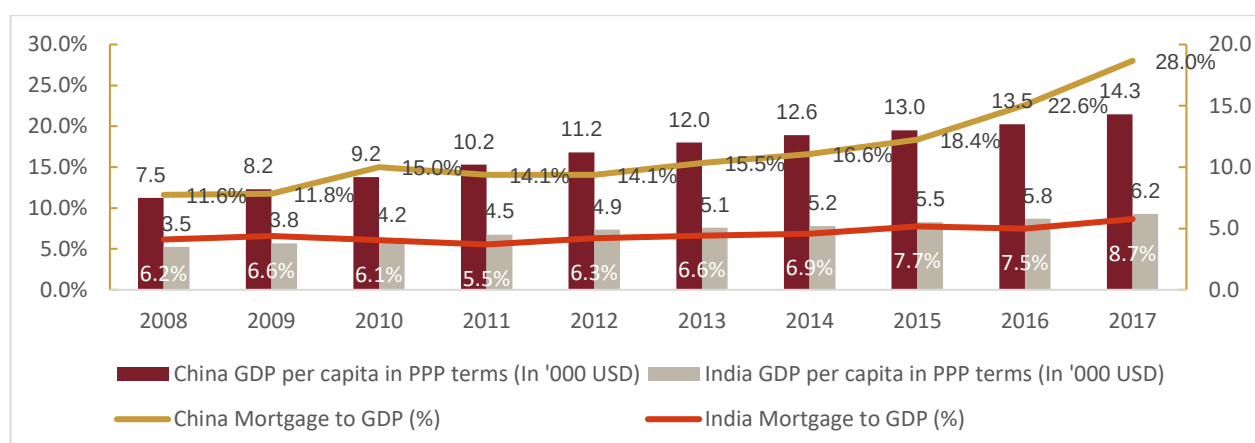
Trend in mortgage-to-GDP ratio in India



Note: P – Projected, Data for mortgage to GDP for India includes both Housing loans and LAP outstanding over current GDP; Source: CRISIL Intelligence

Rise in per capita income to drive the growth of mortgage penetration in India

The mortgage penetration in China is correlated to the GDP per capita of the country and the mortgage to GDP ratio of China has grown from 12% in 2008 to 28% in 2017. The per capita income of the country has increased from USD 7,500 in 2008 to USD 14,300 in 2017. India has gone through a similar trajectory with mortgage penetration in the country increasing from 6% in 2008 to 9% in 2017 which is correlated to the increase in per capita income of the country from USD 3,500 in 2008 to USD 6,200 in 2017. India's GDP per capita income stood at USD 8,400 at end of 2022 witnessing significant growth in the past five fiscals.



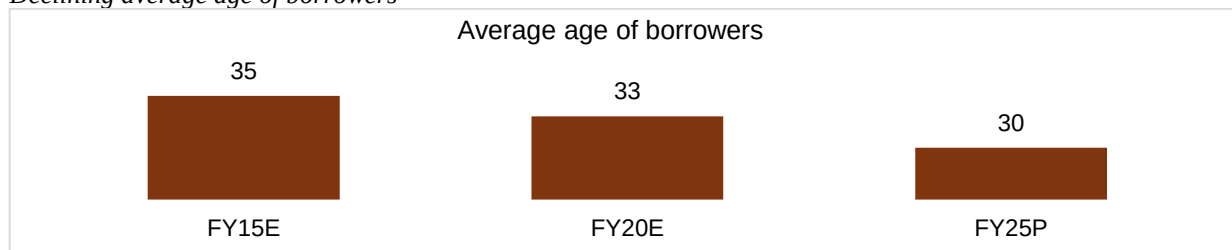
Source – HOFINET, Peoples Bank of China, World Bank, CRISIL Intelligence

Shift towards younger age profile for home loan borrowings

Average age of borrowers has been declining over the years and was estimated at 33 years in Fiscal 2020. We expect this figure to decline further with growth in salaries and people's strengthening preference for accumulating assets, both for

investment purpose and tax benefits, coupled with increased access to formal credit India's demographic profile is expected to favour the Housing industry, leading to growth in the Housing Finance market.

Declining average age of borrowers

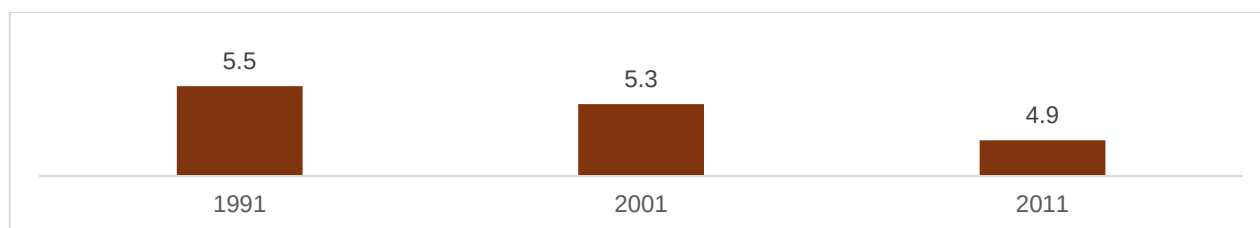


Note: E – Estimated, P – Projected, Source: CRISIL Intelligence

Rise in number of nuclear families leads to formation of new houses

Nuclearization refers to formation of multiple single families out of one large joint family. Each family lives in a separate house, while the ancestral house may be retained or partitioned to buy new houses. Nuclearization in urban areas is primarily driven by changing lifestyle of people, individualism, changing social/cultural attitudes, and increased mobility of labour in search of better employment opportunities. These trends are expected to continue in future.

Trend in average household size



Source: Census 2011, CRISIL Intelligence

Furthermore, according to the Census 2011, majority of the Indian households live in a one-room or two-room house. According to the NSSO Survey on Housing Conditions conducted in 2012, the average floor area of a dwelling unit was 40.03 sq. m in rural India and 39.20 sq. m in urban India during 2012.

Rising demand for independent houses

Indians traditionally prefer to live in independent houses. The Census Data 2011 also clearly shows that Indians prefer independent housing. However, the increase in population density, especially in urban areas, has increased the demand for flats. This is expected to continue to drive the demand for such homes, which are often self-constructed, especially in the smaller cities.

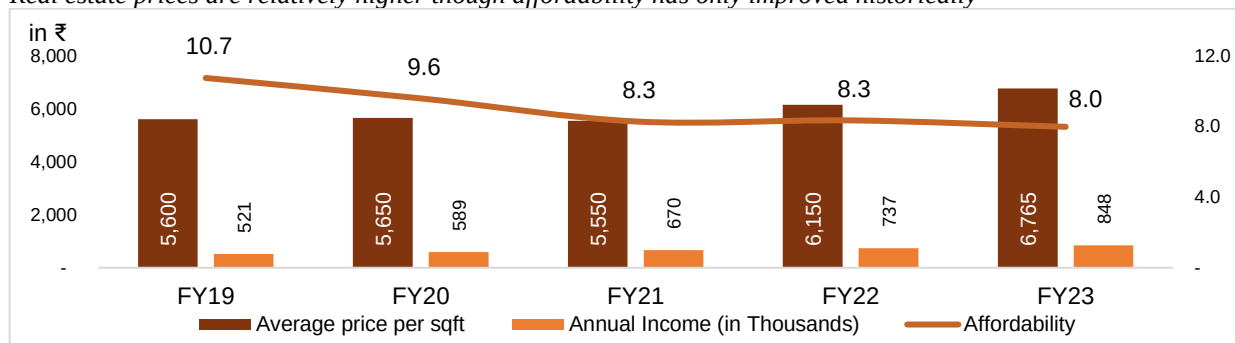
Infrastructure development to boost demand for Real Estate

Government of India has increased its focus towards infrastructural development, which can be seen through the rising allocation towards infrastructural development in the Union budget. The real estate market is impacted by infrastructure growth. Development of new infrastructure such as roads, bridges, airports, smart cities etc., opens up new areas for development and increases the value of existing properties. It also attracts businesses and population growth to an area, which boosts the local economy and supports the real estate market.

Higher affordability

CRISIL forecasts that the per capita income will gradually improve with a pick-up in GDP growth and sustained low inflation. This is expected to be an enabler for domestic consumption leading to rise in demand for housing. Further, increase in household savings over the last decade coupled with availability of underwriting and providing credit to the vulnerable or informal segment owing to advancement in technology has also led to higher demand for housing.

Real estate prices are relatively higher though affordability has only improved historically



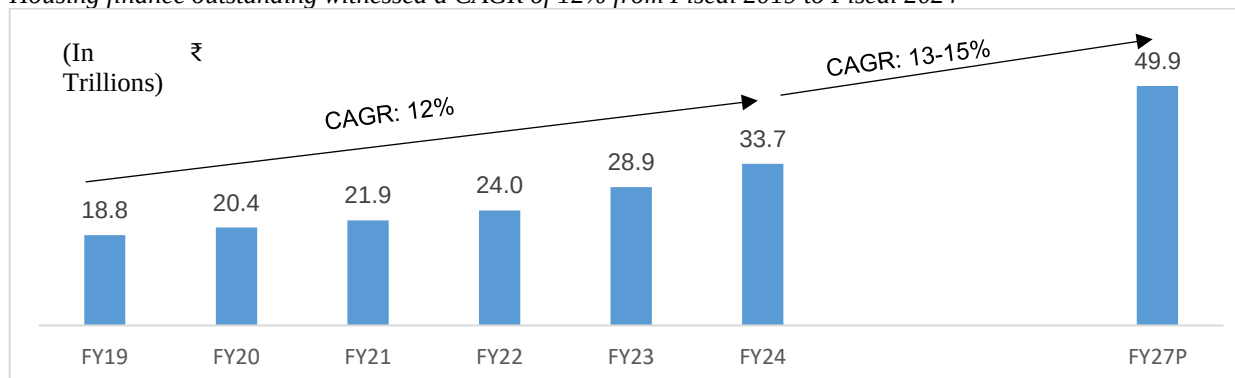
Note: The charts indicate the price per sqft based on top 10 markets -Delhi NCR, Mumbai, Pune, Ahmedabad, Chennai, Kolkata, Bangalore, Chandigarh, Hyderabad, and Kochi, at a Pan India level, the overall prices could be way lower than estimates, Affordability is computed as average price per sqft / annual income; Source: CRISIL Intelligence

Housing finance market in India to log a CAGR of 13 to 15% from Fiscal 2024 to Fiscal 2027

The Indian housing finance market clocked a healthy approximately 12.4% CAGR (growth in credit outstanding) during fiscals 2019 to 2024, on account of rise in disposable incomes, healthy demand, and greater number of players entering the segment. Over the past two fiscals, housing finance segment has seen favourable affordability on account of stable property rates and improved annual income of individual borrowers. The overall housing finance segment credit outstanding is approximately ₹ 33.7 trillion as of Fiscal 2024. The overall housing market growth was led by the aspirations of a growing young population with rising disposable income migrating to metro cities and elevated demand in Tier 2 and 3 cities as well. Demand for home loans remained largely unscathed despite a sudden rise in repo rates. Moreover, the income of the salaried class remained largely intact despite the economic slowdown caused by the Covid-19 pandemic and rise in inflation, thereby allaying lenders' concerns about any deterioration in asset quality.

The Government of India has been pursuing various social welfare schemes and initiatives to enhance the flow of credit to the housing sector and increase home ownership in India. Going forward, CRISIL Intelligence expects the overall housing segment to grow at a CAGR of 13 to 15% from Fiscal 2024 to 2027.

Housing finance outstanding witnessed a CAGR of 12% from Fiscal 2019 to Fiscal 2024



Note: P- Projected, Source: CRISIL Intelligence estimates

Encouraging and favourable trends in affordable housing finance market (loans up to ₹ 2.0 million); market to bounce back strongly in the long term

The overall size of the affordable housing finance market in terms of loan outstanding was ₹ 7.8 trillion as of Fiscal 2024, constituting around 23% of the overall housing finance market.

Between fiscals 2019 and 2024, the growth in the affordable housing loans has remained subdued, with the segment having witnessed a CAGR of 3% as compared to overall housing loans, which has grown by approximately 12% during the same time. This can be primarily attributed to a slowdown in economic activity, funding challenges due to NBFC crisis and the Covid-19 pandemic. Further, rise of hybrid work model and working from home along with rising propensity to spend merged with rising standard of living due to rising incomes of individuals has led to an increase in demand for bigger residential homes. As a result, the sale in affordable housing took a beating whereas high-end and mid-segment housing gained the maximum in the last couple of years.

The segment growth was again curtailed by the pandemic's second wave in the first quarter of Fiscal 2022, leading to localized lockdowns by the state governments, which affected economic activities in tier II and III cities. But continued assistance from

the government and the central bank, supported by higher demand for housing, and continued penetration in tier II and III cities by affordable HFCs helped the segment recover and bounce back. While the market has grown at a tepid pace in the past 2-3 years, CRISIL Intelligence is sanguine on future growth due to the following reasons:

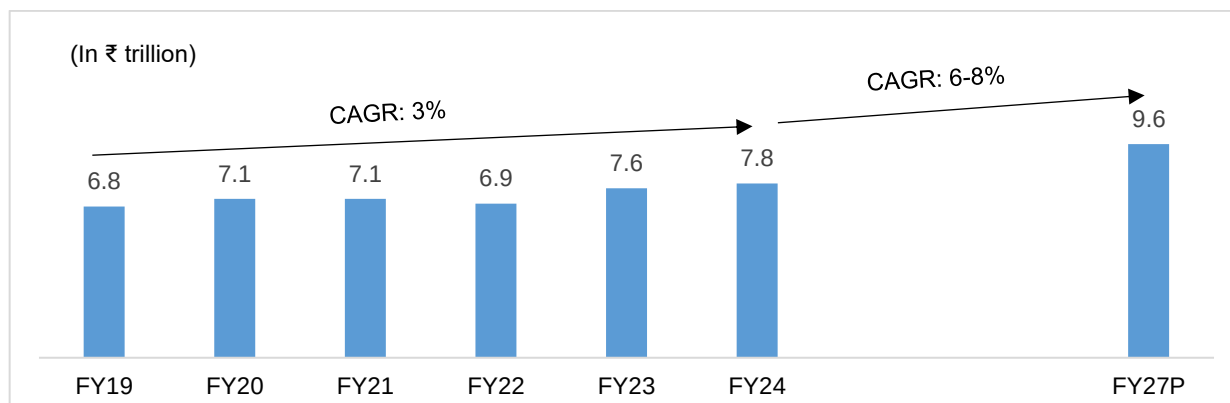
Government's increased focus on housing and incentives being given by some state governments such as lowering stamp duties to aid housing demand

Rising demand for affordable homes as consumers increasingly work out of Tier 3/4 cities in a post-Covid world

Preference for owning homes seems to be on the rise in the post-Covid world

CRISIL Intelligence expects the industry to pick up steam gradually and the affordable housing segment to touch approximately ₹ 9.6 trillion by Fiscal 2027, translating into an 6-8% CAGR between Fiscal 2024 to 2027.

Affordable Housing finance market to grow at 6-8% CAGR between Fiscal 2024- 2027

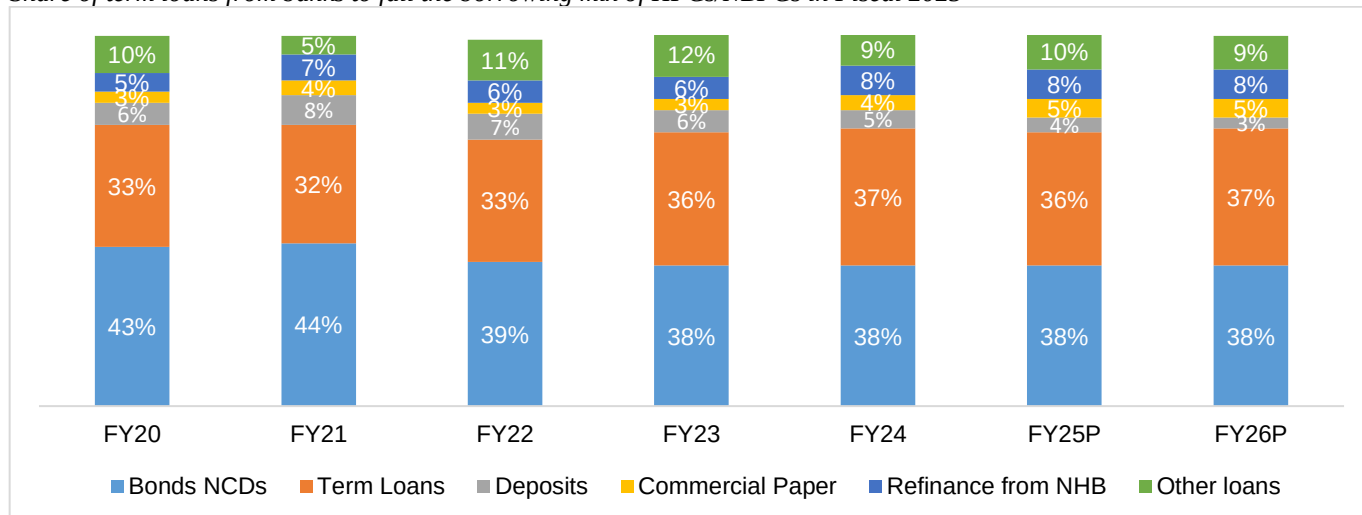


Note: P- Projected, Source: CRISIL Intelligence estimates

NCD issuances to remain range-bound in Fiscal 2025 and Fiscal 2026

Non-convertible debentures (“NCDs”) are HFCs’ main source of borrowings. However, their share declined to 38% in Fiscal 2024 from 43% in Fiscal 2020 as heightened rates caused capital-market borrowings to become more expensive. During the same period term loans share increased to 37% in Fiscal 2024 from 33% in Fiscal 2020 as it was a better alternative in terms of cost from capital market borrowings specially for smaller players. During fiscals 2025 and 2026, expectations of a decline in repo rate will lead to marginal increase in the share of NCD issuances. While the share of bank borrowings might fall between 60-80 bps in fiscal 2025 at approximately 36% the same is expected to bounce back by 60-80 bps in Fiscal 2026 at approximately 37% as the refinance from NHB will gradually phase out at an average 30 bps in this fiscal and next. Commercial papers will continue to be a source of short-term loans for NBFCs at approximately 5% during Fiscals 2025 and 2026. Companies have been struggling to maintain deposits and this will be seen as deposits slowly plummeting to 4% in Fiscal 2025 and another 70-80 bps in Fiscal 2026.

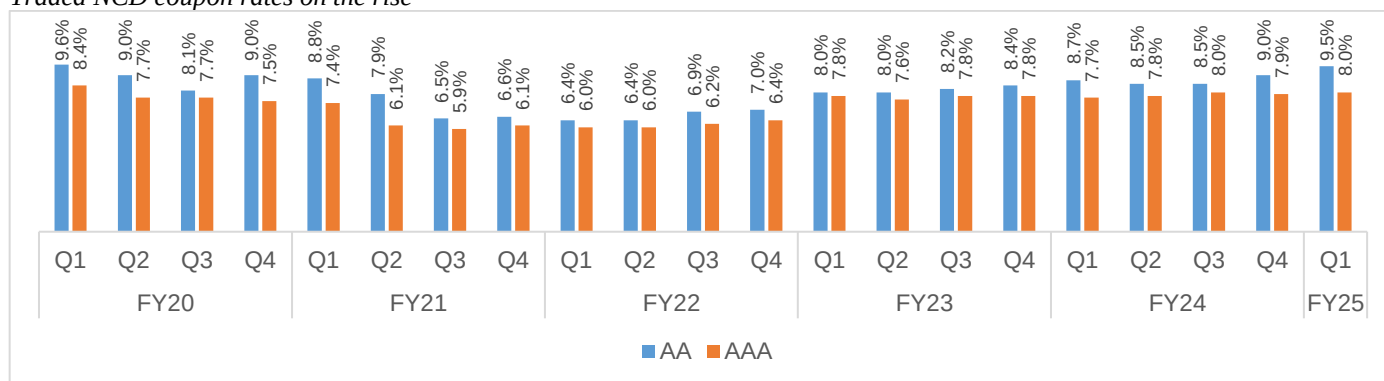
Share of term loans from banks to fall the borrowing mix of HFCs/NBFCs in Fiscal 2025



Note: P – Projected, borrowing mix of overall housing portfolio, Source: CRISIL Intelligence

In Fiscals 2021 and 2022, the NCD coupon rates dropped due to lower market rates, and HFCs benefitted from lower cost of funds. In response to growing inflation, RBI increased its repo rate by a cumulative 250 bps in Fiscal 2023. As the rise in repo rates pass on by a lag of 3-4 quarters, a gradual rise in the issuance rates can be seen throughout Fiscal 2024. Further, as RBI has been monitoring inflation, which is now near the target of 4%, to sustain the growth momentum, RBI may be prompted to introduce a rate cut in the second half of Fiscal 2025, providing a relief to NBFCs' borrowing costs

Traded NCD coupon rates on the rise



Note: Rating wise coupon rate, Trend of overall housing portfolio, Source: NSE, CRISIL Intelligence

Asset quality for HFCs to improve in Fiscal 2025, and credit cost to remain rangebound in Fiscal 2025 and Fiscal 2026

Net interest margins for HFCs stood at 3.3% in Fiscal 2024, which is expected to reach 3.2% in Fiscal 2026 due to expectation of a decline in repo rates in the first quarter of Fiscal 2025. Credit costs are expected to decrease by an additional 10 basis points in Fiscal 2025. In Fiscals 2025 and 2026, the anticipated reduction in the repo rate is expected to have a detrimental effect on the portfolio, leading to a 10-basis-point drop in Return on Assets (RoA) to 2.0% and 1.9%, respectively.

Ratios	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025P	Fiscal 2026P
Interest Income	9.6%	9.3%	8.6%	9.0%	9.7%	9.6%	9.4%
Interest Expense	7.1%	6.5%	5.8%	6.0%	6.4%	6.3%	6.2%
Net Interest Income	2.5%	2.8%	2.8%	3.0%	3.3%	3.3%	3.2%
Credit Cost	0.6%	0.6%	0.6%	0.5%	0.5%	0.4%	0.4%
ROA	1.4%	1.4%	1.4%	1.7%	2.1%	2.0%	1.9%

Note: P- Projected, Source: CRISIL Intelligence

In Fiscal 2024, the housing portfolio's GNPA decreased 40 bps points to 1.4% due to the resilience of prime HFCs' customer base during the pandemic. Effective collections and higher provisioning also contributed to the improvement. Going ahead into Fiscals 2025 and 2026, there is no indication of a sudden surge in bad loans or write-offs, which should keep GNPA stable. Furthermore, the RBI's expected rate cut in the second half of Fiscal 2025 is likely to ease the burden of expensive loans on customers. CRISIL Intelligence projects the asset quality in the retail home loans segment to remain range bound at 1.3 to 1.4% in Fiscal 2025 and marginally improve at 1.2. to 1.3% in Fiscal 2026. Housing Finance Portfolio has the highest asset quality

compared to other asset classes. Personal loan has the lowest asset quality compared to other asset classes mentioned in table below and it is further expected to deteriorate to 8.5% in Fiscal 2026.

Asset quality of Housing finance is the highest among other asset classes

Asset Quality	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025P	Fiscal 2026P
Housing Finance	1.6%	2.3%	2.2%	1.8%	1.4%	1.3-1.4%	1.2-1.3%
Auto Finance	6.3%	6.4%	6.7%	5.2%	4.3%	approximately 4.5-4.6%	approximately 4.4-4.5%
Micro Finance	1.6%	5.5%	6.0%	2.9%	2.4%	approximately 2.7-2.8%	approximately 2.7-2.8%
Personal Loan	5.6%	11.1%	8.1%	7.5%	7.9%	8.4%	8.5%
Gold loan	1.7%	1.3%	2.6%	2.6%	2.8%	approximately 2.6-2.7%	approximately 2.5-2.6%

Note: P- Projected, Source: CRISIL Intelligence

Co lending partnerships between banks and NBFC/HFCs

Co-lending arrangement between Bank and NBFC / HFCs is to extend credit by joint contribution of funds at the facility level by both the lenders and sharing of risks and rewards. The revised Co-lending Model (“CLM”) put in place by RBI vide notification RBI/2020-21/63 dated 05 November 2020, with intention to improve the flow of credit to the unserved and underserved sector of the economy and make available funds to the ultimate beneficiary at an affordable cost, considering the lower cost of funds from banks and greater reach of the NBFCs / HFCs.

Under the co-lending model banks are permitted to co-lend with all registered NBFCs (including HFCs) based on a prior agreement. The co-lending banks will take their share of the individual loans on a back-to-back basis in their books. However, NBFCs shall be required to retain a minimum of 20 per cent share of the individual loans on their books. Additionally, banks can claim priority sector status in respect of their share of credit while engaging in the CLM adhering to the specified conditions.

Shift in housing finance landscape post-merger of HDFC Bank and HDFC

Merger of HDFC Bank and HDFC took place in the first half of Fiscal 2024 which has led to changes in the dynamics of the retail housing finance market. In fact, the growth of HFCs between Fiscals 2019 and 2021 was supported by high growth of HDFC due to its wide geographic reach and market penetration. At end-fiscal 2023 of the ₹ 28.7 trillion housing finance market, the share of banks was approximately 79%, with the balance with HFCs/NBFCs. Some of the key players after HDFC are LIC Housing Finance, Bajaj Housing Finance, Indiabulls Housing Finance, PNB Housing Finance and CanFin Homes.

Following the merger of the two entities, the market share of banks vis-à-vis NBFC/HFC has shifted 80:20 in Fiscal 2024 from 75:27 in Fiscal 2019 with banks having majority market share. Further, in terms of HFCs/NBFCs, other large players with favorable funding profile, strong parentage, and capability to invest and expand into newer geographies would gain market share from smaller players. Further this would also open up funding limits for HFCs from banks to lend to the end consumer.

Key Risks in the Overall Housing Finance Industry

- **Economic Scenario:** Any trends or events that have a significant impact on India's economy, including a rise in interest rates, could impact the financial standing and growth plans of HFCs. A decline in the interest rate with strong growth in the economy will boost the purchasing power of people, thus boosting demand for houses and housing loans. When the government introduces rules and regulations such as the Benami Transactions Act, establishes bodies such as the Real Estate Regulatory Authority, or takes decisions such as demonetization, all to control illegal activities and curb black money, demand for housing and housing loans takes a hit.
- **Insufficiency of data for credit appraisal:** Credit-score availability in India is still at a nascent stage despite the presence of credit bureaus. In several cases, borrowers lack formal proof of income documents. This makes it difficult to judge the ability of the borrower to repay.
- **Liquidity Risk:** The apartment culture has still not developed in many of the semi-urban and rural areas, leading to financing of individual properties. This makes it harder to sell a property that is built according to the needs of the borrower. Also, in rural areas, it may become difficult to find a buyer for a repossessed property due to cultural issues. All this leads to liquidity risk.
- **Collateral Fraud:** The rising number of collateral frauds in the sector is becoming a serious issue. As a result, lending institutions are being forced to implement additional control measures, which increase their underwriting expenses.

- Delay in project approvals and construction: The cash flows of HFCs are largely dependent on the timely completion of projects in which their customers have bought housing. If the project gets delayed, the borrower may start defaulting on loans. Additionally, project delays also tend to impact growth in the loan book.
- Thin spreads in Housing Finance: HFCs face a risk of thin net interest margins due to lower interest rates in the segment as compared to other asset classes like MSME loans, vehicle financing etc. This is further aggravated due to intense competition in the segment among HFCs, banks and NBFCs.
- Asset Liability Mismatch: Housing finance faces significant ALM challenges, arising due to inherent mismatch between the long-term nature of housing loans and the shorter-term funding sources used by housing finance companies (“HFCs”). This creates a maturity mismatch, where assets have longer durations than liabilities.

MSME Credit in India

Overview of MSME Sector in India

As of March 31, 2022, there are approximately 70 million MSMEs in India contributing to a substantial portion of the national GDP and total workforce. The MSME sector contributes to India’s socio-economic development by providing huge employment opportunities in rural and backward areas, reducing regional imbalances, and assuring equitable distribution of national wealth and income. The Government expects that MSMEs’ contribution to GDP to increase from 29.2% in Fiscal 2022 to 40-50% by Fiscal 2030.

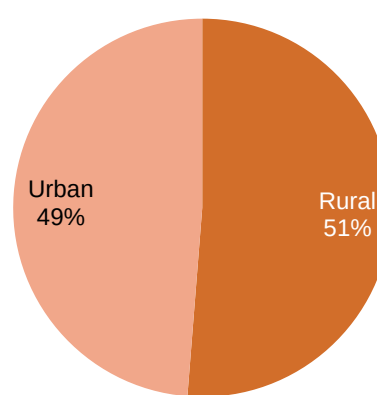
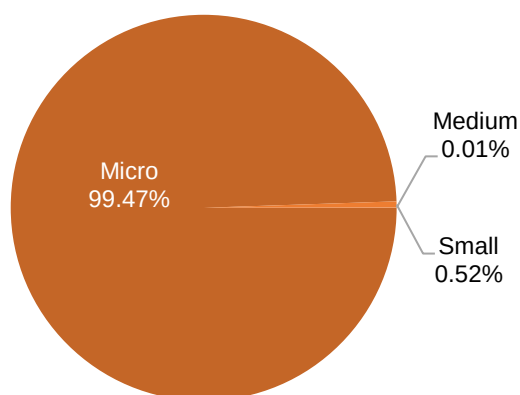
MSME segment accounts for approximately 29% of Indian GDP

₹ trillion	Total MSME GVA	Growth (%)	Total GVA	Share of MSME in GVA (%)	All India GDP	Share of MSME in All India GDP (in %)	Number of MSMEs (in millions) *
Fiscal 2016	41	11.0%	126	32.3%	138	29.7%	63.5
Fiscal 2017	45	10.9%	140	32.2%	154	29.2%	65.5
Fiscal 2018	51	13.0%	155	32.8%	171	29.8%	66.5
Fiscal 2019	57	12.9%	172	33.5%	190	30.0%	68.5
Fiscal 2020	61 [^]	7.6%	184	33.4%	201	30.5%	NA
Fiscal 2021	54 [^]	-12.0%	182	29.7%	198	27.2%	NA
Fiscal 2022	69 [^]	27.1%	214	32.0%	235	29.2%	70.0
Fiscal 2023	81 [^]	8%	246	30.1%	269	NA	NA

Note: (*) – Estimated, All India GDP as of current prices, (^) Calculated numbers, Source: MSME Ministry Annual reports, Role of MSME Sector in India- Ministry of Micro, Small & Medium Enterprises, Source:, CRISIL Intelligence

Micro segment account for dominant share as percentage of total number of MSMEs

Rural region accounts for marginally higher share as percentage of total number of MSMEs



Source: National Sample Survey (NSS) 73rd round dated June 2016, CRISIL Intelligence

Behavioural shift in MSMEs

Due to various initiatives and schemes by the Government, MSMEs have witnessed a behavioural shift which is expected to help them in gaining more access to credit.

Formalization of MSMEs - Around 38% of total estimated number of MSMEs in India are registered under Udyam system

There has been a large push for formalization of MSMEs in recent years with an exponential increase in the number of MSMEs registered on the Udyam portal (similar government portals) from Fiscal 2016 to Fiscal 2024. Udyam certificate is required by MSMEs for taking benefit of any scheme of the Central government. The Udyam portal is also integrated with the Government e-Marketplace (“**GeM**”) and the Trade Receivables and Discounting System (“**TReDS**”) so that enterprises can participate in government procurement and have a mechanism for discounting their bills.

Year-wise and MSME category-wise registration of MSMEs

Year / Category	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021*	Fiscal 2022^	Fiscal 2023\$	Fiscal 2024
Micro	4,21,516	21,47,908	13,44,612	18,70,932	22,48,730	35,95,577	49,75,082	1,26,17,959	2,62,34,956
Small	70,866	2,16,558	1,66,259	2,41,187	3,02,299	4,00,525	1,72,432	4,35,885	7,08,216
Medium	2,631	8,592	6,584	9,426	11,229	35,541	11,294	39,854	67,481
Total	4,95,013	23,73,058	15,17,455	21,21,545	25,62,258	40,31,643	51,58,808	130,93,698	270,10,653

Note: * Based on UAN and Udyam registrations, ^Based on Udyam registrations, \$ Based on Udyam registrations as on December 2022 as stated in the MSME Annual Report 2022 to 2023; Source: Development Commissioner Ministry of Micro, Small & Medium Enterprises (DCMSME), Udyam Registrations, CRISIL Intelligence

MSME Credit Gap

An IFC report titled Financing India’s MSMEs (November 2018) estimated the MSME credit demand at ₹ 69.3 trillion in Fiscal 2017, of which only approximately 16% of demand was met through formal financing and consequently, the MSME credit gap (defined as the gap between the demand for funds amongst MSMEs and the supply from formal financiers) was estimated at ₹ 58.4 trillion. This gap was met through informal sources including moneylenders, chit funds and personal sources from friends and relatives. The interest rate for these sources generally ranges between 30 to 60% per annum.

As of Fiscal 2024, the estimated MSME credit demand in India was approximately ₹ 138 trillion, with only 25% of this demand being met through formal financing channels. Assuming an increase of around 10% annually in the demand for credit and the availability of credit from formal sources, CRISIL Intelligence estimates the credit gap to have increased to ₹ 103 trillion as of Fiscal 2024.

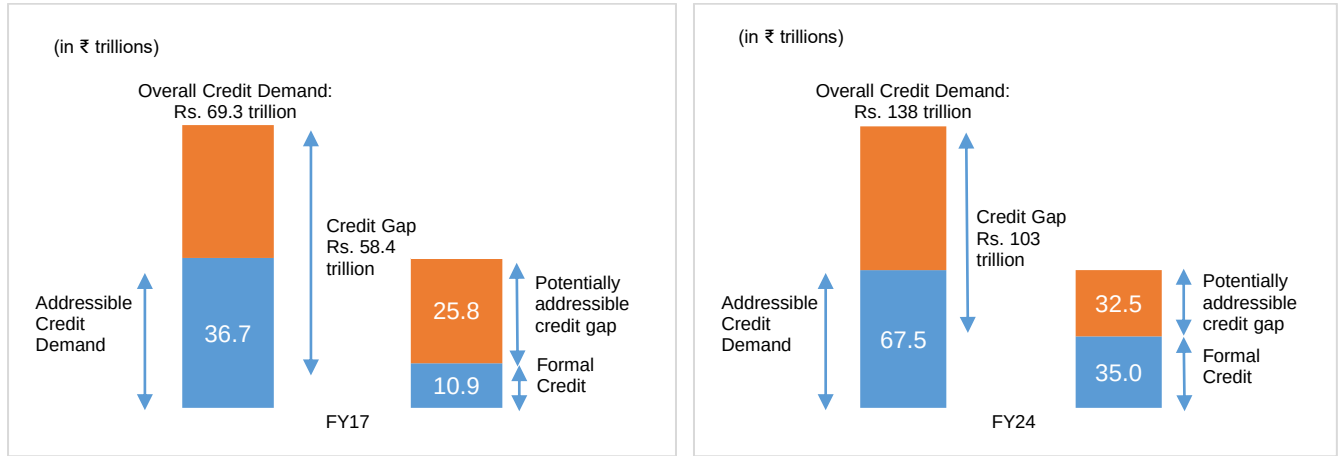
The addressable credit demand was at ₹ 67.5 trillion as of Fiscal 2024 after removing demand from new MSMEs, commercially unviable MSMEs and micro MSMEs that do not seek formal financing as these types of MSMEs voluntarily go for informal source of credit on account of the process being much faster, some MSMEs are quite young with no operational track record to prove their credit worthiness to the lender and MSMEs which are estimating near term bankruptcy.

CRISIL Intelligence estimates that as of Fiscal 2024, the total addressable credit demand was ₹ 67.5 trillion, while current formal financing amounted to ₹ 35 trillion leaving a potentially addressable MSME credit gap of ₹ 32.5 trillion to be fulfilled by financial institutions. CRISIL Intelligence expects that this increase in total addressable credit demand is attributed to factors such as greater support from bank, favourable government policies and increased lender focus on tailored products and technological advancements. Technology and use of various data sources are helping lenders analyse cash flow for NTC (“**New to Credit**”) MSME customers faster and bring many MSMEs into the formal financing network. Further, this demand is expected to grow as the Government expects MSMEs’ contribution to GDP to increase in the coming years.

Despite increase in MSME loans outstanding, large credit gap still exists

The MSME sector in India faces a significant and growing credit gap. This gap, estimated at ₹ 58.4 trillion in Fiscal 2017, is projected to have expanded to approximately ₹ 103 trillion by Fiscal 2024.

MSME Credit Demand



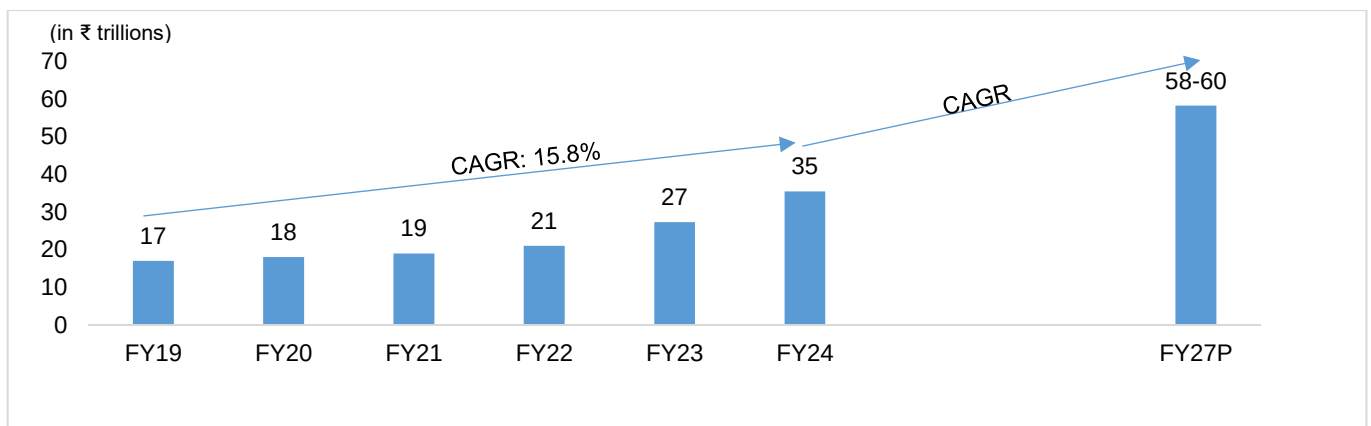
Note: E: Estimated, Source: IFC report on Financing India's MSMEs dated November 2018, CRISIL Intelligence estimates

Overview of overall MSME credit in India

Overall MSME Credit Outstanding

CRISIL Intelligence estimates the total size of MSME lending market across ticket sizes and various player groups (banks, NBFCs, small finance banks, and other formal lenders) to be around ₹ 35 trillion as of March 2024. This market size includes loans taken by MSMEs across various constitution types (sole proprietorships, partnership firms, private and public limited companies, and co-operatives) and the ticket size spectrum, and includes loans extended in the name of the firm/entity/company as well as the individuals in case of micro enterprises or entrepreneurs.

Portfolio outstanding for MSME portfolio to grow at 17 to 19% CAGR between Fiscal 2024 and Fiscal 2027



Source: CRISIL Intelligence estimates

Growth drivers for MSME Credit

Large and increasing credit gap in the MSME segment

As per estimates, less than 15% of approximately 70 million odd MSMEs have access to formal credit in any manner as of March 2022. High risk perception and the prohibitive cost of delivering services physically have constrained traditional institutions' ability to provide credit to underserved or unserved MSMEs and self-employed individuals historically. As a result, they resort to credit from informal sources. This untapped market offers huge growth potential for financial institutions. As stated earlier, the credit gap was estimated at around ₹ 58.4 trillion as of Fiscal 2017 (Source: IFC report named Financing India's MSMEs released in November 2018) and is estimated to have widened further to around ₹ 103 trillion as of Fiscal 2024.

Increased data availability and transparency

With increased digital initiatives by the MSMEs, the shift towards their formalisation and digitisation has created a plethora of data points for lenders that would help improve the efficacy of credit assessment and gradually enable provision of credit to hitherto underserved customer segments. This has created a digital footprint of customers, which can be potentially used for credit decision making, along with other relevant parameters such as customer demographics, business details, credit score, and personal situation of the borrower. Demonetisation and GST have further accelerated formalization of the Indian economy.

Increasing access and faster TAT

Due to availability of multiple data points and technology solutions, the lending process involving documentation, verification and processing of the transactions has evolved and now takes much lesser time. Technology led enhancements such as use of big data analytics and social media campaigns to acquire customers, use of direct and derived variables for underwriting, automated processes, minimum documentations, Aadhar based e-KYC, Account aggregators, flexible repayment options due to simplified real-time digital payments system, have helped in reducing hassles, increasing access to credit for borrowers and faster TAT.

Growth in branch network of players offering MSME loans

Over past few years, players offering MSME loans have expanded their branch network with the intent to serve a larger customer base. Share of borrowers from top cities in India has been on a declining trend indicating that lenders are shifting their focus on MSMEs in rural and semi urban areas. In the future also, CRISIL Intelligence expects lenders with a strong focus on MSME lending and healthy competitive positioning to continue to invest in branch expansion. With increasing branch network, customer acquisition and credit penetration, share of MSME loans is also expected to increase.

Increasing competition with entry of new players and partnerships between them

Lenders are increasing the use of digital platforms to help automate and digitize loan sanctioning process however the borrower is required to possess documents for the initial clearance as stated by the banks. Incumbent traditional lenders will increasingly leverage the network of their partners and/or digital ecosystem to cross-sell products to existing customers, tap customers of other lenders, and also cater to new-to-credit customers. This will expand the market for MSME loans.

Robust government support

The government has special focus on the MSME sector on account of its economic contribution to the economy and number of people employed in the sector. MSMEs in India come under the purview of Government of India, Ministry of MSME, Khadi Village and Coir Industries Commission (KVIC). The government launched Udyam Assist Platform (“UAP”) on 11th January 2023 to enhance formalization of the economy. As of Fiscal 2024, 2026 million informal micro enterprises have joined UAP to come under the formal economy. Government of India has also introduced a new scheme called ‘PM Vishwakarma’ aiming to improve the quality of products and services of small artisans and craftsman and ensure that their companies are a part of national and global supply chain. The scheme was launched on 17th September 2023. The initial amount to be disbursed under the scheme is ₹ 13,000 crores for five years from Fiscal 2023 to 2024 to Fiscal 2027 to 2028.

Relaxation in the threshold under SARFAESI Act from ₹ 5 million to ₹ 2 million for NBFCs

In the Union Budget 2021 to 22, for NBFCs with a minimum asset size of ₹ 1 billion, the minimum loan size eligible for debt recovery under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (“SARFAESI”) Act, 2002 was proposed to be reduced from the existing level of ₹ 5 million to ₹ 2 million. The objective of this move is to improve credit discipline while continuing to protect the interest of small borrowers. This relaxation is expected to facilitate recovery from stressed books, help the NBFCs to improve their ability to recover smaller loans and strengthen their overall financial health. More importantly, it acts as a deterrent to default and enhances the enforceability of collateral for players focused on the medium ticket size LAP segment with loans of ₹ 2 million – ₹ 5 million.

Inclusion of retail and wholesale trade under MSME category

In July 2021, the Ministry of Micro, Small and Medium enterprises decided to include Retail and Wholesale trade as MSMEs for the purpose of Priority Sector Lending and they would be allowed to be registered on Udyam Registration Portal. The move is structurally positive from long-term perspective, as it will enable entities operating in the segment to register on Government’s Udyam portal, participate in government tenders and also avail financing options/ benefits available to the category. This move will also aid in the formalization of India’s retail trade and enable financial support to small and mid-sized retail businesses. By widening the scope of MSME to cover wholesale as well as retail trade, this move also creates an additional opportunity for MSME lenders to increase their penetration and business.

Prime Minister’s Employment Generation Programme (“PMEGP”) providing margin money to MSMEs

PMEGP is a credit linked subsidy scheme to provide employment opportunities by establishing new micro enterprises in the non-farm sector where margin money is provided to MSMEs availing loan from banks to set up new enterprises. The maximum margin money provided under the scheme for setting up a new project is ₹ 5 million for manufacturing sector and ₹ 2 million for service sector. Geo-tagging for the products and services of the units set up under this scheme has been initiated. This will help the enterprises with creating market linkages.

Credit Guarantee Fund Scheme extended to cover NBFCs

One of the major reasons why MSMEs are credit-starved is the insistence by banks or financial institutions for the provision of collateral against loans. Collaterals are not easily available with such enterprises, leading to a high-risk perception and higher interest rates for these MSMEs. In order to address this issue, the government launched the Credit Guarantee Fund Scheme under the aegis of the Credit Guarantee Fund Trust for Micro and Small Enterprises (“CGTMSE”) in order to make collateral-free credit available to micro and small enterprises. In January 2017, the scheme was extended to cover systemically important NBFCs as well.

Key success factors for NBFCs offering MSME Loans

- Ability to dive into deeper geographies with a strong branch network: Players need to have a clear and deeper understanding of their target customer segment, the markets they operate in and develop a strong local network. The deeper understanding and presence of inhouse sales team for direct sourcing within the segment also leads to lower customer churn.
- Focussed approach to tap underserved niche borrower segments: MSME focussed lenders need to build a portfolio with deep understanding of the target segment and market. Specific tailor-made lending products for MSMEs with easier data availability to help lenders take a focussed approach.
- Strong underwriting capabilities: MSMEs tend to generally be more impacted by vagaries of the business cycle given their limited financial wherewithal and/or reliance on larger buyers. On account of limited data to support credibility of the MSME borrower, lenders are now using alternate methods of underwriting like cash flow analysis to strengthen their underwriting capabilities.
- On-the-ground presence to manage collections and maintain portfolio quality: Additionally, given that players in the segment also cater to a relatively riskier profile, a strong focus on collections and monitoring risk of default at customer level is vital to manage asset quality. Direct Sourcing allows control over the quality of customers and processes involved for disbursement, which can lead to better asset quality, as compared to other methods of customer acquisition.
- Collateral risk management: Properties that are used as collateral for MSME loans sometimes lack proper property titles, especially in the outskirts of large cities, semi-urban and rural areas.

Overall Secured MSME Portfolio Outstanding

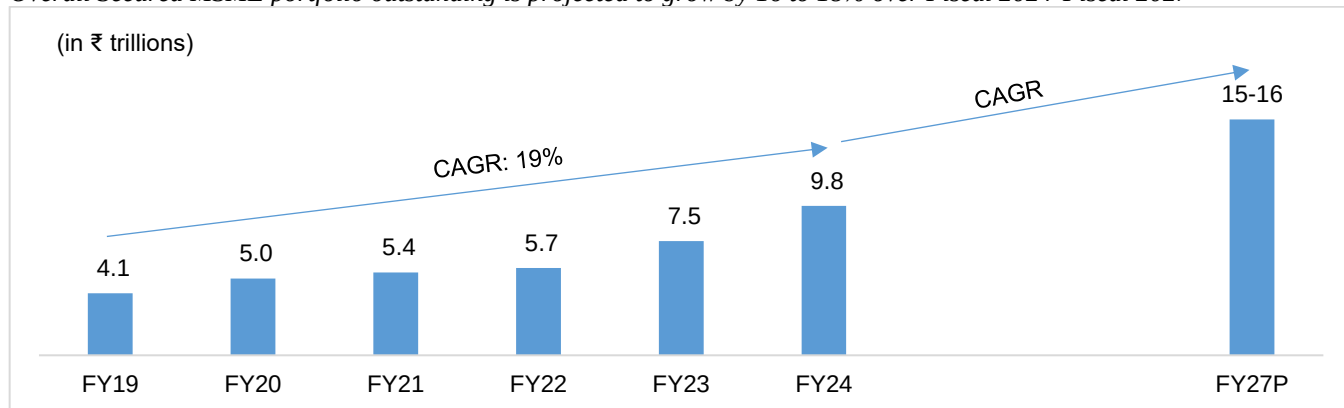
Overall Secured MSME portfolio outstanding is projected to grow by 16 to 18% over Fiscal 2024 – Fiscal 2027

Overall Secured MSME loan segment grew at a strong pace with portfolio outstanding registering a CAGR of approximately 19% from Fiscal 2019 to Fiscal 2024. CRISIL Intelligence estimates such outstanding secured MSME loans given out by banks and NBFCs to be around ₹ 9.8 trillion as of Fiscal 2024. A secured MSME loan can be obtained by mortgaging a residential or commercial real estate with the lender.

In Fiscal 2022, overall secured MSME loan portfolio outstanding grew at a slower rate of 6% year on year as MSMEs needed cash for day-to-day activities in the backdrop of global and domestic uncertainties. NBFCs moved towards niche credit assessments without the requirement of property collateral to help provide credit and meet the rapid demand from MSMEs. In Fiscal 2023, overall secured MSME loan segment bounced back with 31% year on year growth as economic activity normalised through support of RBI and centre’s promotion of Aatmanirbhar Bharat. In Fiscal 2024, overall secured MSME portfolio grew at 31% year on year backed by robust economic conditions and increase in domestic consumption and growth.

Over the last few years, expansion in branch network, more data availability and government initiatives like GST, Udyam, and increasing formalisation of the MSME segment has led to increasing focus of lenders, especially the NBFCs, on this space. NBFCs/HFCs enjoy a market share of 37% as of March 2024 in overall secured MSME portfolio outstanding.

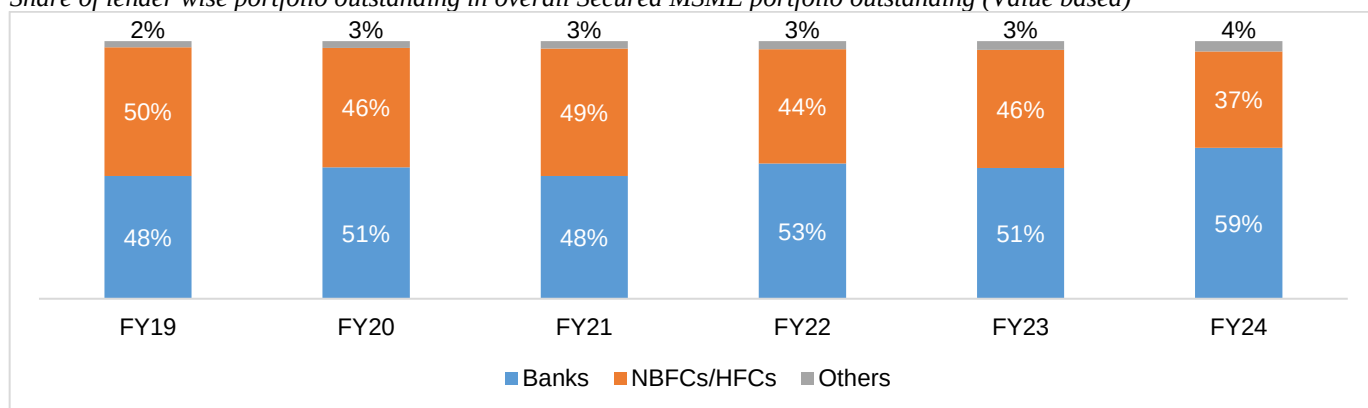
Overall Secured MSME portfolio outstanding is projected to grow by 16 to 18% over Fiscal 2024-Fiscal 2027



Note: P: Projected, Source: CRISIL Intelligence estimates

NBFCs/HFCs have established a significant presence in MSME loans by prioritizing customer needs, ensuring quick turnaround times, delivering excellent customer service, and expanding their geographic reach.

Share of lender wise portfolio outstanding in overall Secured MSME portfolio outstanding (Value based)

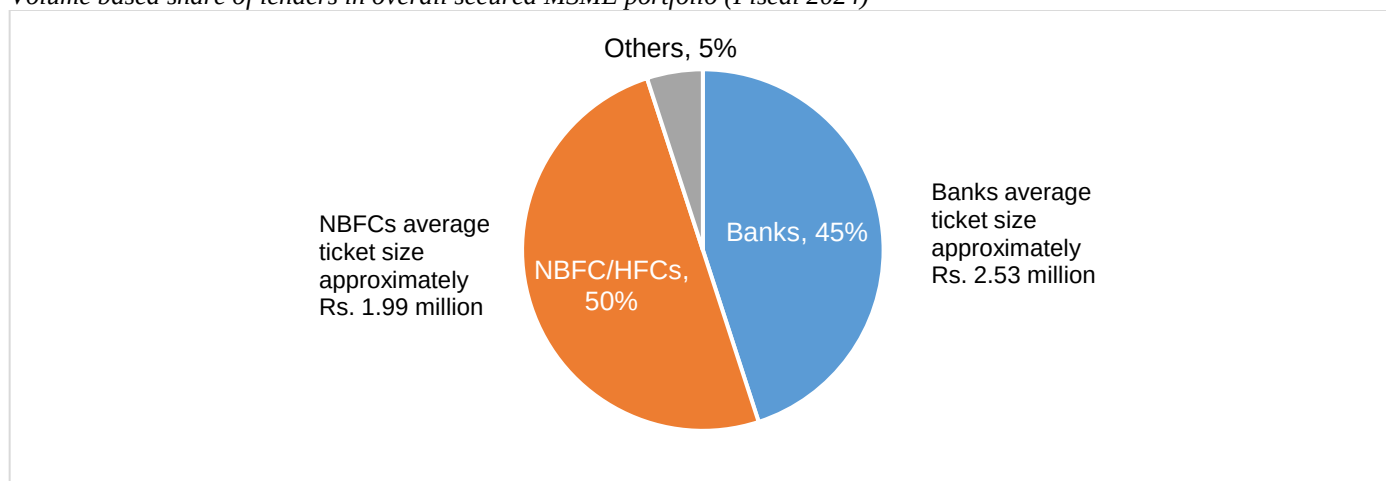


Note: Banks include public banks, private banks, small finance banks and foreign banks. On account of merger of HDFC Bank with HDFC Limited, share of banks has shown a sudden increase in Fiscal 2024.

Source: CRISIL Intelligence estimates

While banks have a higher share in overall secured MSME portfolio, NBFCs lead in terms of volume in loans as of Fiscal 2024. NBFCs have a lower ticket size as compared to banks.

Volume based share of lenders in overall secured MSME portfolio (Fiscal 2024)



Note: Banks include public banks, private banks, small finance banks and foreign banks. On account of merger of HDFC Bank with HDFC Limited, share of banks has shown a sudden increase in Fiscal 2024.

Source: CRISIL Intelligence estimates

Potential market for residential property backed secured MSME lending for average ticket size less than ₹ 0.5 million is estimated at ₹ 22 trillion.

The sheer size of the gap between the supply and demand of credit and the number of enterprises impacted indicates a veritable opportunity in MSME financing. There therefore exists a plethora of players – universal banks, small finance banks, traditional NBFCs, new age fintechs, MFIs, as well as local moneylenders – who try to meet the financing requirements of MSMEs by offering secured or unsecured loans straddling various tenures.

CRISIL Intelligence has attempted to decipher the size of the potential opportunity in secured residential property-backed secured MSME lending (hereafter referred to as the Addressable market for secured MSME loans), using data, information and insights at a state-level pertaining to:

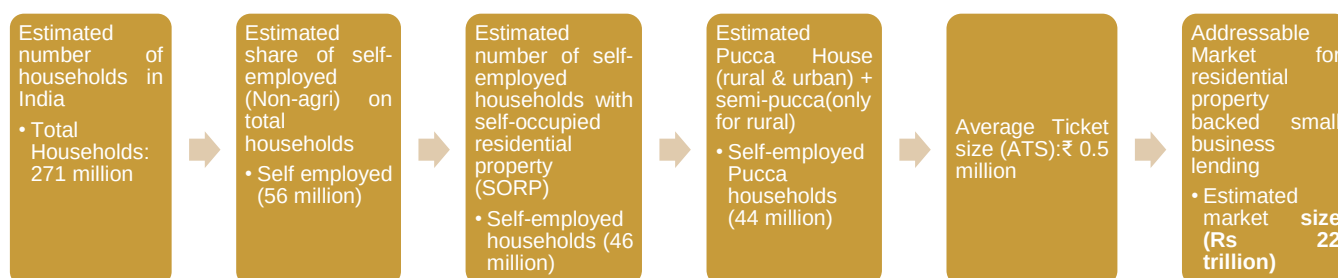
Number of households from NSS 76th round (July 2018-December 2018)

Self-employed non-agricultural households in both urban and rural areas from Periodic Labour Force Survey (PLFS) dated July 2019-June 2020

Proportion of self-employed households, which are staying in their own pucca or semi-pucca home (which can be taken as a collateral by financiers) from NSS 76th round (July 2018-December 2018)

Based on our analysis and assumptions detailed in the figure below, small ticket size secured (SORP – Self occupied residential property) MSME lending market potential is estimated at ₹ 22 trillion. Players such as SBFC Finance Limited, Five Star Business Finance Limited, Vistaar Financial Services Private Limited, Veritas Finance Private Limited, Finova Capital, Kinara Capital etc. currently operate in this market; our analysis indicates the Addressable Market available for these players. The top 8 states which includes Uttar Pradesh, West Bengal, Bihar, Maharashtra, Rajasthan, Tamil Nadu, Gujarat and Madhya Pradesh together account for more than 60% of the addressable market.

Addressable market estimation methodology for secured MSME loans given to non-agriculture self-employed households with residential self-occupied property as collateral (Fiscal 2021)



Source: NSS 73rd round (July 2015 – June 2016) and NSS 76th round (July 2018 – December 2018), CRISIL Intelligence

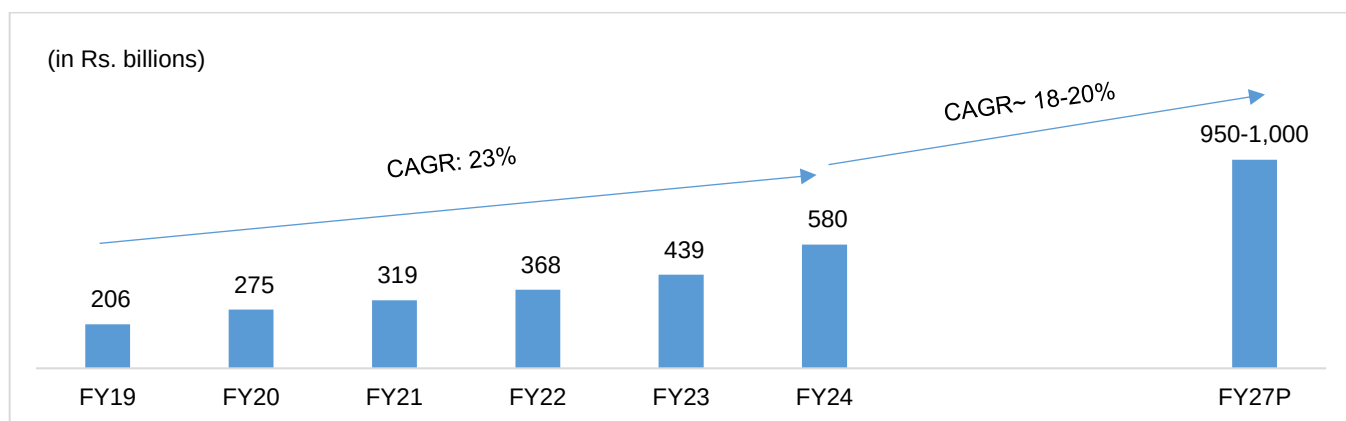
Micro enterprises are estimated to account for 97% of total employment provided by MSMEs in India

As per the National Sample Survey (“NSS”) 73rd round, micro enterprises are estimated to account for approximately 97% of total employment provided by MSMEs in India. With small and medium enterprises accounting for 2.9% and 0.2% share respectively. As per the survey, 45% of these employees are present in the rural areas while 55% are present in the urban areas.

Secured MSME portfolio outstanding (< ₹ 0.5 million)

Secured MSME loan segment (< ₹ 0.5 million) grew at a strong pace with portfolio outstanding registering a CAGR of 23% from Fiscal 2019 to Fiscal 2024. CRISIL Intelligence estimates such outstanding secured MSME loans given out by banks and NBFCs to be around ₹ 580 billion as of Fiscal 2024.

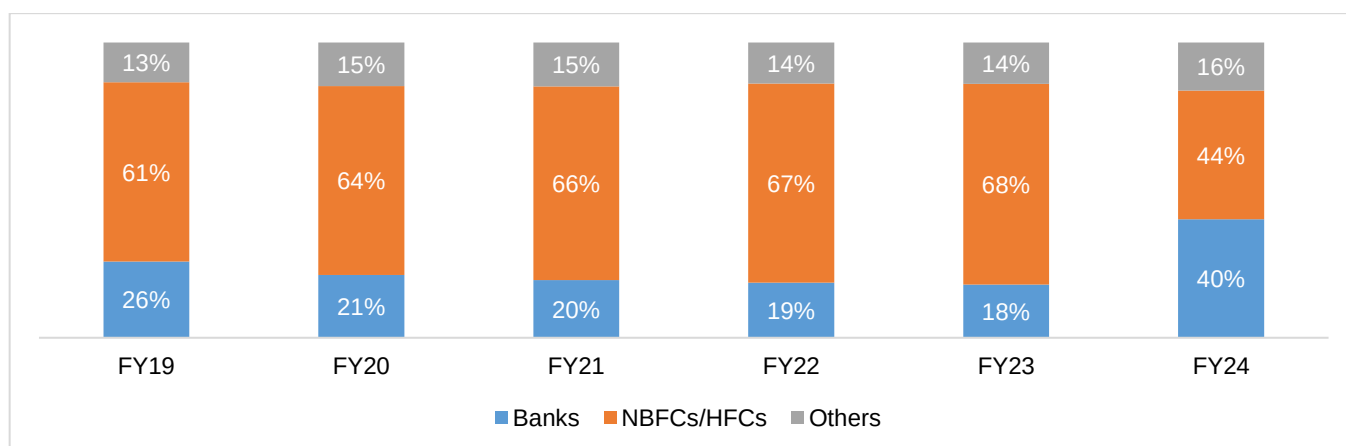
Secured MSME portfolio (<₹ 0.5 million) to grow at 18% to 20% CAGR over Fiscal 2024 to Fiscal 2027



Note: P: Projected, Source: CRISIL Intelligence estimates

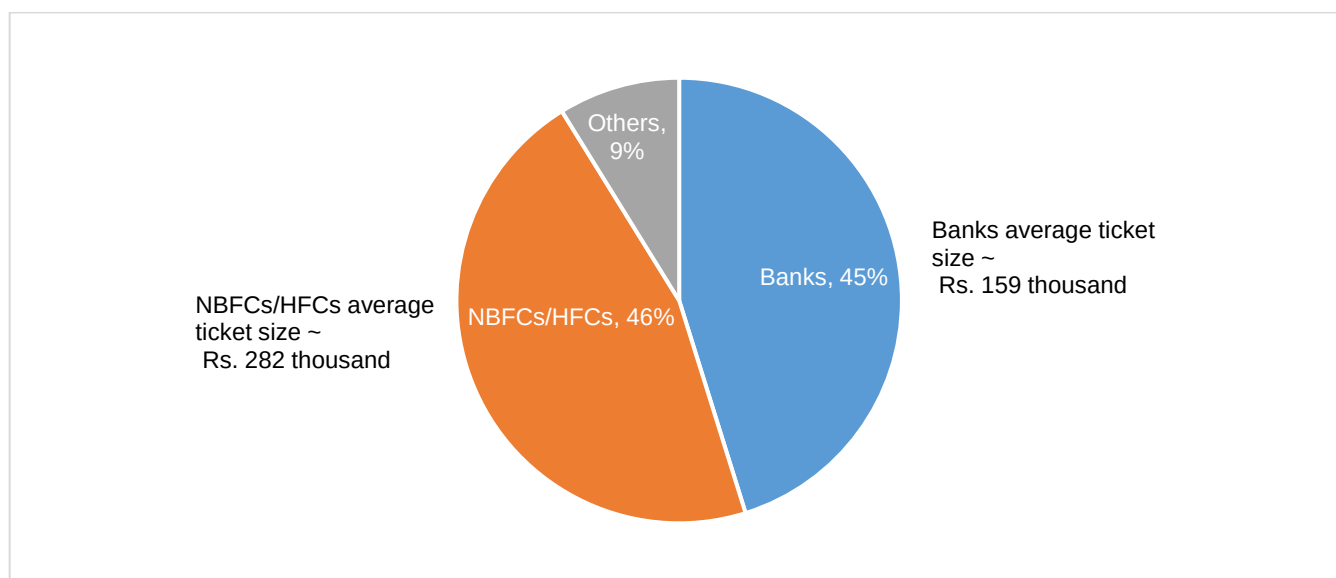
Going forward, CRISIL Intelligence expects the portfolio of secured MSME loans with ticket size < ₹ 0.5 million to grow at 18% to 20% CAGR over Fiscal 2024 to Fiscal 2027 aided by increasing focus and higher penetration lenders for such loans, enhanced availability of data thereby increasing lender comfort while underwriting such loans, enhanced use of technology, newer players entering the segment, and continued government support. NBFCs / HCs form 44% of the overall portfolio outstanding in Secured MSME (< ₹ 0.5 million) as of Fiscal 2024.

Share of lender wise portfolio outstanding in Secured MSME portfolio outstanding (<₹ 0.5 million)



Note: Banks include public banks, private banks, small finance banks and foreign banks. On account of merger of HDFC Bank with HDFC Limited, share of banks has shown a sudden increase in Fiscal 2024; Source: CRISIL Intelligence internal estimates

Volume based share of lenders in overall secured MSME portfolio (< ₹ 0.5 million) (Fiscal 2024)

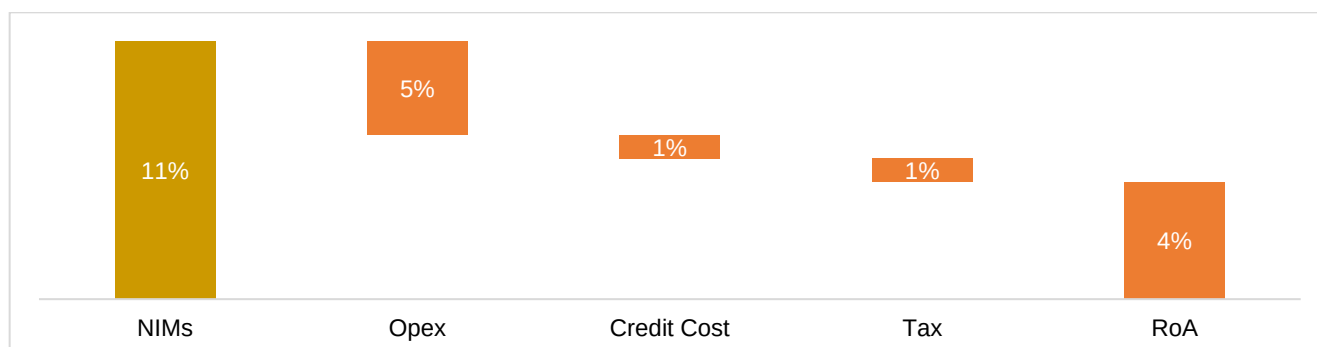


Note: Banks include public banks, private banks, small finance banks and foreign banks. On account of merger of HDFC Bank with HDFC Limited, share of banks has shown a sudden increase in Fiscal 2024; Source: CRISIL Intelligence estimates

NBFC profitability in MSME lending

NBFCs in MSME segment operate with yield in the range of 18 to 20%, on an average with a ticket size of approximately ₹ 19 to 20 lakhs at the time of disbursal. With cost of funds being in the range of 8 to 9%, net interest margins (“NIMs”) for this segment are in the range of 11 to 12%. CRISIL Intelligence estimates the profitability in this segment to be at approximately 4% (RoA) as of Fiscal 2025 owing to increase in interest yields.

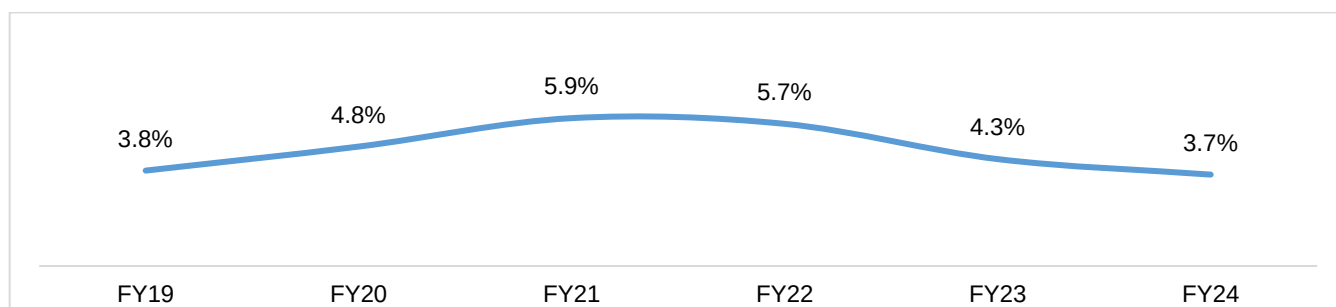
Profitability of MSME financing NBFCs (Fiscal 2025)



Note: The above ratios are calculated on total average assets for MSME focussed NBFCs based on their overall portfolio. Profitability estimated for Fiscal 2025. Source: CRISIL Intelligence.

Asset Quality

Asset quality for all lenders deteriorated in Fiscal 2021 due to the pandemic where income of the borrowers was impacted which led to rise in GNPA numbers. With continued improvement in economic activity, better collection efficiency and strong credit growth, GNPA level started improving. As of Fiscal 2024, the GNPA ratio for overall secured MSME loans stood at 3.7%. For banks, the GNPA ratio stood at 2.7% whereas for NBFCs the ratio stood at 4.4% as of Fiscal 2024.



Source: CRISIL Intelligence estimates

Threats and challenges in MSME loan segment

MSME lending segment is expected to witness a rapid growth in the upcoming fiscals, however, there are a few risks associated with lending to this segment.

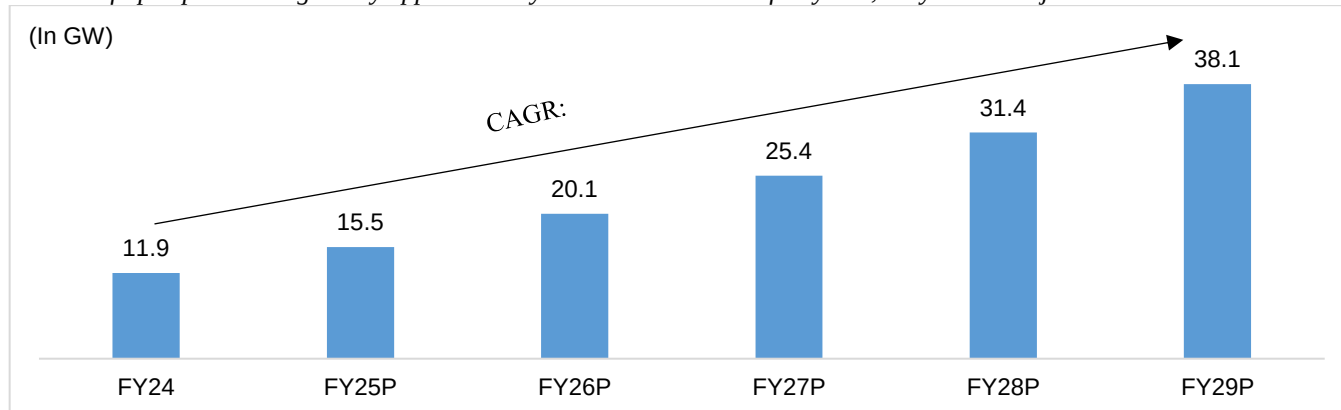
- Inadequate credit history of borrowers: Generally, small borrowers often lack credit history which is necessary for underwriting. Additionally, they do not have the financial capabilities to invest in maintaining proper accounts due to which it becomes difficult for lenders to assess their creditworthiness.
- Borrowers susceptible to policy and regulatory changes: Owing to the highly dynamic industry environment, MSMEs are vulnerable to policy and regulatory changes to which they might not have a capability to cope with.
- Borrowers lack liquidity and are vulnerable to cash flow challenges: MSMEs often face delays in payments which significantly impact their cash flow cycle and in-turn impact their repayment behaviour.
- Borrowers are unable or unwilling to share all information: Borrowers usually do not have all the required information available because of which lenders cannot assess the borrowers in a better manner.
- MSMEs lack of adaptability to technological changes: As technological environment is dynamic in nature and keeps on changing, it is tough for MSMEs to keep up with changes owing to lack of capital and hence face the risk of getting outdated.
- Inadequate financial literacy: MSME owners often lack financial expertise. The lack of financial literacy may lead to poor financial planning.

Rooftop Solar Financing

Rooftop projects are small-scale solar photovoltaic (PV) installations on roofs of buildings. Rooftop projects may or may not be connected to the grid.

As per CRISIL Intelligence, the rooftop solar market is expected to experience rapid growth, with a CAGR of approximately 26%, reaching 38 GW by Fiscal 2029. This growth is driven by factors such as increased consumer awareness, technological advancements, and supportive government initiatives, including subsidies. Additionally, global solar module prices reached a historic low of \$0.20 per watt-peak (“Wp”) in Fiscal 2024, which is likely to stimulate growth in solar capacity.

Solar rooftop capacities to grow by approximately 26 GW over the next five years, Surya Ghar Yojana to be an additional boost

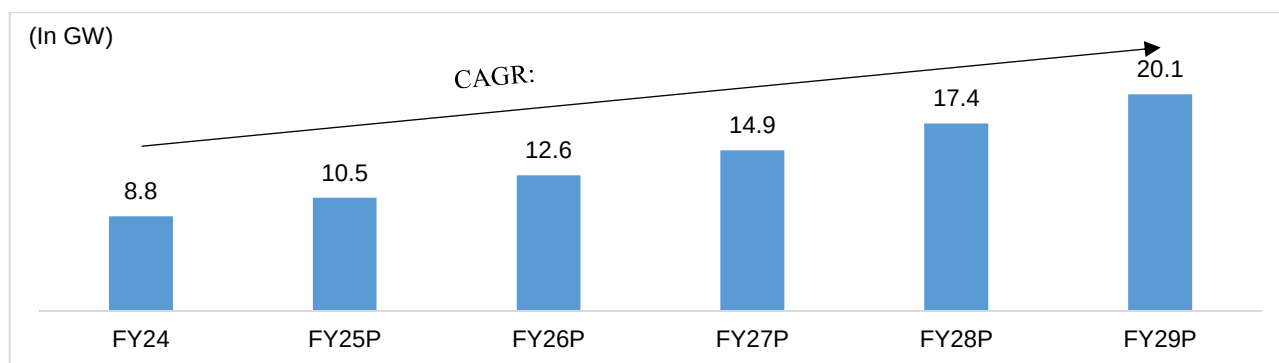


Note: P- Projected, Include residential, commercial and industrial installation, Source: CRISIL Intelligence

Regulatory support and recent policies to drive sector; project economics to drive additions from commercial and industrial (“C&I”) base

The central government's aim to achieve 40% of the 100 GW generation capacity target under the National Solar Mission (“NSM”) from the rooftop segment by 2022 fell short by approximately 31 GW. Hence, favourable policy plays a key role in driving additions. The government allocated a budget of ₹ 100 billion toward solar programme in Fiscal 2025 in July 2024. This was 110% more than Fiscal 2024 RE allocations. The government further allocated ₹ 62.5 billion in Fiscal 2025 BE towards PM Surya Ghar Yojna. This is equivalent to 1.9 to 2.1 GW of residential rooftop additions in Fiscal 2025. The cost of generating solar power from rooftop projects is estimated to be ₹ 3.5 to 4.5 per unit (without availing accelerated depreciation). C&I consumers are best placed to claim accelerated depreciation benefits and increase their project returns/reduce generation cost. This segment includes high-tension consumers and commercial consumers such as malls, hospitals, government establishments and high-consumption group residential complexes.

Commercial & Industrial segment to witness 18% CAGR growth between Fiscal 2024 and Fiscal 2029

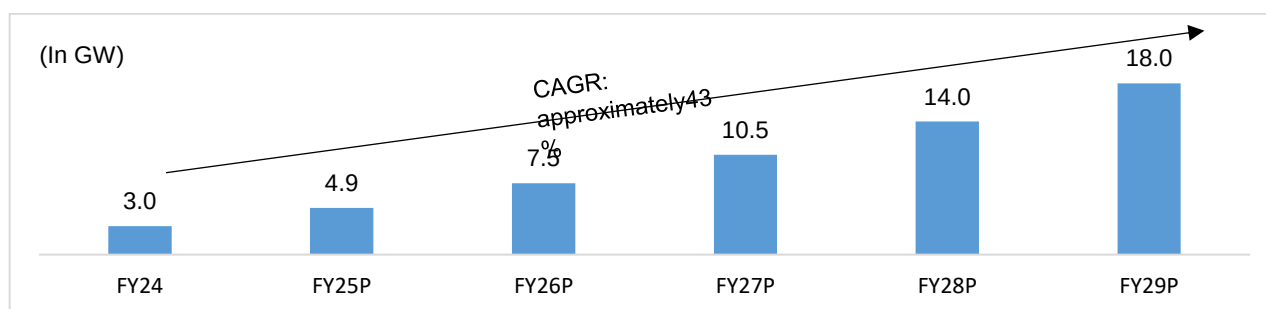


Note: P- Projected, Include commercial and industrial installation, Source: CRISIL Intelligence

Surya Ghar Yojana kickstarts residential rooftop segment

The newly launched PM Surya Ghar Muft Bijli Yojana in 2024 will likely boost residential offtake of solar rooftop, specifically by addressing cost hurdles. The government emphasized to provide for the installation of solar panels to ten million households. It will provide subsidy for installing rooftop solar for residential houses, which will help save money on electricity bills. This scheme is expected to drive approximately 15 GW of residential rooftop additions over the next five fiscals, taking the installed base to approximately 18 GW in Fiscal 2029 from 3 GW in Fiscal 2024. In addition, the Indian government has also mandated public sector utilities under the power ministry to equip all buildings under central government administration with solar rooftops by 2025, as part of the PM Surya Ghar Yojana scheme.

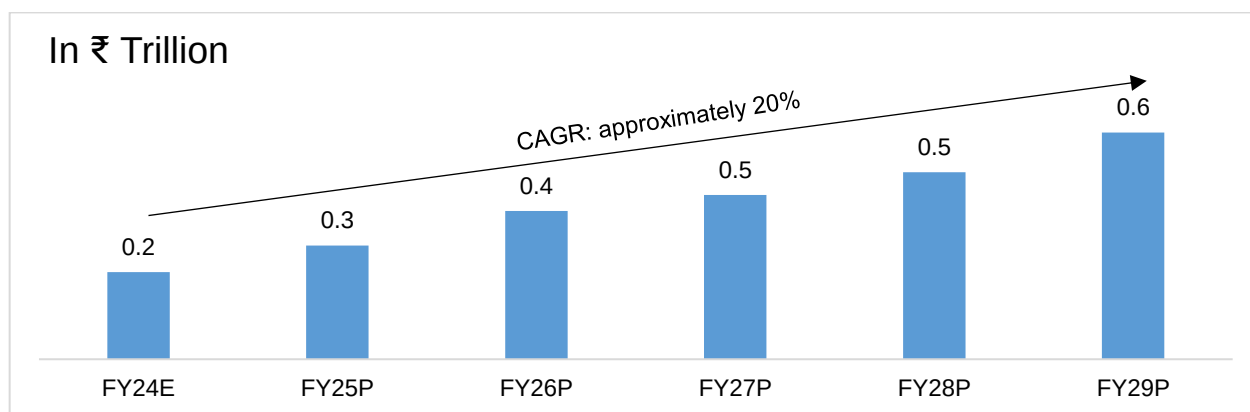
Residential segment to witness 43% CAGR growth between Fiscal 2024 and Fiscal 2029



Note: P- Projected, Source: CRISIL Intelligence

The Indian solar rooftop market is poised for exponential growth, driven by increasing adoption of renewable energy, declining solar panel costs, and supportive government policies. The Indian solar rooftop market is expected to reach approximately 38 GW by Fiscal 2029 in terms of capacity installation, with a potential financing requirement of ₹ 0.6 trillion. Both residential and commercial & industrial segments offer a significant financing opportunity for banks and NBFCs. As the market continues to evolve, financing will play a critical role in driving the adoption of solar rooftop projects. Various banks and NBFCs have registered to provide financing for solar rooftops under the scheme. These players are offering loans at fixed and floating rates of interest and for maximum tenure of 5 to 10 years. As per CRISIL Intelligence estimates, Indian solar rooftop financing market, valued at approximately ₹ 0.2 trillion in Fiscal 2024, is expected to grow at a CAGR of approximately 20% by Fiscal 2029, presenting a significant opportunity for banks and NBFCs.

Financing market for Solar Rooftop expected to grow at a CAGR of approximately 20% by Fiscal 2029

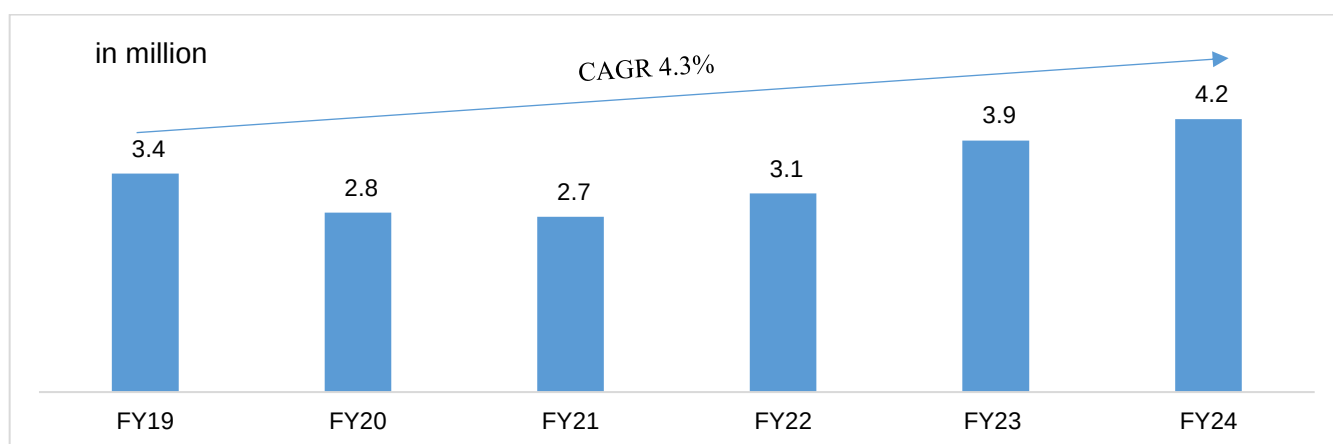


Note: E- Estimated, P- Projected, Source: CRISIL Intelligence

Car Loan Distribution

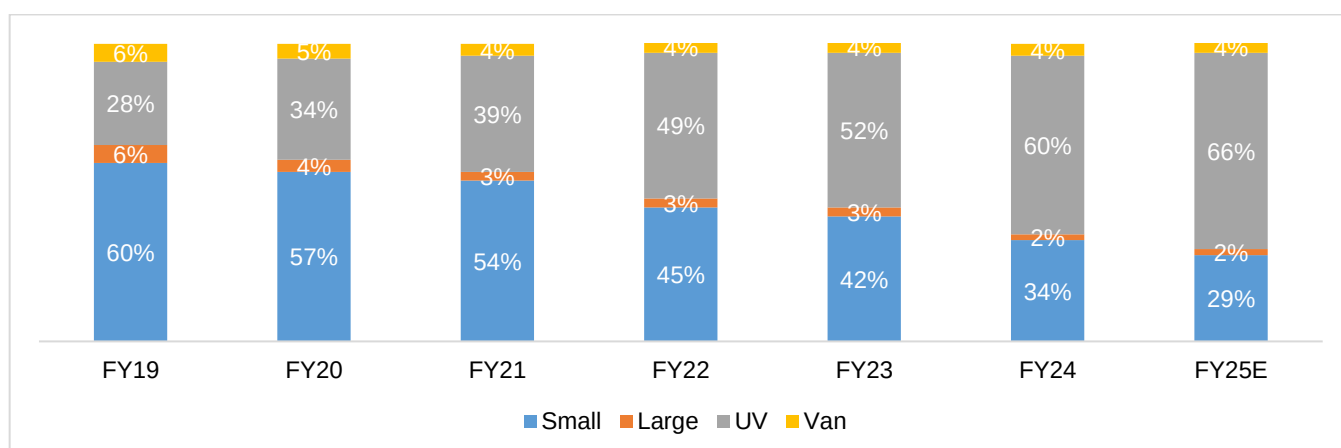
Passenger vehicle domestic sales grew by 8.4% in Fiscal 2024, reaching 4.2 million units

Passenger Vehicle Sales



Source: Society of Indian Automobile Manufacturers (“SIAM”), CRISIL Intelligence

Utility vehicles to drive the overall passenger vehicle growth in Fiscal 2025



Source: Society of Indian Automobile Manufacturers (“SIAM”), CRISIL Intelligence

Passenger vehicles (Cars, Utility vehicles and Vans) sales witnessed a decline for two consecutive years due to the pandemic, decreasing by 18% and 2% in Fiscal 2020 and Fiscal 2021 respectively. In Fiscal 2022, lifting of lockdown restrictions and normalization of activities resurrected the demand, however supply side issue of semi-conductor shortages for OEMs restricted the sales. Overall passenger vehicles sales grew at a restricted growth rate of 13% in Fiscal 2022. In Fiscal 2023, passenger vehicle sales improved on account of easing supply of semiconductors and higher production of vehicle variants with lower

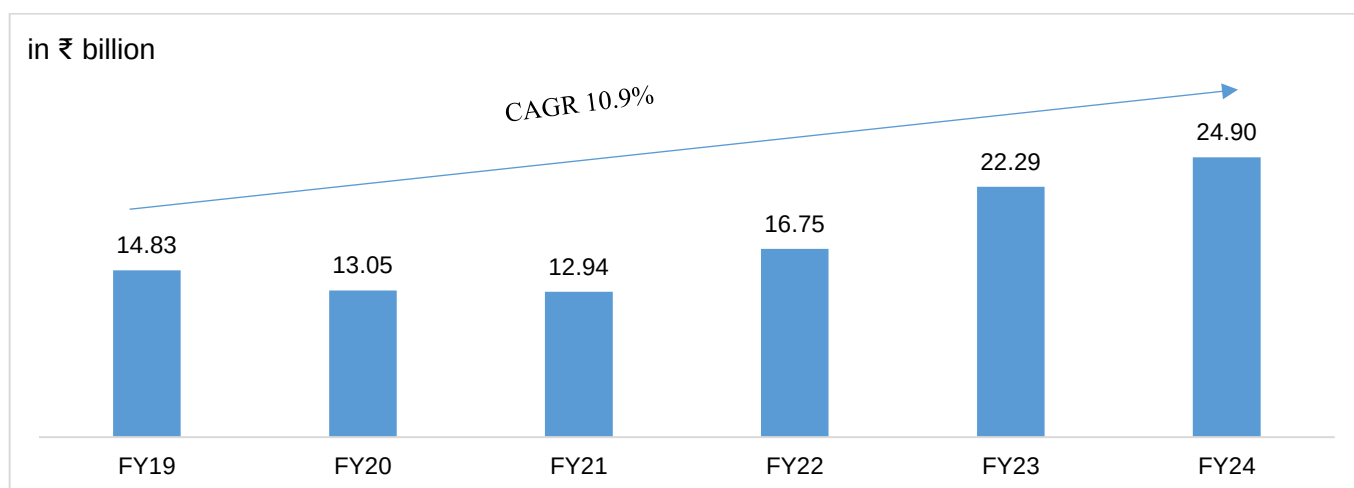
chip requirement. Passenger Vehicle sales grew by 27% in Fiscal 2023. Passenger Vehicle sales grew by 8% in Fiscal 2024 over a high base of Fiscal 2023. Passenger vehicle sales grew in Fiscal 2024 on account of robust sales in the Utility Vehicles (“UV”) segment. Following a strong growth of 8% in Fiscal 2024, driven by positive consumer attitudes and new model launches in entry-level and mid-segment SUVs, the passenger vehicle industry sales is projected to grow by 5 to 7% in Fiscal 2025, fuelled by increasing incomes, expected interest rate deductions and sustained popularity of utility vehicles.

Total Addressable Market (“TAM”) for Car Loan Distribution

The Total Addressable Market (“TAM”) for car loan distribution in India is shaped by rising vehicle sales, increasing financing penetration, and growing consumer aspirations for personal mobility. NBFCs with their customer base and connects in Tier-2 and Tier-3 industries can successfully connect customers with banks which are offering car loans as per their requirement. Banks are also eager to participate with such players as it alleviates their customer sourcing cost while getting good potential customers thereby reducing turnaround time for them. NBFCs benefit in terms of being able to service customers in better ways while also generating additional fee income for them. They are also able to service their current customers with known credibility with appropriate bank loan offers through their branches. For customers this process ensures quick turnaround and better car loan interest rates.

CRISIL Intelligence expects total addressable market for new car loan distribution to be around ₹ 24.90 billion as of Fiscal 2024. The sector remains highly lucrative, offering significant opportunities for players to meet the evolving financing needs of Indian consumers.

Total Addressable Market for Car Loan Distribution in India



Note: The above numbers include TAM for new passenger vehicles only. The Total Addressable Market has been derived post considering yearly passenger vehicle sales, finance penetration, Loan to Value of new passenger vehicles as well as commission charged by players. Source: Society of Indian Automobile Manufacturers (“SIAM”), CRISIL Intelligence

Channel Mix for Car Loan Distribution (Dealer vs non-dealer category)

The car loan distribution landscape in India is broadly segmented into dealer-based channels and non-dealer-based channels. Each segment has its unique characteristics, advantages, and role in the overall ecosystem.

For major banks like HDFC Bank, Axis Bank, Kotak Mahindra Bank Limited, approximately 35% is through dealers and rest 65% is through Branch walk-in’s, digital platforms and direct sales team.

For NBFCs approximately 60% is through dealers and rest 40% is through Branch walk-in’s, digital platforms and direct sales team.

Growth Drivers for Car Loan Distribution

Rising Disposable Income and Affordability

As household incomes increase, especially in Tier 2 and Tier 3 cities, consumers are more willing to purchase vehicles. This has led to greater reliance on financing options for affordability, particularly for first-time buyers. Increasing financial literacy and awareness about EMI schemes further boost car loan adoption.

Expansion of Vehicle Ownership in Rural and Semi-Urban Markets

The demand for vehicles in rural and semi-urban areas is on the rise due to improving road infrastructure, better connectivity, and higher agricultural incomes. Financial institutions and NBFCs are capitalizing on this trend by offering customized loan products, making vehicles accessible to underserved regions.

Competitive Loan Offerings by Financial Institutions

Banks, NBFCs, and fintechs are aggressively competing to capture the growing car loan market. This competition has resulted in attractive loan terms, such as lower interest rates, flexible repayment tenures, and zero processing fees, making car loans more appealing to consumers.

Technological Advancements in Loan Processes

The adoption of artificial intelligence (“AI”), big data, and machine learning has enabled lenders to assess creditworthiness faster and offer personalized loans. Instant approvals and real-time tracking of loan applications have significantly improved customer experience.

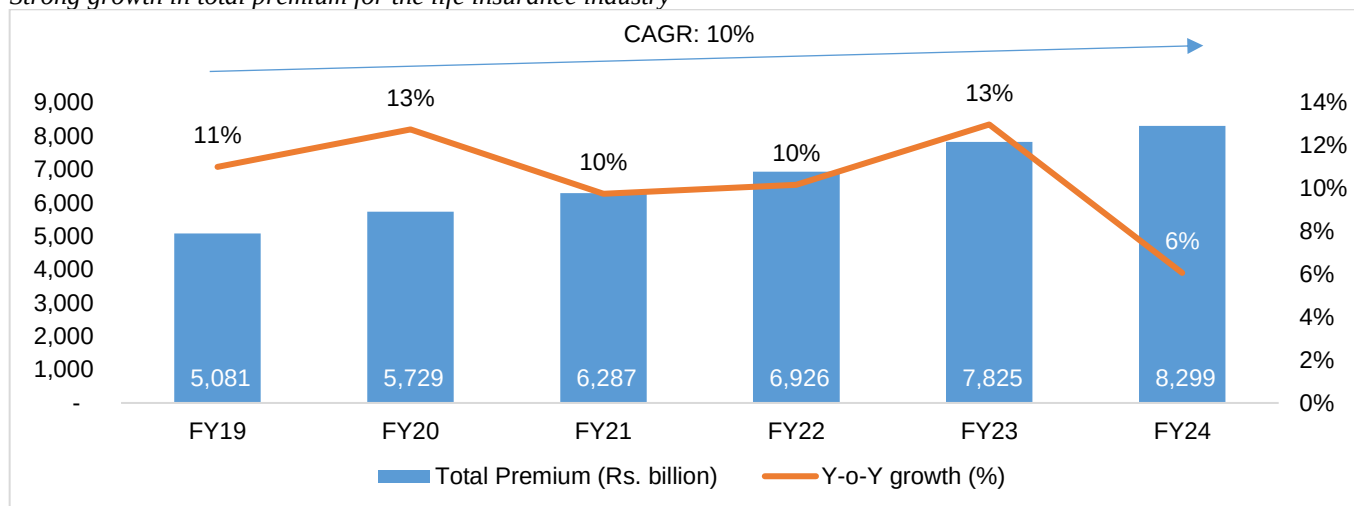
Insurance Distribution

Life Insurance Industry

Total premium has grown at 10% CAGR in last five years from Fiscal 2019 to Fiscal 2024

The life insurance premium has grown at a 10% CAGR between Fiscals 2019 to 2024. Double-digit growth in premium can be attributed to expansion of the distribution network, rapid digitisation in the sector and development of new products led by COVID-19 pandemic, introduction of different government schemes and financial inclusion drives (Jan Dhan Yojana, etc). These factors have increased awareness about the need for insurance and propelled industry growth.

Strong growth in total premium for the life insurance industry



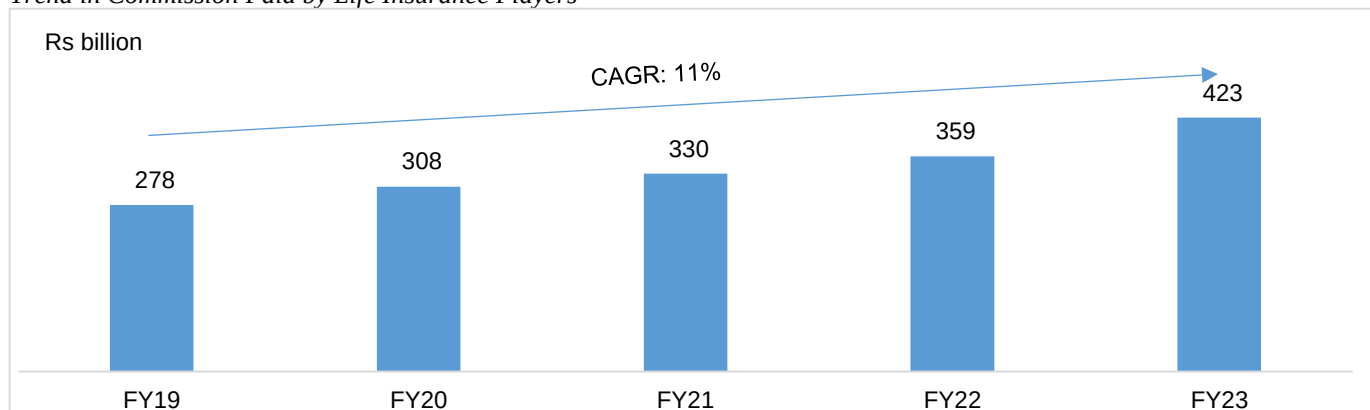
Source: IRDAI Annual report, Company reports, CRISIL Intelligence

Structural factors such as the large proportion of insurable population, higher economic growth leading to rising incomes, increase in financial savings, increasing awareness about the utility of insurance, focus on financial inclusion and increasing adoption of insurance through digital channels is expected to drive the growth of life insurance in India. The introduction of standard life insurance scheme by the government and financial inclusion drive (Pradhan Mantri Jeevan Jyoti Bima Yojana, etc.) are expected to further aid market growth.

Distribution industry to grow, driven by increasing awareness and demand for life insurance

The commissions paid by the life insurance players increased at 11% CAGR during the last five years ending Fiscal 2023 to approximately ₹ 423 billion, despite the increasing share of direct channel in new business premium. The commission paid to the Channel Partners as % of total premium has remained range bound from 4.8% in Fiscal 2016 to 5.4% in Fiscal 2023. However, despite this, the commissions paid to distributors has recorded strong growth, as evident from the below graph.

Trend in Commission Paid by Life Insurance Players



Source: IRDAI Handbook of Statistics, CRISIL Intelligence

Going forward, commission paid by life insurers is expected to grow on account of robust growth in new business premium. Also, key structural factors such as the large proportion of insurable population, rising incomes and increasing awareness about the utility of insurance is expected to drive the growth of both life insurance and distribution income.

Shift in channels of distribution of policies

The life insurance players have significantly leveraged banking channels to market their products from fiscal 2018 onwards. This gradually led to an increase in share of bancassurance channel and a decline in the share of individual agents in distribution of individual life insurance products.

Lately, due to impetus on technology by the industry and the push provided by COVID-19, share of direct selling and others including web aggregators, etc, has increased with time and the companies have in turn been able to reduce their dependency on the agency channel thus passing on some benefits to the customers and have helped to increase the profitability of the players. The direct channel accounted for close to 10% of individual life insurance premium in Fiscal 2024.

Individual agents, however, continue to account for as much as 51% of the individual life insurance premium for Fiscal 2024 due to the personal connect that they can establish especially with individual customers. They can provide hand holding to these customers, make them understand the various advantages of the policies and differences amongst various products, advice on suitability of the product basis the customer's needs, premium reminders, cheque collection etc. Thus, individual agents will continue to be the dominant channel in the Indian market where the consumers are used to their services and serve the above purposes.

Trend in channel-wise share of individual NBP in overall life insurance industry

Channel-wise new business share	Fiscal 2013	Fiscal 2018	Fiscal 2023	Fiscal 2024
Individual agents	78%	66%	53%	51%
Corporate agents – Banks	16%	25%	33%	33%
Corporate agents – Others	2%	1%	2%	2%
Brokers	2%	1%	3%	3%
Direct business ¹	3%	6%	9%	10%

Note: Individual NBP (overall industry) in Fiscals 2013, 2018, 2023 and Fiscal 2024 was ₹ 622 billion, ₹ 921 billion, ₹ 1,440 billion and ₹ 1,487 billion respectively. Remaining share of individual NBP is contributed by Referrals, Micro Agents, Web aggregators, CSCs, etc; Source: IRDAI Handbook of Statistics, Public disclosures of LI players, CRISIL Intelligence

Growth drivers

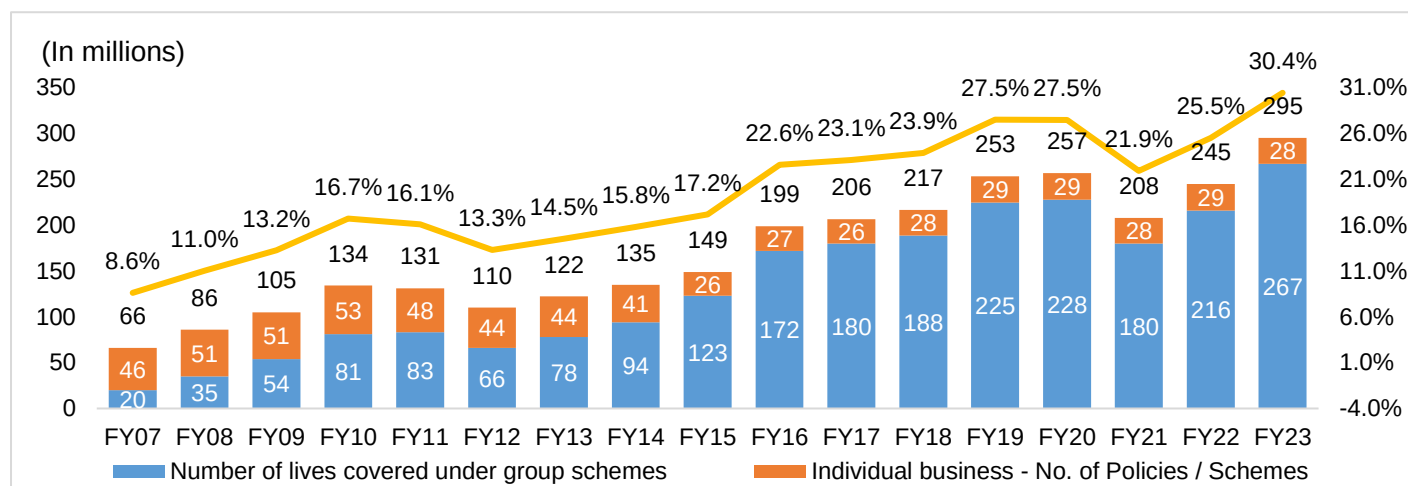
Increasing life insurance coverage

The number of lives covered under life insurance increased from 66 million from Fiscal 2016 to 295 million for Fiscal 2023. However, number of lives covered declined significantly in Fiscal 2021, largely due to impact of COVID 19 on group insurance business. Going forward, number of lives covered is expected to increase in both individual and group business due to increasing awareness, expanding distribution channels and enhanced product offerings.

Rising awareness on the need and benefits of insurance amongst customers, continuous innovation on the product side, and

increase in reach as well as distribution network of insurers are expected to facilitate growth of the industry.

Includes offline direct selling and online business through company website



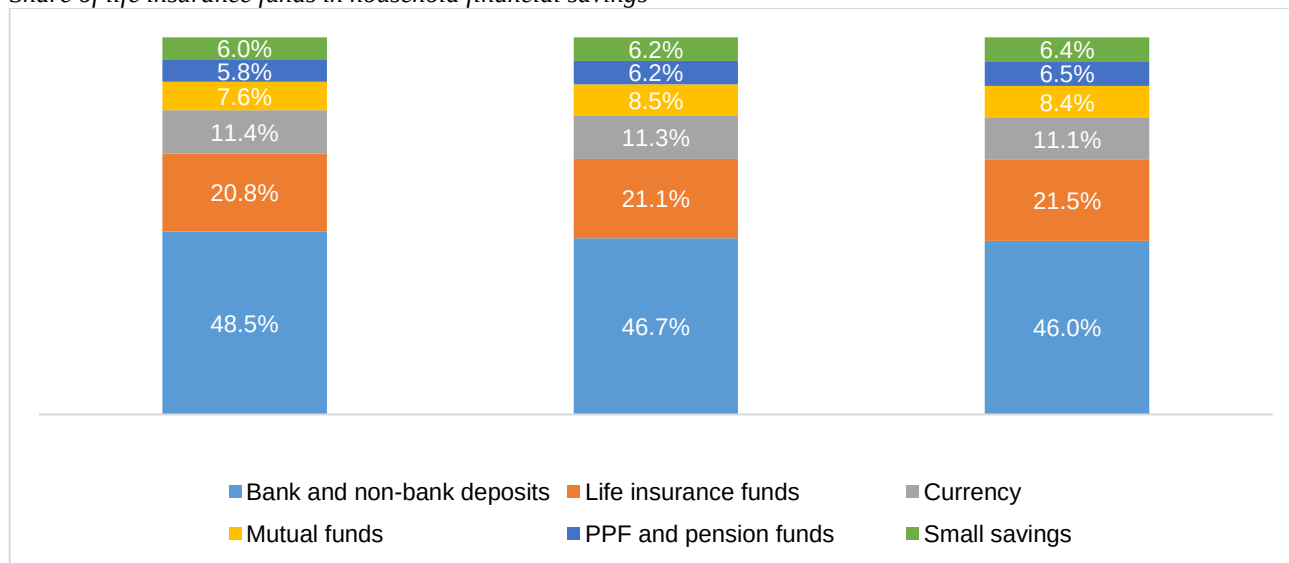
Number of lives covered in life insurance in India

Note: Coverage is calculated as number of lives covered as a % of adult population (18+); Source: IRDAI Handbook of Statistics, Company reports, CRISIL Intelligence

Insurance to remain a significant part of financial savings

Insurance is expected to continue to remain a key constituent of financial savings in India.

Share of life insurance funds in household financial savings



Source: RBI, CRISIL Intelligence

Changing customer needs and attitude towards financial security

The pandemic has spurred more people to consider insurance as a necessity to cover for morbidity risk, loss in earnings capacity and/or tackle unforeseen emergencies. So, while life insurance may be quite some way away from becoming a pull product, it is definitely moving towards becoming a nudge product. Such changes in consumer mind set have led players to adapt and introduce pandemic-specific covers, customised policies as per customer expectations and requirements, enhance focus on selling protection plans that are generally more profitable, enable digital access to services, and enhanced claim settlement mechanisms.

Digitization to be at the core of industry transformation

Convenience, digital access and customized solutions are the primary areas of focus for millennials and younger population. Insurers are designing products focussing on customer lifestyle, customer needs at various life stages and based on their interactions with the customer. The Covid-19 pandemic and increasing digital adoption by customers have prompted insurers to develop sales management tools that allows independent agents to acquire new customers digitally in the virtual presence of front-line sales representatives. Focus on collection of renewable premiums over virtual platforms has also increased over time.

Emergence of digital distribution channels

The increase in internet and mobile penetration will expand the role of digital distribution of life insurance products. In Fiscal 2024 around 10% of individual NBP came through the direct and online mode. This percentage is set to increase significantly in the coming years. A web-/app-based model will further drive-up scalability and reduce costs for insurers.

While new digital distribution channels are emerging, individual agents and banks as distributors also play an active role. The one-stop-shop model of providing multiple services through the optimum utilisation of technology is clearly sustainable. Thus, it is vital for life insurance companies to continue to use the agency and the bancassurance channel to sell insurance policies. Given the awareness of life insurance in India and the array of policy options available, the requirement of an individual to help customers select the right policy as per their need would persist. Thus, the digital distribution channel will complement the physical distribution channel and make the process more

General Insurance Industry

The size of the Indian non-life insurance industry is ₹ 2.902 trillion on total-gross direct premium basis as of Fiscal 2024. There are multiple products offered by the general insurance companies. Health segment constituted 38% share in the total premium while the motor segment alone accounted for around 32% of gross premium as of Fiscal 2024 as Motor TP is mandatory for all the vehicles.

Structure of non-life insurance industry:

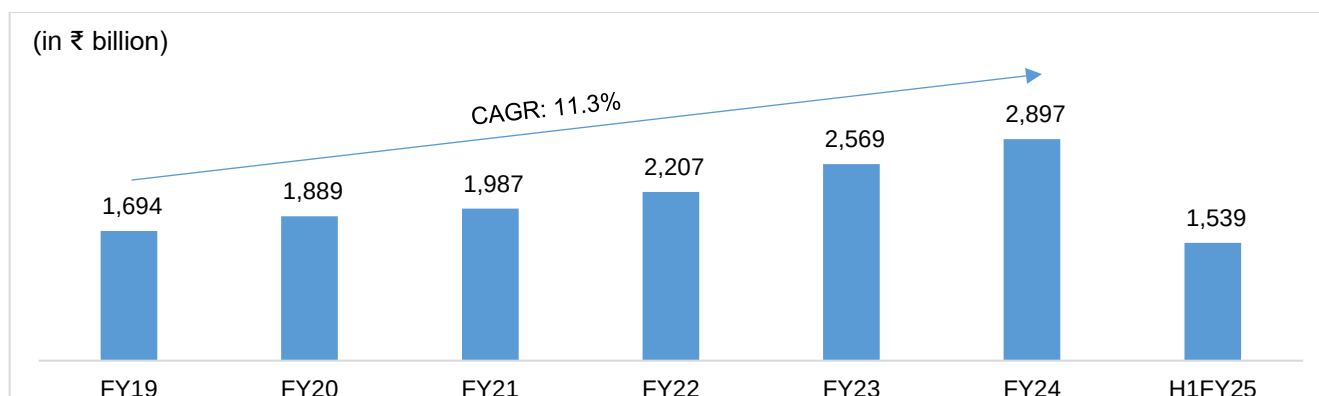
Non-life industry	Health	Motor (Total)	Fire	Marine	Others
Market share November 2024	38%	32%	9%	2%	20%

Note - * Others includes Engineering, Aviation, Liability, Crop Insurance, P.A., Credit Guarantee and All other miscellaneous

Gross direct premium has grown at approximately 11% CAGR in last five years

The non-life insurance industry in India has grown at approximately 11.3% CAGR in last five years i.e. from Fiscal 2019 to Fiscal 2024. The double-digit growth in industry premium can be attributed to increasing penetration, continuing growth in health insurance, introduction of government schemes in some specific segments, regulatory support and changes, financial inclusion drive that has increased the awareness about the need of insurance in non-life segments and continued growth in the economy.

The total premium is gross direct premium and does not include premium from general insurance company (reinsurer)



Source: GI Council Segment Wise Report, CRISIL Intelligence

With economic growth gradually picking up and structural drivers in place (rise in healthcare spending, expected growth in

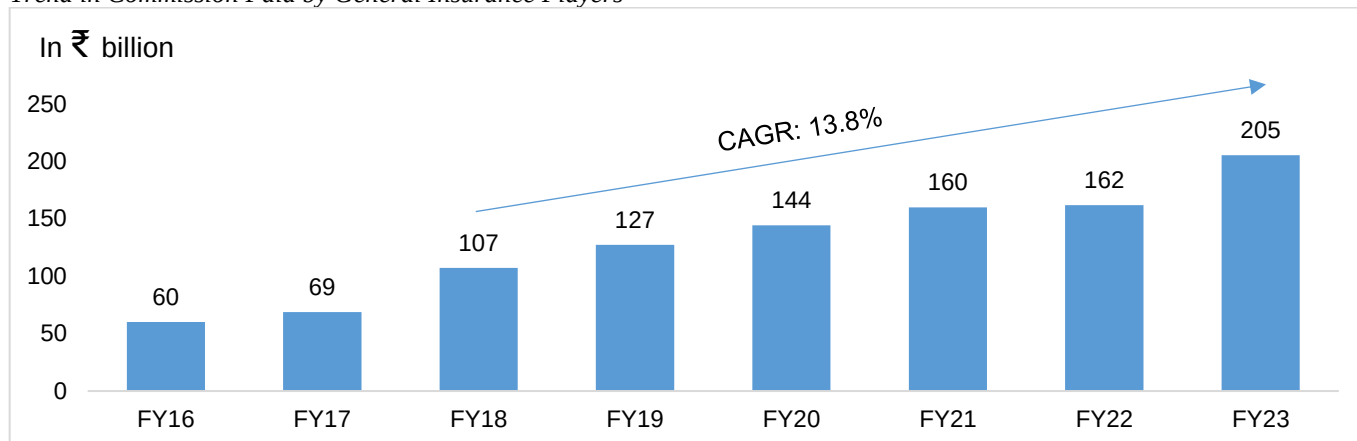
retail auto sector, agricultural reforms and schemes), CRISIL Intelligence expects the growth trajectory of non-life insurance products to remain strong in the coming years as well.

Distribution industry (general insurance) witnessed growth of 14% from Fiscal 2018 to 2023

The commissions paid by the general insurance players increased at strong 13.8% CAGR in the last five years from Fiscal 2018 to Fiscal 2023.

Going forward, commission paid by general insurers is expected to grow on account of robust growth in gross direct premium and increase in annual premium cost for customers during the same period. Also, key structural factors such as the increasing awareness about the utility of insurance, rise in vehicle sales and government policies to improve healthcare is expected to drive the growth of both general insurance and distribution income.

Trend in Commission Paid by General Insurance Players



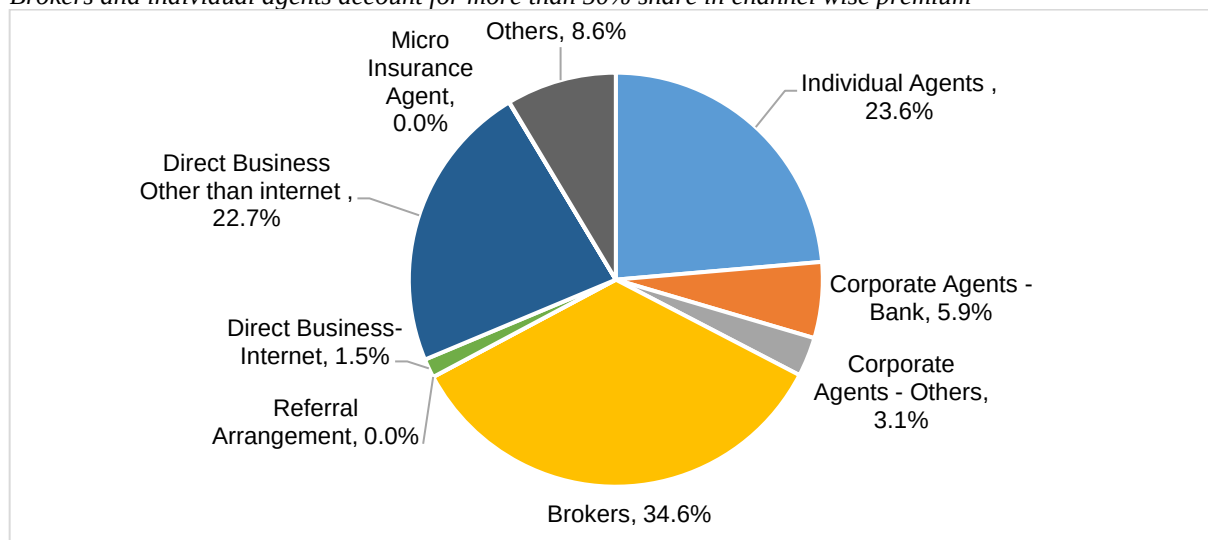
Source: GI Council Year Book, CRISIL Intelligence

Distribution trends and impact of digital channels

Individual agents and brokers account for more than 50% of the general insurance premium collected

The choice of distribution channel in general insurance is dictated by product and the target segment of various insurers. For example, players catering to the motor insurance business largely rely on the broking and the individual agent channel for garnering business, while in the health insurance business; the direct channel is also one of the major drivers of business apart from individual agent and brokers, given the retail-oriented nature of the business. In aggregate, brokers have the highest share, accounting for 34.6% of the general insurance premium in Fiscal 2023.

Brokers and individual agents account for more than 50% share in channel wise premium



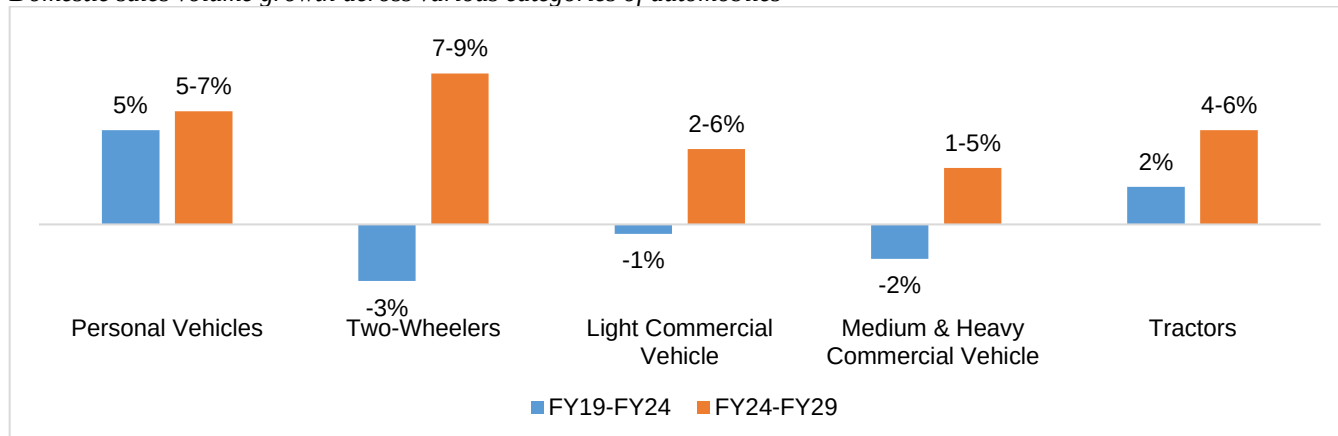
Source: GI Council Year Book, CRISIL Intelligence

Growth drivers

Rise in new vehicle sales increasing the population of vehicles on road

CRISIL Intelligence expects the growing middle-class population, increasing consumerism, focus of financiers' on pushing retail credit and continuous improvement in road infrastructure to have a favourable impact on domestic automobile sales in the next few years. Sales growth trajectory over a five-year period is expected to be strong for most of the segments. As a result, the stock of vehicles on India's roads are expected to increase further. This, along with an increase in insurance penetration and rise in third party premium tariffs, will drive growth in motor insurance premiums.

Domestic sales volume growth across various categories of automobiles

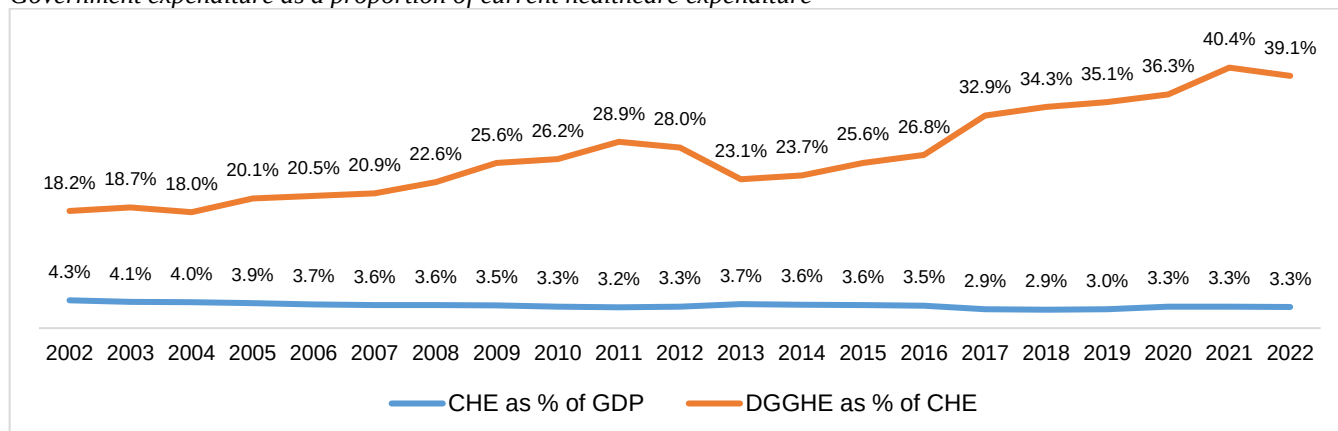


Note: P = Projected; Source: CRISIL Intelligence

Government policies to improve healthcare coverage

The government has raised its healthcare budget by approximately 2% for Fiscal 2024 to 2025 to ₹ 910 billion. The government through its National Health Mission aims to provide accessible, affordable and quality healthcare to all those who access public health facilities.

Government expenditure as a proportion of current healthcare expenditure

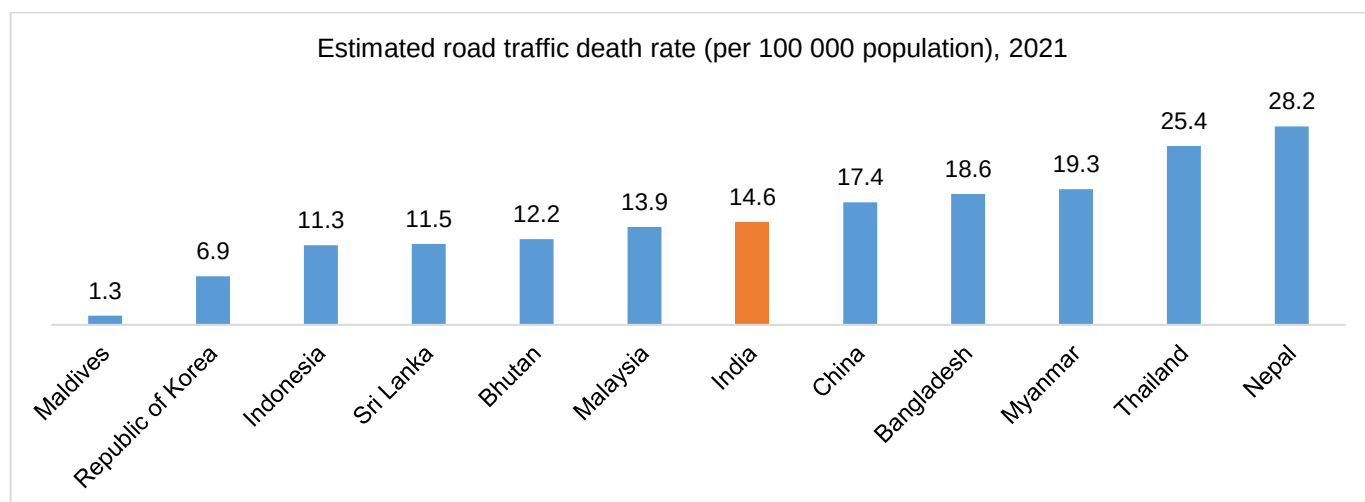


Note: CHE: Current healthcare expenditure; DGGHE: Domestic general government healthcare expenditure ; Source: WHO Global Healthcare Expenditure Database

Need of insurance against personal accident

Insurance in personal accident segment also needs special focus from the insurers as India is among the nations where road traffic mortality rate is high. As per the WHO data for 2021, 14.6 people per 100,000 population pass away in India each year due to road accidents. Considering the poor traffic and road standards in India, there is an opportunity for insurers to increase the awareness of people on need of insurance against personal accident and improve their overall penetration in this segment.

Deaths from road traffic injuries



Source: WHO-Global health observatory data repository

Rising demand for fire and marine insurance

The demand from corporates for asset protection products such as fire and marine insurance is very low. As a percentage of industrial GDP, premiums from these policies are at less than 0.5%, as compared to global benchmarks of around 3 to 5%. Amongst small and medium enterprises (“SMEs”) in particular, the demand for asset protection is non-existent. We expect penetration for these products as well to rise gradually as awareness amongst corporates to these material risks, they are exposed to increases.

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward Looking Statements” on page 17, for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read “Industry Overview”, “Financial Information”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations”, “Risk Factors” and “Selected Financial Information” on pages 116, 283, 93, 53, and 31, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Our fiscal year ends on March 31 of each year. Accordingly, references to a “Fiscal” year are to the 12-month period ended March 31 of the relevant year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2025, 2024 and 2023, included herein is derived from the Audited Consolidated Financial Statements in this Preliminary Placement Document. For further information, see “Financial Information” on page 283. However, all information in this section regarding cost, yield and average balances is based on the average balances outstanding during the relevant period/Fiscal. For further information, see “Selected Statistical Information” on page 36.

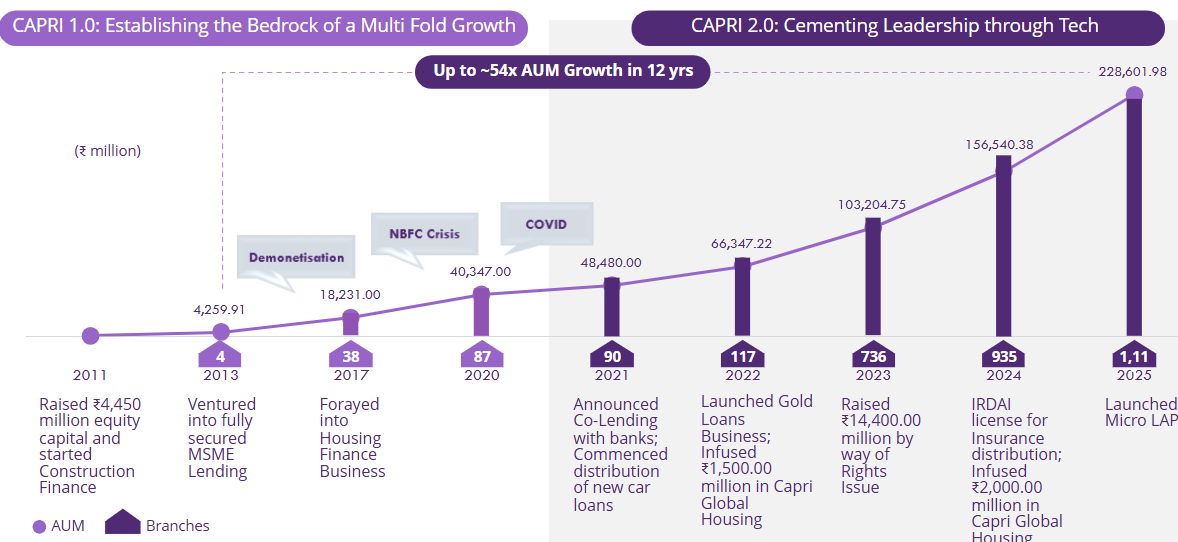
Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Report on Loans and Financial Services Industry in India” dated June 2025 (the “CRISIL Report”) prepared and issued by CRISIL, appointed by us on December 13, 2024 and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with this Issue. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar/Fiscal, as applicable.

OVERVIEW

We are a well-diversified retail-focused systemically important non-deposit taking non-banking financial company (“NBFC”) operating in India. We offer a wide range of secured and collateralized loans through our four primary lending segments, comprising MSME loans, housing loans, gold loans and construction finance. Under our MSME loans, we have recently launched micro loans against property (“**Micro LAP**”) and rooftop solar loans as new products. We also hold a corporate agent composite license for the distribution of life insurance, general insurance and health insurance policies. We received a certificate of registration as a housing finance company in July 2016 from the NHB, and started our Housing Finance business through our wholly owned subsidiary Capri Global Housing Finance (“**CGHFL**”) in December 2016. Further, through our wholly-owned Subsidiary, Capri Loans Car Platform Private Limited (“**CLCPPL**”), we are also a corporate selling agent for third-party new car loans. Our customers, particularly in relation to our MSME loan, housing loan and gold loan segments, primarily comprise of self-employed non-professionals and salaried individuals, who may not have adequate formal income proof or may lack access to formal credit channels.

As at March 31, 2025, our AUM was ₹ 228,601.98 million which grew at 46.03% year-over-year and at a CAGR of 48.83% between March 31, 2023 to March 31, 2025. As at March 31, 2025, our Gross Loans was ₹ 185,177.63 million which grew at 35.42% year-over-year and at CAGR of 38.51% since March 31, 2023. For the Fiscal 2025, our Company's disbursements increased by 58.16% year-over-year and at CAGR of 80.61% since Fiscal 2023. For the Fiscal 2025, our Company's profit after tax increased by 71.27% year-over-year and at CAGR of 52.91% since Fiscal 2023. As at March 31, 2025, we had 1,111 branches, including 803 gold loan branches, 205 MSME, housing finance and construction finance branches, 84 Micro LAP branches and 19 car loan origination branches with presence across 31 states and union territories in India. In addition, we have also established dedicated technology centres in Gurugram, Bengaluru and Noida, focused on developing our technology and data science capabilities in-house. As at March 31, 2025, our Company had total employee strength of 11,410 and total customer base of 0.55 million.

The image below highlights our growth trajectory and significant milestones since inception:



We launched our third-party new car loan distribution business in February 2021 and are a corporate selling agent for new car loan products of 12 partner banks and financial institutions across India. Our car loan originations have grown from ₹ 56,939.20 million in Fiscal 2023 to ₹ 105,518.76 million in Fiscal 2025 at CAGR of 36.13%. As at March 31, 2025, our third-party new car loan distribution business had 1,579 employees in 814 locations across 31 states and union territories, and generated a net fee income amounting to ₹ 963.04 million in Fiscal 2025. In December 2023, we received a composite license from IRDAI for distribution of insurance policies and have subsequently partnered with 18 insurance companies and have generated a net premium income of ₹ 1,289.42 million and net fee income of ₹ 727.12 million in Fiscal 2025.

We have won numerous awards over the years. We were recognized as one of the “Best BFSI Brands” by the Economic Times in 2019 and 2021. We received the “Best Brands – 2024” award at the ET Now Best Brands Conclave 2024, Great Place to Work awarded for Fiscal 2025, 2024, 2023 and 2022, and our Promoter and Managing Director, Rajesh Sharma, was awarded the “Most Promising Business Leader of Asia” by the Economic Times in 2020-2021.

The table below sets forth certain information relating to our operations and financial performance as at and for the periods indicated:

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(₹ in millions, except ratios and percentages)		
No. of customers	546,606	326,996	141,692
No. of branches	1,111	935	736
No. of employees	11,410	10,060	9,076
AUM⁽¹⁾	228,601.98	156,540.38	103,204.75
<i>Of which:</i>			
MSME loans (including co-lending) ⁽²⁾	52,789.37	50,174.29	43,579.50
Housing loans (including co-lending) ⁽³⁾	52,019.41	42,091.04	26,656.87
Gold loans (including co-lending) ⁽⁵⁾	80,422.35	34,909.97	11,255.71
Construction finance ⁽⁴⁾	41,329.13	26,212.79	18,301.08
Other Loans ⁽⁶⁾	2,041.72	3,152.29	3,411.60
Gross Loans	182,515.02	134,211.83	94,753.52
Average Interest-Earning Assets ⁽⁷⁾ [A]	161,228.05	120,660.70	85,694.10
Interest income excluding interest on security deposit ⁽⁸⁾ [B]	26,044.96	18,211.43	11,656.56
Finance costs net of lease liability ⁽⁹⁾ [C]	12,408.41	8,016.76	5,163.56
Net Interest Income ^{(10)(*)} [D = B-C]	13,636.55	10,194.67	6,493.00
Net Interest Margin ^{(11)(*)} (%) [E = D/A]	8.46%	8.45%	7.58%
Non-interest income (adjusted for fee & commission expense) (G)	5,019.23	3,837.06	2,735.65
Operating Expenses ^(*)	12,758.61	10,556.03	6,161.75
Operating Expense (excluding Fee & Commission expense) (F)	11,314.44	9,462.55	5,903.99

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	₹ in millions, except ratios and percentages)		
Cost / Income Ratio [H = F/(D+G)]	60.65%	67.44%	63.97%
Operating Profit (I = D+G-F)	7,341.34	4,569.18	3,324.66
Impairment of financial instruments (expected credit loss) [J]	1,008.16	912.78	641.82
Credit cost ^(*) (%) [K = J/A]	0.63%	0.76%	0.75%
Profit before tax [L = I-J]	6,333.18	3,656.40	2,682.84
Net profit after tax [M]	4,785.33	2,794.06	2,046.54
Average total assets ⁽¹²⁾ [N]	179,907.40	134,755.08	94,736.92
Return on average total assets ^(*) (%) [O = M/N]	2.66%	2.07%	2.16%
Average total equity ⁽¹³⁾ [P]	40,703.34	37,010.19	27,439.68
Return on average total equity ^(*) (%) [Q = M/P]	11.76%	7.55%	7.46%
Gross Stage 3 Assets (GNPAs)	2,866.98	2,660.81	1,703.96
Gross Stage 3 Assets (GNPAs) (%)	1.53%	1.92%	1.74%
Net Stage 3 Assets (NNPAs)	1,670.24	1,458.36	1,177.51
Net Stage 3 Assets (NNPAs) (%)	0.90%	1.06%	1.21%
Provision Coverage Ratio ⁽¹⁴⁾ (%)	41.74%	45.19%	30.90%
Total Borrowings	155,768.11	104,069.13	75,112.79
Total Borrowings / Total Equity	3.70	2.76	2.14
CRAR (standalone) (%)	22.84%	26.62%	39.86%

Notes:

- (1) AUM comprises net principal outstanding, principal overdue, interest overdue and accrued on standard loans, excluding excess received, if any. Excess received from customers amounting to ₹ 455.04 million was netted off against the loan book of ₹ 138,223.75 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 187,784.20 million is presented without this adjustment, and the excess received from customers amounting to ₹ 577.96 million is regrouped under 'other financial liabilities'.
- (2) In relation to MSME loans, excess received from customers amounting to ₹ 281.81 million was netted off against the loan book of ₹ 41,728.22 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 42,764.58 million is presented without this adjustment, and the excess received from customers amounting to ₹ 319.33 million is regrouped under 'other financial liabilities'.
- (3) In relation to housing loans, excess received from customers amounting to ₹ 122.38 million was netted off against the loan book of ₹ 38,905.77 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 46,056.25 million is presented without this adjustment, and the excess received from customers amounting to ₹ 223.42 million is regrouped under 'other financial liabilities'.
- (4) In relation to construction finance, excess received from customers amounting to ₹ 7.02 million was netted off against the loan book of ₹ 26,212.79 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 41,329.13 million is presented without this adjustment, and the excess received from customers amounting to ₹ 1.12 million is regrouped under 'other financial liabilities'.
- (5) In relation to gold loans, excess received from customers amounting to ₹ 5.08 million was netted off against the loan book of ₹ 28,235.67 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 55,612.66 million is presented without this adjustment, and the excess received from customers amounting to ₹ 5.04 million is regrouped under 'other financial liabilities'.
- (6) Other loans includes indirect lending loans, small business loans and loans to employees. In relation to indirect lending loans, excess received from customers amounting to nil was netted off against the loan book of ₹ 2,662.55 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 1,766.97 million is presented without this adjustment, and the excess received from customers amounting to ₹ 4.04 million is regrouped under 'other financial liabilities'. In relation to small business loans, excess received from customers amounting to ₹ 14.75 million was netted off against the loan book of ₹ 478.74 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 254.60 million is presented without this adjustment, and the excess received from customers amounting to ₹ 0.01 million is regrouped under 'other financial liabilities'.
- (7) Interest-Earning Assets comprises Interest-Earning Loans, investments and fixed deposits. The average investments are net of depreciation or provision for investments, if any. Average Interest-Earning Assets is the average of the opening balance at the start of the relevant Fiscal Year/period and the closing balances as at the half year end (for Fiscals 2022 and 2021) and the year-end/period-end in the relevant Fiscal Year/period, as applicable.
- (8) Interest income includes interest on loans, investments, and deposits (excluding interest on security deposit of ₹ 16.21 million, ₹ 9.47 million and ₹ 5.05 million in the Fiscals 2025, 2024, and 2023, respectively).
- (9) Interest on lease liability was ₹ 327.57 million, ₹ 342.25 million and ₹ 147.62 million in the Fiscals 2025, 2024 and 2023, respectively.
- (10) Net Interest Income for Fiscal 2025, Fiscal 2024 and Fiscal 2023 is interest earned (excluding interest on security deposit of ₹ 16.21 million in Fiscal 2025, ₹ 9.47 million in Fiscal 2024 and ₹ 5.05 million in Fiscal 2023) minus finance costs (excluding interest on lease liability of ₹ 327.57 million in Fiscal 2025, ₹ 342.25 million in Fiscal 2024 and ₹ 147.62 million in Fiscal 2023).
- (11) Net Interest Margin is the ratio of Net Interest Income to Average Total Interest-Earning Assets ("Net Interest Margin").
- (12) Average total assets is calculated as the average of the opening and closing total assets of the Fiscal /period.
- (13) Average total equity is calculated as the average of the opening and closing total equity of the Fiscal /period.
- (14) Provision coverage ratio is the total expected credit loss provisions divided by gross Stage 3 Assets/gross NPAs ("Provision Coverage Ratio").
- (*) Non-GAAP Financial Measure.

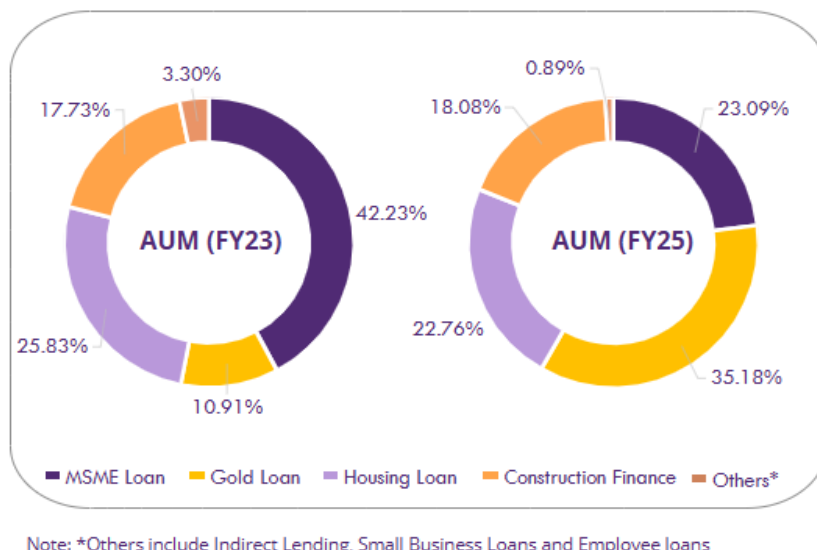
OUR STRENGTHS

Prominent and well-diversified NBFC with vintage and a track record of delivering strong growth

Since the commencement of our NBFC operations in 2011, we have established ourselves as a prominent player with experience of 14 years, in the Indian financial services sector and have demonstrated a consistent track record of execution and resilience. We have diversified our business operations by entering into new segments, launching new products and scaling up those segments. Our AUM has increased from ₹ 103,204.75 million as at March 31, 2023 to ₹ 156,540.38 million as at March 31,

2024 and was ₹ 228,601.98 million as at March 31, 2025, which demonstrates significant growth at a CAGR of 48.83%. Our ability to effectively scale our operations is also evident through the strategic expansion of our branch network, which has increased from 736 branches as at March 31, 2023 to 1,111 branches as at March 31, 2025, as well as our total number of employees, which has increased from 9,076 employees as at March 31, 2023 to 11,410 employees as at March 31, 2025. Our customer base has also expanded rapidly from 141,692 customers as at March 31, 2023 to 546,606 customers as at March 31, 2025, which reflects the trust and confidence placed in our financial products and services by our customers.

Our growth trajectory has been supported through our well-diversified product portfolio, which includes high-growth segments such as MSME loans, housing loans, gold loans and construction finance. Under our MSME loans, we have now launched Micro LAP and rooftop solar loans as new products. We believe that our optimal product mix has enabled us to deliver strong growth and provided a hedge against macroeconomic events, thus making our franchise resilient and sustainable. The graph below represents the AUM split across these product segments as at March 31, 2025:



According to the CRISIL Report, in Fiscal 2024, the estimated MSME credit demand in India was approximately ₹ 138 trillion, with only 25% of this demand being met through formal financing channels (Source: CRISIL Report). As a result, the credit gap faced by MSMEs is estimated to have increased to ₹ 103 trillion as of Fiscal 2024 (Source: CRISIL Report). With NBFCs and housing finance companies establishing a growing presence in the MSME loan sector, there is a significant opportunity to grow our MSME lending portfolio in India. In terms of our housing loans segment, the Indian housing finance market clocked a healthy CAGR of approximately 12.4% in terms of credit outstanding during Fiscals 2019 to 2024, on account of a rise in disposable incomes, healthy demand and greater number of players entering the segment, as well as stable property rates and improved annual income of individual borrowers (Source: CRISIL Report). As of Fiscal 2024, the overall housing finance segment credit outstanding is approximately ₹ 33.7 trillion, and the housing segment is expected to grow at a CAGR of 13% to 15% from Fiscals 2024 to 2027 (Source: CRISIL Report). Additionally, the overall gold loan financing market has grown by a CAGR of 25% between Fiscals 2020 and 2024, with the outstanding value of loans given by organised financiers' - banks and NBFCs amounting to ₹ 7.6 trillion as of March 2024 (Source: CRISIL Report). NBFCs accounted for 21% of the gold loan financing market as of March 2024 and their share is expected to grow at a rate of 17% to 18% (Source: CRISIL Report).

We believe that through our established presence and strong execution capabilities, we are well positioned to capitalize on the opportunities presented by the growth potential of these segments in India. Our focus on the underbanked and underserved customers, our understanding of local markets and on-ground presence have allowed us to curate our loan offerings and experiences tailored to customer needs, which has enabled us to gain a competitive edge over our peers in our loan segments. For instance, in relation to our MSME and housing loan segments, our existing branch network in semi-urban and rural areas, our understanding of customer occupations and cashflows, coupled with our in-house technology for loan applications, enables us to reach out to more customers and underwrite more effectively. In relation to our gold loan segment, our fully digital loan application process, modern branch infrastructure with advanced security systems, technology-driven audit and risk management triggers and focus on a faster turnaround time ("TAT") of less than 30 minutes has led us to achieving a customer repeat ratio of 54.56% and an average AUM per branch of ₹ 100.15 million as at March 31, 2025, within less than two and a half years of the launch of this segment. Further, in relation to our construction finance segment, we believe that our in-depth understanding of the market through years of presence, ability to provide customized solutions and turnaround proposals with speed, and well-defined multi-layered credit approval and monitoring processes led by a stable team have enabled us to build a niche expertise in this segment.

Retail-focused secured loan book supplemented by asset light income streams

We provide retail, granular and secured loans backed by collateral to our customers across our MSME loan, housing loan, gold loan and construction finance segments. As of March 31, 2025, 99.88% of our AUM was secured by collateral. Set out below is a description of our target customers in these segments, as well as their credit requirements, which are addressed through our loan offerings:

- **MSME loans:** We offer small ticket size MSME loans to self-employed non-professionals ("SENPs") and underbanked/underserved customers, which comprise customers who own local provision stores, retail outlets, small manufacturing units or workshops in tier II, III, and IV cities having minimal or no credit history and may lack formal income proof. As of March 31, 2025, 97.13% of our customers in these segments were SENPs, and 49.91% of our customers' income was less than ₹ 1.00 million and 89.08% customers were with proof of assessed income. These customers typically require MSME loans for working capital, purchase of machinery, equipment or vehicles. Our MSME loans portfolio has an average ticket size of ₹ 1.32 million and are primarily secured either by residential or commercial property as collateral. Within MSME segment, our Micro LAP product have an average ticket size of ₹ 0.41 million.
- **Housing loans:** We offer small ticket housing loans to unbanked and underserved SENPs and formal salaried customers, who are primarily first-time home buyers located in tier II and tier III cities. As of March 31, 2025, 68.48% of our customers in these segments were SENPs, and 60.62% of our customers' family income was less than ₹ 1.00 million, and 62.38% customers were with proof of assessed income. These customers typically require housing loans for home or plot purchase or extension or renovation of their homes. Our housing loans portfolio have an average ticket size of ₹ 1.39 million and is secured with residential property as collateral.
- **Gold loans:** We offer gold loans to small business owners, salaried individuals, women entrepreneurs and small and marginal farmers. These customers typically require loans for medical exigencies, temporary financial requirements, business expansion or seasonal business working capital requirements. As of March 31, 2025, 87.23% of our customers' family income was less than ₹ 0.50 million, and 46.35% of the customers had taken less than ₹ 0.07 million disbursement. Our gold loans portfolio have an average ticket size of ₹ 0.13 million and are secured with 18 carat or 22 carat jewelry as collateral.
- **Construction finance:** We offer loans for construction and project related expenses to real estate developers in metro and tier 1 cities for construction of affordable homes, looking for tailored solutions and faster TAT.

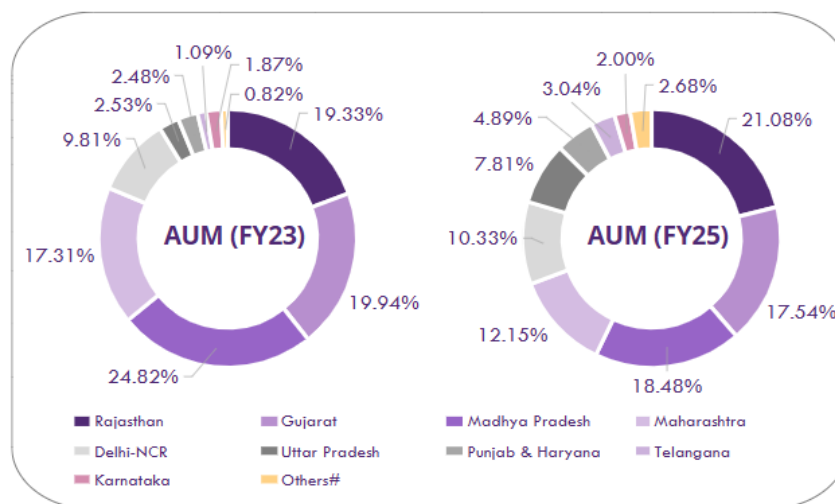
Through our customised loan offerings and customer application through digital processing, we have been able to offer comprehensive services to these customers, with minimal disruption to their businesses during the loan origination process. For details of the AUM, average ticket size, collateral and process followed in relation to these loans from origination to collection, see "Our Business – Our Products" on page 187.

In addition to our secured loan book, we have developed complementary asset light income streams through fee-based businesses. We launched our third-party car loan distribution business in February 2021, currently part of our wholly owned subsidiary CLCPPL and as at March 31, 2025, we have established strategic partnerships with 12 partner banks and financial institutions. In Fiscal 2025 and Fiscal 2024, we generated a net fee income of ₹ 963.04 million and ₹ 1,075.68 million, respectively, through this business, and our loan originations have increased from ₹ 51,384.00 million in Fiscal 2023 to ₹ 94,636.00 million in Fiscal 2024, and were ₹ 100,743.00 million in Fiscal 2025. For details, see "Our Business – Distribution of Third-Party Products - New Car Loans" on page 194. In addition, we have received a composite license from IRDAI for distribution of insurance policies and have partnered with 18 insurance companies, comprising nine life insurance companies, five general insurance companies and four health insurance companies. As at March 31, 2025, we generated a policy count of 405,931 policies, out of which 84.70% were through cross-selling. In Fiscal 2025, we generated a total premium of ₹ 1,289.42 million and a net fee income of ₹ 727.12 million. Through these two segments, we are able to generate additional revenue without significant capital investment, which has helped enhance our growth potential and return on equity. In Fiscal 2025, share of non-interest income in total net income comprised 26.90%.

Contiguous geographical expansion with hybrid sourcing model and in-house collections

Over the past few years, we have rapidly and strategically expanded our branch network across India, with continued penetration in existing markets and regions to consolidate our presence. Our total number of branches has increased considerably from 736 branches as at March 31, 2023 to 1,111 branches as at March 31, 2025. Our branches comprised of 803 gold loan branches across 10 states and union territories, 202 branches for MSME and housing loans across 12 states and union territories, 84 branches for micro LAP loans, 3 branches for construction finance and 19 branches for car loan origination. For details of our branch locations, see "Our Business – Our Branch Network" on page 195.

The graph below indicates the geographical distribution of AUM at March 31, 2025:



Note: #Includes MSME Loans, Micro LAP, Housing Loans, Gold Loans and Construction Finance

In addition, through the introduction of our micro LAP loans in the MSME segment, we have entered new markets of Andhra Pradesh and Telangana. Our wide geographical presence has enabled us to cater to a large number of new customers and diversify our operations, thereby avoiding concentration of operations in certain states or regions with no state contributing more than 25.00%.

We source our loans through a physical and hybrid sourcing model, which combines multiple channels for sourcing loans to ensure comprehensive market coverage and efficient customer acquisition. This model comprises of various physical channels such as branch walk-ins, an in-house direct sales team, direct selling agents and business partners that leverage their local market knowledge to tap into new customer segments, digital and online channels such as our website, tele-calling unit and targeted marketing campaigns and strategic partnerships with fintech companies. We have also developed a business sourcing model in the form of 'Capri Business Partner', which serves as a single channel for multiple product sourcing. To enhance the integration and efficiency of this channel, we have a dedicated team of 40 employees focused on its expansion, along with the development of the application "Capri Business Partner App". This application provides real-time updates on lead qualification and loan process to our partners and facilitates a one-day cycle for incentive payments through automated invoicing. As at March 31, 2025, we have onboarded over 0.08 million partners and disbursed over 0.02 million leads for an amount of over ₹ 7,061 million through this application, with a leads to disbursement ratio of approximately 17%. In addition, the rapid growth of our customer base provides us a large opportunity to cross sell other loan and fee-based products to our existing customers.

We have a disciplined and focused approach towards collection with our operations managed completely in-house through a collection staff comprising of more than 563 employees, who ensure management of timely loan repayments, thereby increasing our collection efficiency and lowering our delinquency rates. Our in-house collection team also manages recovery from delinquent accounts and our litigation team helps in recovery efforts by enforcing legal actions. We have implemented a 'days past due' bucket-wise strategy to manage collections, through which loans are allocated to the collection channel based on their delinquency status and past repayment behavior of the customer. A dedicated tele-calling unit proactively contacts customers and sends reminders for upcoming payments through call, SMS or bot calling, and our field staff conducts on-ground visits to engage with customers and collect payments. As at March 31, 2025, we had more than 500 field employees and more than 25 employees in our tele calling unit for managing collections. We also extensively use technology and data science tools to drive performance of our collections process. Our detailed collection dashboards for supervisory staff and 'CollectXpress' application for field staff allows them to optimize route maps, track and monitor collections in real-time. We also use artificial intelligence ("AI") driven tools to analyse and optimise the performance of our tele-calling staff through speech to text conversion. As at March 31, 2025, we recorded a collection efficiency of 99.86% and 95.44% of our collections were through digital modes. Given that all our loans (except small business loans and employee loans) are secured through collateral assets, in cases of default, our litigation and collection teams facilitate the sale of the collateral and realise the sale proceeds towards repayment of the loan.

Advanced in-house technology and data analytics platform driving productivity and efficiency

We have developed an advanced technology-backed platform covering the complete customer lifecycle, including onboarding, credit underwriting, disbursement, collections and customer relationship. Our in-house developed applications provide us with the ability to customize our systems with scale, improve operational efficiency, rapidly adapt to regulatory changes and maintain low maintenance costs on an ongoing basis. Additionally, our technology infrastructure supports the encryption of confidential customer data, which supports adherence to applicable reporting and information security standards.

As part of our digital initiatives, we provide seamless end-to-end engagement with our business partners through the 'Capri Business Partner' application. For details, see "*Our Business – Strengths – Contiguous geographical expansion with hybrid sourcing model and in-house collection model*" on page 282. Our in-house sales, credit and collection teams have been provided with digital devices to tech enable them and operate efficiently. Through our 'Pragati' application, our sales team is able to capture leads, verify customer information and submit applications digitally through optical character recognition ("OCR") and know your customer ("KYC") checks. The use of this application has increased productivity and improved TAT for our sales team. We have also developed 'PD Mobility', an application for our credit team that allows them to geo-tag location and capture images of collateral live during their personal discussions with customers. Our 'LoanXpress' application is an in-house developed loan origination system, which manages the end-to-end loan application cycle, including document verifications, customer risk profiling, credit decisions, commercial approvals and loan disbursement. Further, as part of our underwriting process, we use business rule engine ("BRE") and scorecards, which help us evaluate applications based on multiple parameters and categorize customers into appropriate risk segments. This is further used by our underwriting team to make credit decisions and offer risk-based pricing on our offerings. Our loans are disbursed digitally through e-sign and e-stamp post verification through Aadhar-based biometric and face recognition. We have also launched our 'Capri Loans' application, which is a customer-relationship application used to make payments and raise service requests. As of March 31, 2025, we had 0.70 million customers registered, 0.21 million monthly average active users and had catered to 0.04 million service requests, and collected ₹ 10,191 million as repayments through this application. Additionally, we launched Capri AI-Dost in August 2024, which is an AI-driven chatbot designed to assist customers by resolving their loan-related queries in vernacular language. Additionally, our proprietary loan origination system ("LOS"), 'Swarnim', digitizes and streamlines loan processing for gold loans.

One of the key enablers of our expanding technology footprint is our in-house technology team, which as at March 31, 2025, comprised of 153 employees. We have also established technology centres in Gurugram, Noida and Bengaluru, which serve as hubs for innovation and development of our technology infrastructure. For additional details of our technology-based initiatives, see "*Our Business – Technology*" on page 196.

Prudent underwriting practices and risk management

We employ detailed underwriting practices to ensure superior asset quality and the effective management of our risks. For our MSME and housing loans, we use a customised approach to analyse a potential borrower's income profile, since many of our customers do not have adequate proof of formal income supported by tax returns, financial statements, credit card statements, or other related documents. Loans to such customers represented approximately 89.08% of our portfolio for MSME loans and 62.38% of our portfolio for affordable housing loans, respectively, as at March 31, 2025.

Our underwriting process for MSME and housing loans includes using CIBIL scores to screen potential customers, which helps ensure that only those customers with acceptable credit profiles proceed to the next stage of the loan application process. Based on the various parameters, approximately 6% of the applications are filtered out upfront. We use our in-house BRE to categorize customers into appropriate risk segments using multiple parameters. Further, we employ a comprehensive risk-based pricing model, which basis the customer's risk profile and collateral quality, provides recommendations on yield and fees. We have in-house legal, technical and risk containment units and have additionally empanelled vendors to conduct technical and legal evaluation of the property offered as collateral. Our strong credit appraisal system is demonstrated by the fact that our login-to-sanction ratio for our MSME and housing loan segments together was approximately 31.20% in Fiscal 2025.

In particular, for our gold loan business, our underwriting process comprises evaluating the eligibility of loan application based on the weight and purity of the gold, between 18 carat to 22 carat. Our gold loan branches are generally staffed with two gold valuers, having prior experience in gold valuation. We measure the weight of the gold ornaments using calibrated weighing machines, excluding the weight and value of any stones embedded in the ornament. After determining the weight, the ornament undergoes prescribed tests to assess its purity in terms of our gold loan policy. Once both the value and weight of the gold are established, the loan eligibility is determined based on the average rate of gold over the past 30 days, as prescribed by the Indian Bullion and Jewellers Association ("IBJA").

Our construction finance approval process includes evaluation of a project and the borrower from a technical, commercial, financial, and legal perspective. As part of the appraisal process, we submit a note to an internal credit committee identifying each of the risks, along with the mitigating factors, if any. We have a dedicated team responsible for monitoring our exposure until loans are fully repaid, and we require borrowers to submit monthly reports on the progress of the construction. Borrowers are also required to take a no-objection certificate from us for each unit sold in the project and are required to deposit the receivables from such sale into the designated project collection account, which is ring-fenced by way of an escrow mechanism.

We believe that our credit and risk management policies as well as the use of technology in our credit underwriting have helped us to reduce credit costs and maintain relatively low Stage 3 Assets / NPAs. For Fiscal 2025, our credit cost was 0.63% of our Average Gross loans and our average credit costs for the period since Fiscal 2023 was 0.74%. All of our loans (except small business loans and employee loans) are secured by collateral, which helps us to recover amounts due on NPAs, keeping our actual loss experience low. As at March 31, 2025, our gross Stage 3 Assets / NPA as a percentage of our gross credit exposure

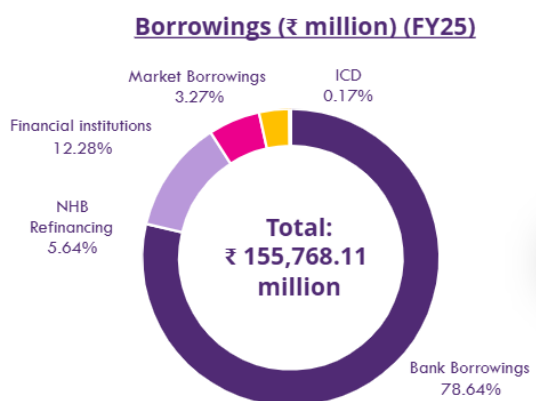
was 1.53%, our net Stage 3 Assets/ NPAs as a percentage of our net credit exposure was 0.90% and our provision coverage ratio ("PCR"), which is our total expected credit loss provisions divided by Gross Stage 3 Assets/ NPAs, was 41.74%. We also maintain a significant loan to value ("LTV") cushion in each of our loan segments to mitigate risks associated with collateral devaluation or recovery in case of loan default by borrower.

Robust balance sheet supported by effective liability management

We maintain a robust balance sheet, which is supported by a effective liability management framework. This involves maintaining optimal capital adequacy ratios, so as to ensure financial stability and the ability to absorb potential losses. As at March 31, 2025, our Company's capital adequacy ratio on a standalone basis was 22.84%, compared to the statutory required minimum of 15.00%, and CGHFL's capital adequacy ratio on a standalone basis was 26.93%. We also endeavour to maintain a healthy liquidity position to meet our short-term obligations. In Fiscal 2025, we received incremental credit lines of ₹ 76,250 million for our Company on a consolidated basis, and maintained liquidity through cash and cash equivalents and undrawn credit lines amounting to ₹ 18,277 million. We maintain a sustainable level of leverage in our business, with a debt-to-equity ratio of 3.70x as at March 31, 2025.

In terms of our borrowings, we have raised long-term borrowings from various scheduled commercial banks and financial institutions and issued non-convertible debentures and commercial papers. Our preference for long-term term borrowings is in line with the long tenor of our loans, and the need to manage liquidity and interest rate risks. We have established strong relationships with 21 lenders, including public sector financial institutions, private sector banks and life insurance companies, which provides access to a wide range of funding sources and credit lines. Given that 89.42% of our interest bearing liabilities as at March 31, 2025 were at a floating rate of interest, we believe that we are favorably placed to benefit from further reduction in the RBI repo rate.

The graph below indicates our borrowings as of March 31, 2025:



We have also developed co-lending partnerships with 11 partner banks, for our MSME loans, housing loans and gold loans segments. Through our co-lending model, we retain 20.00% to 30.00% of our loans on our balance sheet, while our co-lending partners retain the balance; and this aids in diversifying our funding sources, managing our liabilities, conserving capital and boosting return on equity ("RoE"). In Fiscal 2025 and Fiscal 2024, we generated ₹ 1,650.77 million and ₹ 1,018.10 million through earning spread on our co-lending loans, respectively. Our co-lending AUM in the Fiscal 2025 was ₹ 40,797.63 million, comprising 17.85% of the total AUM.

Our Company had a positive asset-liability gap position on a cumulative basis across all buckets as at March 31, 2025. For details on the maturity pattern of our Company's assets and liabilities as at March 31, 2025 on a standalone basis, see "Selected Statistical Information – Asset-Liability Gap – Our Company" on page 43. Our ALM strategy is overseen by our Asset Liability Management Committee and aims to manage liquidity and interest rate risk to ensure that there are no duration mismatches between either side of the balance sheet.

Strong corporate governance led by experienced Board and senior management team

We are led by a distinguished and experienced Board, which is committed to maintaining the highest standards of corporate governance through overseeing various committees. Our Board comprises seven directors, six of whom are independent directors including a woman director, which helps ensure robust oversight and independent judgment. Our Board is led by our Chairman and Independent Director, Lingam Venkata Prabhakar, who has considerable experience in banking and finance, asset management companies and insurance companies; as well as our Promoter and Managing Director, Rajesh Sharma, who

is a qualified chartered accountant and has 25 years of experience in the finance sector. Our other Independent Directors include Ajit Mohan Sharan, Desh Raj Dogra, Nupur Mukherjee, Shishir Priyadarshi and Subramanian Ranganathan.

We also have an experienced senior management team, which is supported by a capable and motivated pool of employees. These include Ravish Gupta, Business Head – Gold Loans; Abhishek Sinha, Chief Business Officer – MSME and Micro LAP; Munish Jain, Business Head – Home Loans; Vijay Kumar Gattani, Director – Credit – Construction Finance; Bhaskarla Keshav Kumar, Director – Monitoring – Construction Finance; Sanjay Manglani, Head – Insurance; Amit Setia, Head – Business Alliances – Car Loans; Tarun Aggarwal, Group Chief Technology Officer; and Piyush Dangaich, Chief Data Science and Analytics Officer. Our corporate functions are overseen by Divya Sutar, Director – Business Strategy; Partha Chakraborti, Chief Financial Officer; Magesh Iyer, Chief Operating Officer; Yashesh Bhatt, Company Secretary and Compliance Officer; Sanjeev Srivastava, Chief Risk Officer; Bhupinder Singh, Head – Legal Litigation; Hardik Doshi, Head – Corporate Finance and Investor Relations; and Abhishek Yadav, Chief Compliance Officer. Our senior management team has diverse experience in various financial services and functions related to our business, and an in-depth understanding of the specific industry, products and geographic regions they cover, which enables them to appropriately support and guide our employees.

OUR STRATEGIES

Diversify our product offerings for sustained growth

In order to maintain a competitive edge and cater to the needs of our customers in underserved markets, we intend to broaden our loan portfolio in the retail lending space by focusing on revenue diversification and margin expansion. In Fiscal 2025, we introduced two new products, namely Micro LAP and rooftop solar loans in our MSME segment, to address specific market segments and foster sustainable development. Our Micro LAP loans are tailored to meet the small ticket loan requirement of SENPs and entrepreneurs, so as to help them fund their business operations and achieve growth. Our rooftop solar loans support the adoption of sustainable energy solutions by providing financing to individuals for rooftop solar installations. We believe this will enhance our relevance in the competitive retail loan market, while also supporting our broader economic and environmental objectives.

Geographic expansion and deepening our presence in existing markets

We intend to expand our presence in India through the addition of new branches in existing geographies, while also strategically expand into underserved regions with limited financial services infrastructure. This will allow us consolidate our presence as well as cater to a wider customer base, particularly in regions where a majority of customers lack access to formal credit. In order to optimise our expansion, we assess potential markets by analysing demographic, competitive and regulatory factors, site selection and availability, and growth potential.

We believe that branch expansion will also increase the visibility of our brand in the market and help strengthen our foothold in our customer segment. In addition to building a broader customer base and increasing productivity of existing branches, our strategy is aimed at supporting local economic development and enhancing our operational reach.

Leveraging technology and data analytics for operational excellence

We aim to leverage our existing technology, Generative AI, data science and analytics infrastructure to enhance our productivity and operations. We are currently working towards driving our efficiency and enhancing customer experience through a suite of advanced in-house technology platforms, including our loan origination framework and applications such as 'Pragati', 'LoanXpress', 'Swarnim', 'CollectXpress' and 'Capri Loans'. For details, see "Our Business – Technology" on page 196.

We intend to continuously upgrade our technology stack and infrastructure to optimize our operations. Our recent initiatives are being extensively used by our sales and collection teams for their loan origination and collection processes, respectively. We launched BRE scorecard-based underwriting, which evaluates applications based on multiple parameters and categorizes customers into appropriate risk segments. This process will enhance log-in to sanction ratios, improve customer profiling and enable risk-based pricing. We are also developing tools as human assistants using Generative AI to drive operational efficiency, employee productivity and customer experience. These will also ensure faster TAT and streamline loan disbursements, which in turn will enhance customer experience. We intend to further develop and strengthen our AI and ML driven collection dashboards, which will enable real-time monitoring, early detection of delinquency and improve overall asset quality.

Leveraging our customer base to drive fee income and cross-selling of products

We intend to leverage our growing customer base to generate and increase income from cross-selling of financial products, namely in our car loans and insurance distribution verticals. In particular, we intend to leverage our existing partnerships with 18 insurance companies across life insurance, general insurance and health insurance categories to expand our insurance distribution business in India. We believe that our established presence provides a significant opportunity to grow these

verticals. This will enable us to further deliver on our vision to provide comprehensive and tailored financial solutions to meet the needs of our customers. Our data science and analytics initiatives will help gain actionable insights by analysing customer behaviour, market trends and industry demands, and will also help identify cross-selling opportunities. By focusing on our existing customers, we aim to strengthen relationships and increase customer engagement and retention, while also reducing acquisition costs.

Diversifying our borrowings for effective liability management

We are committed to diversifying our borrowings to ensure effective liability management and reduction of funding costs. We intend to achieve this through several initiatives, one of them being the expansion of our co-lending operations. We plan to onboard new banking partners across various product segments as well as increase borrowing limits with our existing banking partners. In addition, we also plan to leverage securitization as a complementary avenue to support our co-lending business.

We aim to diversify our funding sources and tap into other borrowing instruments such as commercial papers, non-convertible debentures and external commercial borrowings. As of March 31, 2025, outstanding commercial papers and non-convertible debentures comprised 3.27% of our total borrowings as compared to 1.46% as of March 31, 2024, which showcases our progress in diversifying our funding and lowering our dependence on borrowings from banks. We also intend to raise funds through the issuance of non-convertible debentures through a mix of public issues and private placements and we aim to explore opportunities to raise funds through external commercial borrowings, targeting both domestic and foreign investors.

OUR PRODUCTS

We offer a wide range of loans through our four lending segments, namely MSME loans, housing loans, gold loans and construction finance.

MSME and Housing loans

We provide finance to SENPs operating in medium and small manufacturing and service units such as provision stores, retail outlets and manufacturing workshops, as well as MSMEs operating as transport operators, education and healthcare service providers. These MSMEs avail loans for working capital, purchase of equipment, machinery or vehicles.

As per our products rules as at March 31, 2025, at disbursement our MSME loans have a ticket size of ₹ 0.20 million to ₹ 15.00 million, with a maximum tenor of 15 years. We offer a semi-fixed interest rate for three years and a floating interest rate that is determined by our management depending on customer profile, CIBIL score, income source, property type and location of property.

The table below set forth certain information relating to our MSME loans as at and for the periods indicated:

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(₹ in millions, except ratios and percentages)		
AUM ⁽¹⁾	52,789.37	50,174.29	43,579.50
MSME loans AUM as a percentage of our total AUM (%)	23.09%	32.05%	42.23%
Average Interest Earning Loans	39,154.09	38,522.78	33,052.53
Disbursements ^(*)	15,414.14	15,050.01	17,390.89
Annualised Yield on Average Interest Earning Loans ^(*) (%)	15.37%	15.92%	15.70%
Average ticket size at sanction ^{(2)(*)}	1.08	1.56	1.68
Average ticket size at the balance sheet date ^(*)	1.32	1.58	1.60
Average LTVs at balance sheet date ^(*) (%)	51.67%	51.96%	50.83%
Number of customers	40,127	31,814	27,162
Gross Stage 3 Ratio ⁽³⁾	4.01%	4.02%	3.38%
PCR on Stage 3 loans / NPAs ⁽⁴⁾	48.87%	45.68%	25.91%

Notes:

(1) In relation to MSME loans, excess received from customers amounting to ₹ 281.81 million was netted off against the loan book of ₹ 41,728.22 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 42,764.58 million is presented without this adjustment, and the excess received from customers of ₹ 319.33 million is regrouped under 'other financial liabilities'.

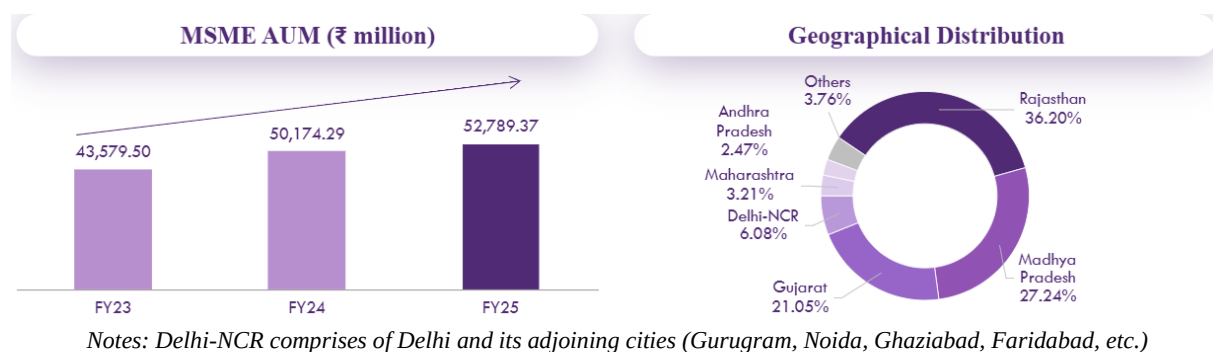
(2) Average ticket size at sanction for the period is based on the cumulative sanctioned amounts and the number of loans sanctioned for the period.

(3) Gross Stage 3 Ratio is calculated as Stage 3 Assets divided by total assets. Gross Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date.

(4) PCR = Provisions as a percentage of Gross NPAs.

(*) Non-GAAP Financial Measure.

The graphs below represent the growth in AUM from the MSME loan segment and the geographical distribution of AUM from the MSME loan segment as at March 31, 2025:



Through our Subsidiary, CGHFL, we provide housing loans towards the purchase of residential units, the construction, extension, and renovation of homes, the purchase of land and home equity loans. As at March 31, 2025, 68.48% of our housing loans outstanding were made to SENPs and 31.52% of our housing loans outstanding were made to salaried individuals.

As per our products rules as at March 31, 2025, at disbursement our housing loans have a ticket size of ₹ 0.20 million to ₹ 15.00 million, with a maximum tenor of 25 years. We offer a semi-fixed interest rate for three years and a floating interest rate that is determined by our management depending on customer profile, CIBIL score, income source, property type and location of property.

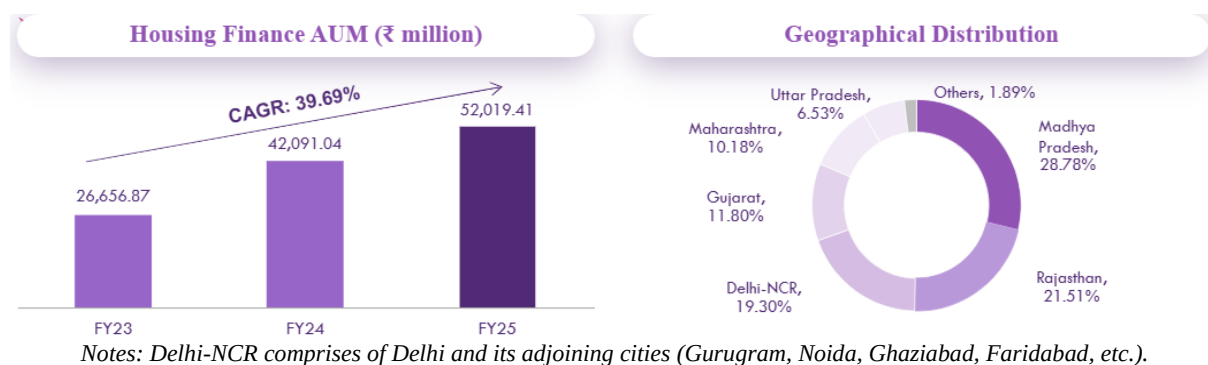
The table below set forth certain information relating to our housing loans as at and for the periods indicated:

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(₹ in millions, except ratios and percentages)		
AUM ⁽¹⁾	52,019.41	42,091.04	26,656.87
Housing loans AUM as a percentage of our total AUM (%)	33.23%	26.89%	25.83%
Average Interest Earning Loans	40,172.58	30,822.85	20,806.11
Disbursements ^(*)	32,245.61	23,222.81	16,195.08
Annualised Yield on Average Interest Earning Loans ^(*) (%)	12.73%	12.67%	12.85%
Average ticket size at Sanction ^{(2)(*)}	2.04	1.47	1.48
Average ticket size at the balance sheet date ^(*)	1.39	1.27	1.10
Average LTVs at the balance sheet date ^(*) (%)	57.32%	58.09%	58.07%
Number of customers	36,939	32,024	24,335
Gross Stage 3 Ratio ⁽³⁾	1.38%	1.24%	1.24%
PCR on Stage 3 loans / NPAs ⁽⁴⁾	39.94%	44.03%	39.00%

Notes:

- (1) In relation to housing loans, excess received from customers amounting to ₹ 122.38 million was netted off against the loan book of ₹ 38,905.77 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 46,056.25 million is presented without this adjustment, and the excess received from customers of ₹ 223.42 million is regrouped under 'other financial liabilities'.
- (2) Average ticket size at sanction for the period is based on the cumulative sanctioned amounts and the number of loans sanctioned for that period.
- (3) Gross Stage 3 Ratio is calculated as Stage 3 Assets divided by total assets. Gross Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date.
- (4) PCR = Provisions as a percentage of Gross NPAs.
- (*) Non-GAAP Financial Measure.

The graphs below represent the growth in AUM from the housing loan segment and the geographical distribution of AUM from the housing loan segment as at March 31, 2025:



Business origination

We have a dedicated sales team focusing on origination of MSME and housing finance loans, which identifies and sources customers eligible as prospective borrowers. The sales team also has doorstep meetings with customers and collects the necessary documents for underwriting. As at March 31, 2025, our in-house sales teams for our MSME loan and housing loan segments comprised of 1,187 employees and 988 employees, respectively.

Credit underwriting

Our credit underwriting team evaluates customer profiles on the basis of various internal and external parameters, including credit bureau checks, dedupe and negative list verification, field investigations, personal discussions and evaluation of customers' cash flows through formal and assessed income proofs. We use tools like account aggregator integration and OCR for bank statement analysis to assess the customer's income. Basis the customer profile, our in-house developed scorecards and our data analytics tools, we rate customers on different risk scale and decide appropriate commercial parameters including loan sanction amount and pricing. We have developed single view dashboards such as credit appraisal memorandum ("CAM") for our credit team to make informed decision through availability of all data related to customer loan application including collateral assessment report at single place. We have well defined internal policy and automated system driven process and authority matrix for approval of any deviations.

Risk containment unit, legal and technical checks

Our in-house legal team, along with the assistance of third-party vendors, conducts due diligence on customers' property documents, which includes title clearance and completeness of records. Our in-house technical teams conduct valuation of customers' properties, and our in-house risk containment unit does an independent verification of customer information to check for frauds.

Security

The security for our MSME loans is a first and exclusive charge or mortgage over the collateral property (residential, commercial or industrial property) with clear and marketable title. As per the product rules as of March 31, 2025, the LTV ratio at sanction is maximum upto 70% for MSME Loans and 85% for housing loans. The security for our housing loans is a first and exclusive charge or mortgage over the property with clear and marketable title.

Operations

Our operation team undertakes pre-disbursal checks, centralized banking, management of repayments, as well as file storage and digitisation through vendors.

Disbursals

To ensure faster turn-around time and better customer service, after the loans are sanctioned, our branches make disbursements digitally via cheques or NEFT. We also provide customers with the facility to e-stamp and e-sign their loan agreements using Aadhar-based authentication.

Collections

We follow data and technology driven approach towards collection with 100% operations managed in-house by our employees who ensure recovery from delinquent accounts while litigation team helps in recovery efforts by enforcing legal actions. We employ a days past due bucket-wise strategy to manage collections, through which loans are allocated to the collection channel based on their delinquency status and customer past repayment behavior. We use advanced machine learning models to analyse and predict customer repayment behaviour, monitor any early warning signals for bounce rate and NPA prediction.

Centralised tele-calling

A dedicated tele-calling unit proactively contacts customers and sends reminders for upcoming payments through call, SMS or bot calling. In case of any default, we notify the customer and demand payment of outstanding amounts. In this regard, our automatic allocation system will identify fresh bounce cases and refer them to the centralised tele-calling team to take appropriate action, and will ensure there is no time lag in post-bounce allocation. Our tele-callers log outcomes in the system for respective teams to take further actions, including personal visits and issuance of dunning notices, if necessary, to collect payment. We employ an AI-based bot for automated calling to send payment reminders before and after the due dates. We also use AI driven tools to analyse and optimise the performance of our tele-calling unit staff through speech to text conversion.

Soft delinquencies

Soft delinquencies, which are loans that are 1 to 59 days past due on their payment, are handled by a dedicated in-house collection team. We utilise a dedicated application called CollectXpress to log and track all collection efforts. Our machine learning system further segments customers based on their past repayment behaviour, bounce pattern and bureau triggers to assign cases to appropriate collection channels for further action.

Hard delinquencies

Hard delinquencies, which are loans that are 60 or more days past due on their payment, are handled by a dedicated and experienced in-house collection team specialising in hard delinquencies. The team coordinates with the litigation team to initiate the process for legal action, if needed.

Litigation

Hard delinquencies that are likely to become NPAs are referred to the litigation team to initiate action. The dedicated litigation team at the regional level is responsible for ensuring that legal actions are initiated in a timely manner.

Repossession and liquidation

Our specialised marketing team created for sale of repossessed properties will ensure that the repossessed properties are sold or auctioned at a fair value, in a timely manner, and in line with the applicable statutory guidelines, as well as ensure sufficient competitiveness of the properties that are put up for auction.

Gold Loans

We launched our gold loans business in August 2022 with the opening of 108 exclusive gold loan branches across five states and union territories. As at March 31, 2025, we had 803 exclusive gold loan branches in 10 states and union territories. We offer a simplified digital loan application process and flexible repayment options. In June 2024, we launched an affordable gold loan scheme tailored for business owners with Udyam Aadhar, with the intent of providing loans to meet the working capital requirements of MSMEs. Under this scheme, we offered an interest rate of ₹ 0.99 per month per ₹ 100, which was effectively 11.88% per annum.

As per our products rules as at March 31, 2025, at disbursement, our gold loans can have a ticket size as low as ₹ 3,000, with minimum tenor of 3 months and up to 36 months at fixed rate of interest. Borrowers may redeem gold loans at any time. In terms of the extant RBI guidelines, we currently lend up to 75.0% of value of the gold content in the ornament determined basis the previous 30 days average closing gold price of 22 carat gold.

The table below sets forth certain information relating to our gold loans as at and for the periods indicated:

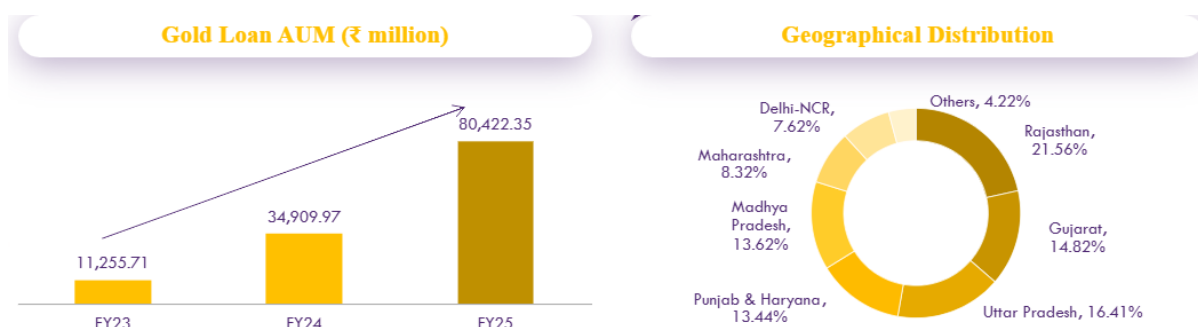
Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(₹ in millions, except ratios and percentages)		
AUM ⁽¹⁾	80,422.35	34,909.97	11,255.71

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(₹ in millions, except ratios and percentages)		
Gold loans AUM as a percentage of our total AUM (%)	51.37%	22.30%	10.91%
Average Interest Earning Loans	42,153.92	19,156.85	4,191.95
Disbursements ^(*)	167,388.64	79,034.26	18,830.64
Annualised Yield on Average Interest Earning Loans ^(*) (%)	19.91%	18.62%	14.11%
Average ticket size at disbursement ^{(2) (*)}	0.13	0.10	0.10
Average ticket size at the balance sheet date ^(*)	0.13	0.11	0.10
Average LTVs at balance sheet date ^(*) (%)	64.69%	65.58%	69.21%
Number of customers	454,685	250,648	89,980
Gross Stage 3 Ratio ⁽³⁾	0.81%	0.95%	0.11%
PCR on Stage 3 loans / NPAs ⁽⁴⁾	15.73%	11.26%	5.24%

Notes:

- (1) In relation to gold loans, excess received from customers amounting to ₹ 5.08 million was netted off against the loan book of ₹ 28,235.67 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 55,612.66 million is presented without this adjustment, and the excess received from customers of ₹ 5.04 million is regrouped under 'other financial liabilities'.
- (2) Average ticket size at disbursal for the period is based on the cumulative disbursed amounts and the number of loans for that period.
- (3) Gross Stage 3 Ratio is calculated as Stage 3 Assets divided by total assets. Gross Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date.
- (4) PCR = Provisions as a percentage of Gross NPAs.
- (*) Non-GAAP Financial Measure.

The graphs below represent the growth in AUM from the gold loan segment and the geographical distribution of AUM from the gold loan segment as at March 31, 2025:



Business Origination

We source borrowers for our gold loans through our gold loan branches.

Selection criteria

According to our product rules as at March 31, 2025, we cater primarily to salaried and self-employed individuals, women entrepreneurs and farmers. The eligibility criteria for our gold loans includes KYC clearance and purity of the gold ornament (18-22 carat gold) to be pledged for the loan.

Gold appraisal

Each of our gold loan branches is staffed with persons who have been trained and have experience in appraising the gold content of ornament. We appraise the value of ornament solely based on the weight of its gold content, excluding the weight and value of any stones forming part of the ornament. The appraisal process begins with weighing the ornament using calibrated weighing machines. The ornament is then subject to prescribed tests for checking the quality of gold. Our gold appraisal process involves CCTV video recording of the gold evaluation done by certified valuer.

Loan approval and disbursal

Once the gold ornament has been appraised, customer is provided with terms and conditions of the loan as well as various schemes available to them. Once the terms are accepted by customer and consent is provided, loans are disbursed based on the rates per gram of gold for the 30 day average. Customer photo is captured live along with the geotagging of the location for additional security. We validate the bank account of the customer through a reverse penny drop before digitally disbursing the

loan amount in the bank account or through UPI. We have a loan-approval matrix for recommendation and authorisation based on the loan amount.

Customer Service

Our customer service is enhanced by features designed to improve communication and convenience for customers. Our click-to-call feature allows customers to connect with representatives instantly for notifications about slab changes, days past due, and tenure expiry with a single click. Additionally, our application Capri Loans and app-based chatbot provide a seamless experience with vernacular key fact statements and most important terms and conditions, interest due reminders, and the ability to apply for top-up loans. These tools ensure that customers receive timely information and support, making their financial management more efficient and accessible.

Security and safety of collateral

Each gold loan branch has a specialized AI powered safe room accessible only through facial recognition, in which each gold ornament is locked away in tamper-proof packets. In addition, each gold loan branch has other security measures, such as 3 door interlock system, security guards, 24x7 CCTV surveillance and panic switches.

Collection and Recovery

We monitor our gold loan accounts and recovery of dues on an ongoing basis. We have a collection dashboard to track payment status, tenure expiries and overdue accounts. When a customer does not repay a loan on or before its maturity, we initiate the recovery process through selling the collateral via public auction to collect the principal and the accrued interests owed to us.

We reserve the right to sell the collateral before a loan becomes past due in the event the market value of the applicable portion of the underlying collateral is less than amount outstanding on the loan, after serving notice to the customer and if customer is unable to provide addition collateral. Once a loan is fully repaid, the pledged gold ornament is returned to the customer.

Construction Finance

We provide construction finance to small and mid-sized real estate developers in tier I cities who are looking for financing for construction of affordable homes. As per our products rules as at March 31, 2025, at disbursement, our construction finance have a ticket size of ₹ 50.0 million to ₹ 1,600.0 million, with a tenor of upto seven years. The interest rates on our construction finance are floating rates linked to our benchmark interest rate, as decided by the management from time to time. The upper end rate of interest would depend upon the degree of risk or potential returns in the construction project on a case-by-case basis. In exceptional cases, interest rates may be quoted as a fixed rate, subject to the approval of the Credit Committee.

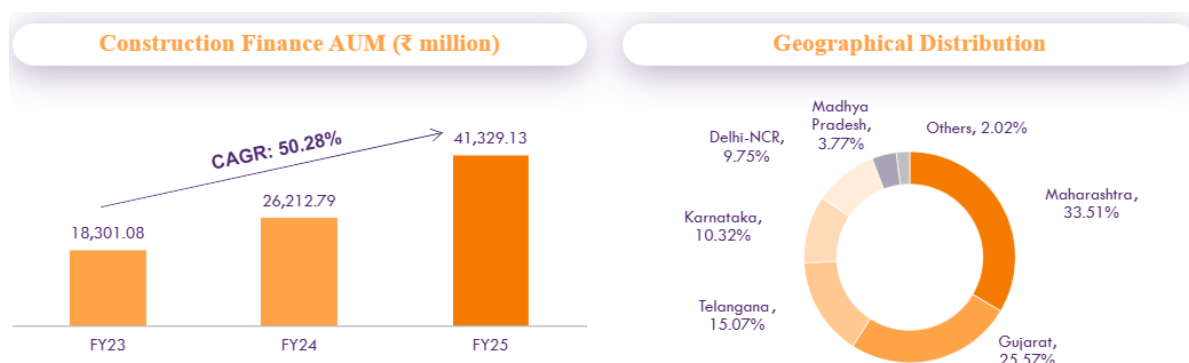
The table below sets forth certain information relating to our construction finance as at and for the periods indicated:

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(₹ in millions, except ratios and percentages)		
AUM ⁽¹⁾	41,329.13	26,212.79	18,301.08
Construction finance AUM as a percentage of our total AUM (%)	18.08%	16.75%	17.73%
Average Interest Earning Loans	32,725.84	20,988.89	15,394.54
Disbursements ^(*)	32,421.63	20,876.02	14,405.97
Annualised Yield on Average Interest Earning Loans ^(*) (%)	17.49%	17.77%	17.56%
Average ticket size at sanction ^{(2) (*)}	334.58	257.52	222.33
Average ticket size at the balance sheet date ^(*)	146.24	106.56	93.37
Number of live projects	282	246	196
Gross Stage 3 Ratio ⁽³⁾	0.18%	0.95%	0.25%
PCR on Stage 3 loans / NPAs ⁽⁴⁾	50.05%	80.50%	100.00%

Notes:

- (1) In relation to construction finance, excess received from customers amounting to ₹ 7.02 million was netted off against the loan book of ₹ 26,212.79 million for Fiscal 2024. However, for Fiscal 2025, the loan book of ₹ 41,329.13 million is presented without this adjustment, and the excess received from customers of ₹ 1.12 million is regrouped under 'other financial liabilities'.
- (2) Average ticket size at sanction for the period/Fiscal Year is based on the cumulative loan amount sanctioned and the number of loans sanctioned for the period/Fiscal Year.
- (3) Gross Stage 3 Ratio is calculated as Stage 3 Assets divided by total assets. Gross Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date.
- (4) PCR = Provisions as a percentage of Gross NPAs.
- (*) Non-GAAP Financial Measure.

The graphs below represent the growth in AUM from the construction finance segment and the geographical distribution of AUM from the construction finance segment as at March 31, 2025:



Business Origination

Our in-house marketing team is responsible for sourcing, conducting initial due diligence and gathering market information on projects and their promoters.

Selection criteria

We evaluate the creditworthiness of the promoters or the group involved as well as the project value. Our evaluation is made on the basis of project completion history and ongoing projects, previous or existing borrowing track records, and net worth. For project selection, we take into account a multitude of factors, such as whether a particular project is affordable and located in a marketable location, whether the project is able to be mortgaged, the validation of the approval and its status, whether we will be the sole lender to the project, and the cash flow visibility in the near future.

Credit appraisal and due diligence

We have a well-defined authority matrix in place for delegating authority to credit officers and a policy to ensure that credit decisions are objective. Our independent credit appraisal is undertaken in three stages: first being the business stage; second being the local and central credit stage; and third being the Credit Committee stage. Our dedicated team will arrange for meetings with promoters and conduct site visits, bureau checks and litigation searches through our in-house team and external vendors. Our in-house legal team reviews the title report of the property prepared by a third-party law firm, while our third-party technical team is responsible for valuation. Our in-house internal control team conducts the internal audit of sales, while the micro market analysis and RERA checks are done by our credit team. We have an internal risk rating model. We favour those projects over which the first and exclusive charge can be created, with promoters as co-obligors. We also measure whether the physical security and cash flow cover are satisfactory.

Credit committee approval and documentation

Our local credit team proposes the detailed note to the Credit Committee, which is reviewed by the central credit team. The credit head/credit officers thereafter recommend the proposal to the Credit Committee for approval. Upon approval, our in-house team arranges for borrowers to enter into our standard financing agreement. An empaneled advocate carries out a title search of the collateral for the previous 30 years. The title search report is further vetted by our in-house legal team, before creating a mortgage or security interest over the collateral. We also conduct a detailed compliance check prior to disbursement to make sure all conditions precedents are satisfied.

Security

The security for our construction finance is first and exclusive charge or mortgage over the property with clear and marketable title along with hypothecation of the project's cash flows through an escrow mechanism. The minimum value of collateral for construction finance is more than 1.5 times the value of the loan outstanding as per the product rules as of March 31, 2025.

Monitoring

Upon disbursement of a loan, the loan transaction is monitored until due repayment. Our monitoring team, which as at March 31, 2025 comprised of 37 employees, monitors early warning signals through internal reports pertaining to site inspection, cash flow analysis, account conduct, overdue, interest and loan instalment servicing; compliances and milestone tracking of, in particular, submission of monthly MIS and MIS analysis, all collections being routed to the designated account, construction, sales and collection milestones, and maintenance of insurance tracker; and cash flows and security, in particular, timely recovery

of monthly dues, collections, escrow sweeps and direct fund transfers, tracking and recovering deficits, monitoring revisions in sweep ratios and stipulated minimum support price rates. If the team officer is satisfied with the results, he/she issues a no objection certificate for registration of the housing unit or a no due letter after recovery of deficits/dues.

Indirect Lending

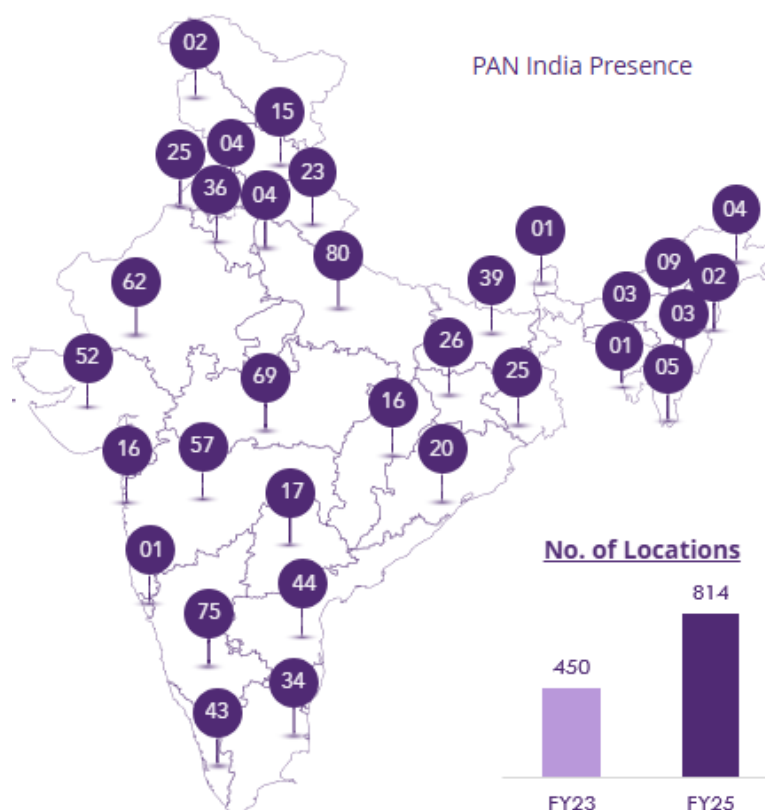
We extend loans to other smaller NBFCs engaging in MSME lending, microfinance and fintech-based NBFCs, as well as loans against pledge of debt securities to borrowers dealing in debt securities, which we refer to together as “**Indirect Lending**”.

As per our products rules as at March 31, 2025, at disbursement, our Indirect Lending loans have a ticket size of ₹ 20.00 million to ₹ 500.00 million, with a tenor of one to five years. As per our products rules as at March 31, 2025, our maximum exposure to each NBFC is ₹ 500.00 million, and the interest rates on our Indirect Lending loans are at floating rate. As at March 31, 2025, our AUM from Indirect Lending was ₹ 1,766.97 million and we had 17 customers in our Indirect Lending segment.

DISTRIBUTION OF THIRD-PARTY PRODUCTS

New Car Loans

We are a corporate selling agent for new car loan products of 12 banks and financial institutions in India, for which we receive commissions. We launched our distribution of third-party new car loans business in February 2021. As at March 31, 2025, we had a pan-India network through 19 branches, 1,579 employees in 814 locations in 31 states and union territories. A diagrammatic representation of this network as at March 31, 2025 is set out below:



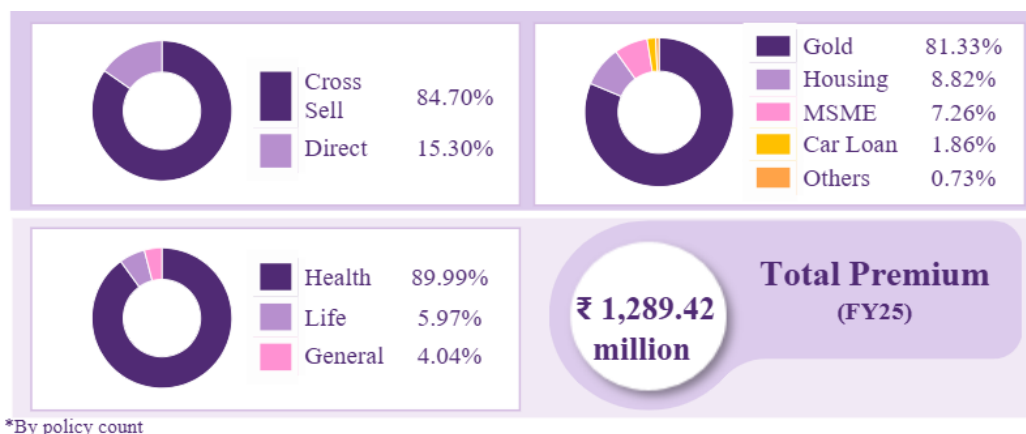
In the Fiscals 2025, 2024 and 2023, our third-party new car loan distribution business earned a gross fee income of ₹ 2,407.21 million, ₹ 2,169.16 million and ₹ 1,437.06 million, respectively, and a net fee income of ₹ 963.04 million, ₹ 1,075.68 million and ₹ 1,179.30 million, respectively, on a total car loan origination value of ₹ 105,519.00 million, ₹97,414.74 million and ₹ 56,939.20 million respectively. For Fiscals 2025, 2024 and 2023, the average ticket size of the loans originated was ₹ 1.05 million, ₹1.03 million and ₹1.07 million, respectively.

We have also launched our application for the car loan distribution business, namely the 'Loans n Leads' application for employees, which provides a paperless process for loan origination, sourcing, filing of loans with partner banks, lead creation

and document management. As at March 31, 2025, we have registered over 2,008 sales executives and logged in over 52,343 new files and disbursed over 36,733 files through the application.

Insurance Distribution

We are an insurance selling agent for insurance products of 18 insurance companies in India, for which we receive commissions. We have collaborated with nine life insurance companies providing credit life cover and term plans, five general insurance companies providing property cover, private car and two-wheeler covers, and four health insurance companies providing retail and group health cover, hospital daily cash cover, critical illness, personal accident and EMI protection. We received a composite license from IRDAI in December 2023 and launched our distribution of insurance policies business in January, 2024. As at March 31, 2025, total policies distributed by us was 405,931.



We sell customized insurance solutions to small businesses and individuals with high financial vulnerability. We believe that due to our considerable customer database, there is significant potential for cross-selling opportunities.

We provide a Policy Buy & Compare portal for efficient policy selection and a streamlined digital customer on-boarding journey. Our dedicated claims desk offers comprehensive support, while real-time policy issuance ensures quick service with a turnaround time of five minutes through digital consent. Our focus on digital innovation and service excellence drives continuous improvements, enhancing operational efficiency and customer satisfaction. Additionally, our educational initiative, Insurance Ki Pathashala, increases awareness and understanding of insurance products and processes.

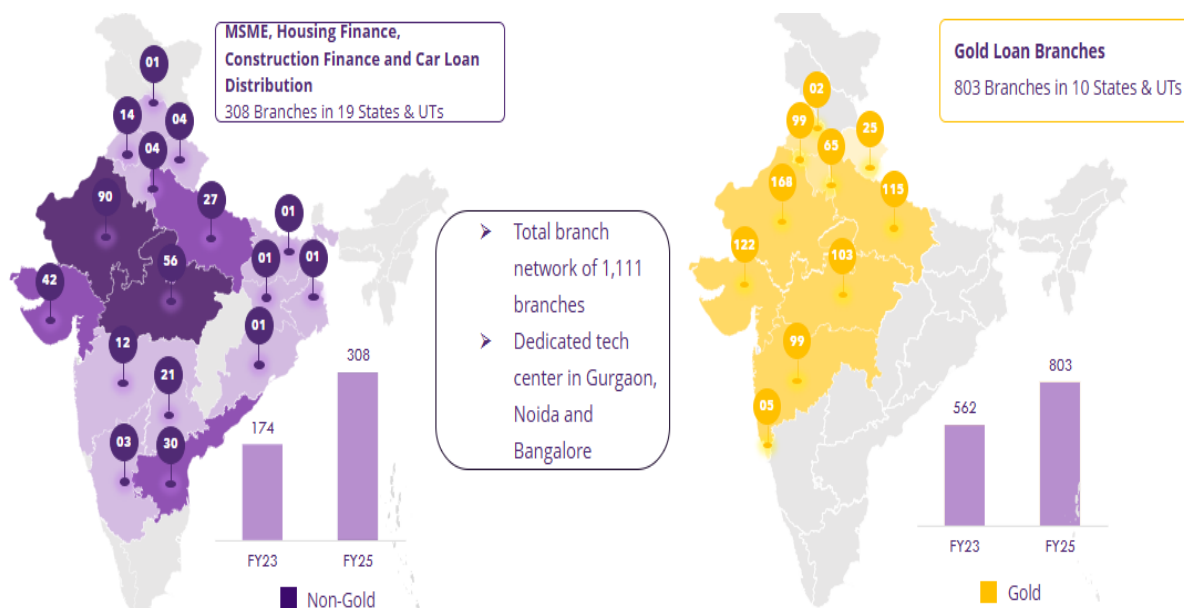
Our Company offers insurance products to loan customers as embedded products. We also focus on cross-selling health and motor insurance to increase penetration in tier II, III, and IV cities and rural areas. Additionally, we provide product offerings via chat links, enabling a 2-click buying journey. This approach helps us reach a wider audience and offer convenient access to our insurance products.

OUR BRANCH NETWORK

As at March 31, 2025, we had 1,111 branches located in 31 states and Union Territories. The table below sets forth our branch network by state and Union Territory as at March 31, 2025:

State / Union Territory	MSME, Micro LAP, housing, construction finance and third-party new car loan distribution	Gold loans	Total
		(Number of branches)	
Rajasthan	90	168	258
Gujarat	42	122	164
Madhya Pradesh	56	103	159
Uttar Pradesh	28	115	143
Maharashtra	12	99	111
Haryana	6	99	105
Delhi	4	65	69
Uttarakhand	3	25	28
Andhra Pradesh	30	-	30
Telangana	21	-	21
Goa	-	5	5
Punjab	4	2	6

State / Union Territory	MSME, Micro LAP, housing, construction finance and third-party new car loan distribution	Gold loans	Total
	(Number of branches)		
Karnataka	3	-	3
Others*	9	-	9
Total	308	803	1,111



*Note: Others include Bihar, Chandigarh, Himachal Pradesh, Jharkhand, Odisha and West Bengal.
Above maps exclude our support offices and tech centers.

TECHNOLOGY

We deploy advanced technologies to improve and simplify business processes, which reduces costs, enhances productivity and efficiency, and results in a better customer experience. Our Company aims to adhere to the highest information security standards, ensuring encryption of sensitive customer data. We have a customizable and scalable system architecture, ensuring compliance with regulatory changes, making our platform agile and adaptable. We offer a fully integrated workflow and digital loan journey for faster TAT and dashboards for performance monitoring, which contribute to higher productivity and cost efficiency. We are developing generative AI capabilities for process automation to enhance efficiency and innovation. We have dedicated tech centres in Gurugram, Noida and Bengaluru. As at March 31, 2025, our in-house tech team comprised 153 employees. With end-to-end in-house development, we ensure low maintenance costs. Our key applications and technology initiatives through the process include the following:

MSME and Housing Loans

Customer Onboarding

- **Pragati Mobile Application** – a digital onboarding application which empowers direct sales executives to collect customer documents electronically and streamline the login process. Its key features include seamless digital document collection, OCR engine with high accuracy, QR code-based system for collecting fees. It also has BRE based advanced screening features which filters out the applications that don't meet the criteria upfront, thus saving the time and cost on processing such applications.
- **Prarambh Portal** – this is a portal designed for tele calling agents to source leads and documents for borrowers and co-borrowers. Its key features include centralized data collection through digital platforms such as WhatsApp and a reduced TAT for file login and uploading of documentation.
- **Capri Business Partner Application** – this is a platform for DSAs (Direct Selling Agents) and connectors, that encourages engagement with our business partners. Its key features include real-time updates on lead qualification and loan progress, live status tracking, and an automated invoicing with a one-day payment cycle for billing and disbursement.

- *Lead Management Portal* – this is a unified platform with multi-channel aggregation, that helps track leads from alternate channels, cross-sell opportunities, CIBIL triggers and consumer referrals. Its key features include efficient identification and prioritization of leads for quicker conversion, centralized lead tracking, automated follow-ups with leads and insights and analysis for lead optimization and higher closure rates.

Customer Underwriting

Our credit underwriting system ensures thorough evaluation of creditworthiness.

- *Loan Xpress Application* – this is a unified in-house developed LOS, a single window loan approval workflow that digitally manages the loan application cycle from end to end. Its key features include centralized processing unit for customer queries, personal discussions with customers, risk-based pricing using scorecards and BRE, credit appraisal memorandum summaries, technical and legal evaluation, risk containment unit reports and TAT monitoring for operational efficiency. The central processing unit performs document validation once file is logged in and has a chat application integrated query module for communication with customers.
- *PD Mobility Application* – this is a digital application designed for personal discussions and property verification, income & collateral assessment and geotagging. Its key features include route mapping for on-site verification, live photo capture and geo-tagging, credit questionnaires, automated verification which triggers additional checks and a feature for borrowers to ask queries during the loan application process. In the year ended March 31, 2025, our Company processed a total of 0.10 million applications, averaging approximately 310 applications per day.
- *Collateral evaluation*: We use extensive market information including historical transaction data for trends in property value, delinquency trends for funded and non-funded properties and local insights for technical evaluation. In the year ended March 31, 2025, we processed approximately 387 applications for technical evaluation per day with an average TAT of 1.5 days.

The system incorporates a Scorecard and BRE for risk assessment and decision-making. We use risk-based pricing and dashboards for TAT monitoring, ensuring efficient operations.

Digital Disbursement

Our digital disbursement process includes E-sign and E-stamping facility, biometric and face authentication, and e-NACH registration. These digital solutions ensure a seamless and secure disbursement process. As of March 31, 2025, >95% of our disbursements for MSME and home loans were done through e-sign.

Collections

- *Collection Dashboard* – this is an advanced dashboard that offers real-time analysis and visibility into the field collection process. This platform enables real-time monitoring of collections by channel, geography, and individual performance. Its key features include providing updated performance reviews, target tracking and incentive trackings through scorecards and rankings to motivate performance from our employees.
- *Collect Xpress Application* – this is a digital application designed to improve the productivity of our collection agents. Its key features include route optimization for efficient travel, tracking of agents and collection status for management by supervisors, historical payment trends such as promise-to-pay statuses and geo-tagged payment locations, and gamified incentives and tools to boost agent performance.

Our call center analytics are powered by AI, enhancing efficiency and insight and we use machine learning models for Early Warning Systems (EWS), sloppy payer identification, and Non-Performing Assets (NPA) prediction and recovery.

Customer Engagement

- *Capri Loans Application* – this is a platform which provides access to loan documents, service requests, payments, and loan top-ups and is designed for customer engagement and payment management. Its key features include providing customers with easy access to their loan information, document management, multiple payment methods and options to customers, addressing customer service requests and facilitating easy loan top-up applications. As of March 31, 2025, our Company has successfully registered 0.70 million customers and had 0.21 million monthly average active users.

Gold Loans

Our proprietary LOS, Swarnim, digitizes and streamlines loan processing. Our 100% digital journey enables faster loan approvals, with OTP-based E-Sign making documentation paperless and reducing onboarding time. We disburse our loans digitally (with no cash disbursements for amounts above ₹ 20,000) and our disbursal turnaround time is approximately 30 minutes, thus providing customers with quick and hassle-free loan experience. Our process also includes a maker-checker approach to ensure robust loan approval processes.

AI Initiatives

- *Data Genie* – this is an AI tool used internally within our organization, that allows our employees and management to ask data-related queries and generates actionable insights in real-time. It also provides personalized dashboards for our leadership team to enable them to make quicker data-driven decisions.
- *Capri AI-Dost* – this is an AI chatbot that helps customers with their loan-related queries. It is currently available in multiple vernacular languages, which helps enhance accessibility and customer satisfaction.
- *Gold Loans Chatbot* – this is an AI WhatsApp chatbot for our gold loan customers, which enables them to manage their gold loan documents and make payments. Its key features include access to loan statements, foreclosure values, interest dues and pledged documents and ability to respond to customer queries.

We continue improving our processes and evaluating all opportunities to leverage the digitisation and make the entire loan journey seamless.

CUSTOMER SERVICE

As part of our CRM service initiatives, we make mandatory welcome calls to new customers as well as use other methods including SMS and telecall reminders to cater to the needs of our customers. We also have digital app for our customers through which they can raise any service request, make payments, access loan documents and can request for top up loans. We have also established a customer grievance redressal system through which customers can register their complaints. We had 17 customer complaints pending as of March 31, 2025 which were subsequently resolved by April 30, 2025.

TREASURY OPERATIONS

Our dedicated treasury team undertakes liquidity management by seeking to maintain an optimum level of liquidity and monitors cash and bank balances on a daily basis. The objective is to ensure the sufficient cash reserves at all our branches while at the same time avoid holding cash in excess of what may be required in the ordinary course. The treasury team prepares reports for submission to the Asset Liability Management Committee (“ALCO”), based on which liquidity forecasts are made on a quarterly basis for the next six months.

We have a well-balanced asset-liability position for the short term and are well-capitalised for medium-term growth. As at March 31, 2025, our Company’s CRAR on a standalone basis was 22.84%. As at March 31, 2025, our gearing ratio (Total Borrowings/Net Worth) was 3.7x. Our borrowings are primarily borrowings from banks and financial institutions, with repayment tenures of 2-10 years (excluding CC & WCDL). We also issue non-convertible debt and commercial papers.

CREDIT RATINGS

The table below provides details of credit ratings received in the last three Fiscals:

Rating Agency	Date of Rating Letter	Instrument	Debt Ratings	Outlook
Infomerics Valuation and Rating Limited	May 5, 2025	Cash credit	IVR AA	Positive
Infomerics Valuation and Rating Limited	May 5, 2025	Term loans	IVR AA	Positive
Infomerics Valuation and Rating Limited	May 5, 2025	Non-convertible debentures	IVR AA	Positive
Acuité Ratings & Research Limited	April 30, 2025	Bank loan ratings	ACUITE AA	Stable
Acuité Ratings & Research Limited	April 30, 2025	Non-convertible debentures	ACUITE AA	Stable
CRISIL Ratings Limited	April 30, 2025	Commercial paper	CRISIL A1+	NA
CARE Ratings Limited	July 23, 2024	Commercial paper	CARE A1+	NA

Notes:

(1) On March 26, 2024, Infomerics Valuation and Rating Private Limited revised its outlook from “Stable” to “Positive”.

(2) On August 31, 2024, Acuité Ratings & Research Limited revised its rating from “AA-” to “AA”.

RISK MANAGEMENT

Interest Rate Risk

Volatility in interest rates can have a negative effect on borrowing costs of lending institution and can result in a decline in interest income and Net Interest Margins. This can cause a mismatch in asset–liability position and could lead to lower profitability and lower returns. We have an Asset Liability Management Policy, approved by the Board and administered by the ALCO to assess the risk arising out of the liquidity gap. In order to mitigate interest rate risk, we undertake the following measures:

- (i) Interest rate movements are tracked and reviewed by the ALCO on a quarterly basis and base reference lending rate, i.e., long-term rate of return is decided by the ALCO after considering various factors;
- (ii) Most of our loan portfolio is on floating interest rates or semi-fixed interest rates. As at March 31, 2025, ₹ 1,46,737.29 million or 64.19% of our loans had a floating or semi-fixed interest rate; and
- (iii) Interest rates are primarily market driven and our interest risk strategy is well adept at managing the changing market dynamics.

Credit Risk

The most common risk faced by any lending institution is the borrower's inability to repay the loan. The delinquencies may result in monetary losses, higher NPAs and deterioration of asset quality and ultimately, capital adequacy. We undertake the following measures in order to mitigate credit risk:

- (i) Prudent lending policies are stipulated for each business vertical, considering the risk involved with different products and customer profiles;
- (ii) Our credit appraisal system is designed to minimise the probability of default;
- (iii) Our credit appraisal system conducts customer meetings (business and residence) and field investigations, credit information bureau checks, in-house technical and legal verification, adequate loan to value ratio and term cover for insurance. Thorough reference checks of the borrower's overall goodwill and integrity in the market are conducted. This is followed by a thorough business assessment and long-term viability by analysing cash flows of the potential customers; and
- (iv) All loans (except employee loans and small business loans) are secured by collateral. We have an in-house risk containment unit, having knowledge in fraud detection and analysis of documents, to detect and help eliminate potential frauds being committed on us.

Collateral Risk

Collateral risk is the risk of loss arising from errors in the nature, quantity, pricing, or characteristics of collateral securing a loan. We undertake the following measures in order to mitigate collateral risk:

- (i) Collateral insurance must be taken for all loans other than those secured by land plot;
- (ii) Strict criteria for acceptable collateral are set. Pursuant to our product policy, some properties are not eligible for funding, such as collateral owned by special purpose vehicles of an unrelated individual, and property occupied by the seller;
- (iii) Each collateral must be supported by a positive valuation report as per our valuation policy;
- (iv) A collateral visit report is also required after a credit manager's site visit; and
- (v) Additional collateral for credit comfort or interim collateral may be required until the occurrence of a specified future event during the tenancy of a loan.

Liquidity Risk

Liquidity risk emanates from the gaps in financing activity. A skewed asset-liability profile can potentially initiate a liquidity shortfall and result in significantly higher costs of funds. We undertake the following measures in order to mitigate liquidity risk:

- (i) We have a dedicated treasury team to manage liquidity and monitor fund availability and deployment on a daily basis;
- (ii) Reports are submitted to the ALCO members, and are used to make relevant liquidity forecasts on a quarterly basis for the next six months; and
- (iii) We borrow long-term funds with repayment tenures of 2-10 years (excluding CC & WCDL).

Portfolio Concentration Risk

This category of risk is associated with the concentration of credit in a particular sector of borrowers, products or geography.

Skewed exposure in one particular sector and geographical concentration may result in losses if the sector or geography does not do well. It affects the quality of the asset-book and assessment by financing institutions.

In order to mitigate loan portfolio concentration risk, we have a loan portfolio with exposure to multiple sectors, multiple products with each sector having varied customer profiles and a focus on smaller ticket sizes, coupled with a large customer base and a wide geographical distribution.

Operational Risk

Operational risk refers to the risk of loss due to inadequate or failed internal processes, people, systems and operations. These include the risk of events such as fraud, employee misconduct, technology failure, cybersecurity threats, data breaches, natural disasters or legal or regulatory non-compliance. Operational lapses could lead to adverse impact on the sustainability of the business in the long-term and loss of profitability. We undertake the following measures in order to mitigate operational risk:

- (i) We have a state-of-the-art technology-driven process flow and operational control systems; and
- (ii) Our internal control infrastructure is well-aligned with our underwriting and collection processes, which are managed by a highly competent and trained team.

Regulatory and Compliance Risk

Our Company is an NBFC-ICC and NBFC-ND-SI under the regulatory supervision of the RBI. Our Company, being a listed entity, is also required to comply with the regulations and directions of SEBI and the Stock Exchanges. Non-compliance with rules, regulations and statutes may lead to stringent actions and penalties levied by SEBI or other statutory authorities. In order to mitigate regulatory and compliance risk, we undertake the following measures:

- (i) We have a separate compliance department, headed by senior personnel. We keep ourselves abreast of recent developments and changes in the regulatory framework/guidelines to ensure timely, effective and proper implementation and compliance; and
- (ii) We have an internal audit and control framework in place to help ensure we comply with capital adequacy norms, fair practice code, asset classification, KYC/PMLA guidelines, provisioning norms, corporate governance framework and timely reporting to the RBI, SEBI, Stock Exchanges and Ministry of Corporate Affairs, among others.

Information Technology Systems Risk

We deploy information technology systems, including enterprise resource planning, loan management applications, data repository and mobile solutions to support our business processes, communications and customer details and loan records. Risks could primarily arise from the unavailability of systems and/or loss or manipulation of information or information data security. In order to mitigate information technology systems risk, we undertake the following measures:

- (i) We have information security risk monitoring systems and tools to protect sensitive customer data and guard against potential hackers and viruses;
- (ii) We have adopted governance, controls and sophisticated technology across lines of business to help ward off cyber threats and protect our information;
- (iii) We use back up procedures, restricted access to applications and other security restrictions. We upgrade our systems with the latest security standards. For critical applications, security policies and procedures are updated on a periodic basis and users are educated on adherence to the policies to eliminate data leakages; and
- (iv) As a part of the business continuity plan, we have created a remote disaster recovery site, which gets tested on a regular basis.

For more information on our risk management, see “*Financial Information*” on page 283.

AWARDS AND RECOGNITION

We have received several awards over the years, including:

- “Best Brands – 2024” award at the ET Now Best Brands Conclave 2024;
- “Best BFSI Brands” by the Economic Times for the years 2021 and 2019;
- “India’s Most Admired Financial Service Company” by White Page India in 2019;
- “Great Place to Work” by Great Place to Work Institution in 2022, 2023, 2024 and 2025; and
- “Best CSR Initiative in Non-Banking Finance Sector” at Bharat CSR & Sustainability Awards, 2025

COMPETITION

Our competitors include established Indian banks, other NBFCs, other HFCs, small finance banks, and the private unorganised and informal financiers who principally operate in the local markets. For further details, see “*Industry Overview*” on page 116. Some of the Indian banks have subsidiaries and affiliates operating as NBFCs with significant market share, distribution reach and product portfolio, and we compete with them for business.

EMPLOYEES

As at March 31, 2025, we had 11,410 permanent employees, details of which are given in the table below.

Particulars	Number of Employees
MSME	2,426
Housing loans	1,632
Gold loans	5,067
Construction finance	94
Car loan origination	1,574
Insurance	10
Technology	153
Others	51
Support functions	254
Administration	149
Total	11,410

Learning and Development

We actively encourage our employees to gain diverse experience by working across different verticals within the organization. Our comprehensive learning and development programs empower them to advance their career paths. Additionally, through training needs analysis, we conduct monthly training sessions at our branches and field equipping our employees with valuable business insights and enhancing their performance.

To foster a culture of self-learning and create a dynamic digital learning environment, we regularly release online courses, training videos, important advisories, and open online courses from external learning platforms through the CapriPedia app. Each month, these learning resources are aligned with a specific theme. Additionally, we provide system training on other online platforms such as Credit Nirvana, eNACH, Swarnim and Salesforce CRM. To further strengthen our team's expertise, we have introduced collateral-oriented training for the ground-level sales team. Our internal trainers also conduct sessions on case studies, product processes, compliance, and key SOPs.

Our mobile learning application, Capri Pedia, provides a seamless and organized platform for employees to access learning content effortlessly. Designed for quick learning and easy access, the app offers product knowledge, standard operating procedures, organizational announcements and more. In Fiscal 2024, we elevated Capri Pedia by introducing product and process learning videos in Hindi, making learning more engaging and accessible for our workforce. Further, we also roll out weekly quick learning bytes or training capsules, equipping employees with crucial insights and actionable steps to navigate unexpected situations effectively. These learning modules are thoughtfully aligned with weekly themes and key updates ensuring a structured, relevant, and impactful approach to continuous learning.

Reward and Recognition

We appreciate the dedication of our employees, and our appraisal system is designed to recognize and reward exceptional performers on a quarterly and yearly basis. To further celebrate achievements, we have introduced spot and monthly awards for our sales and collection teams, ensuring real-time recognition. Employees are rewarded with e-certificates and vouchers, keeping them motivated, while those who exceed targets and achieve beyond set thresholds receive exclusive gifts, badges, and certificates, reinforcing a culture of excellence. Our commitment to fostering a rewarding and inspiring workplace is reflected in our four consecutive years of recognition as a ‘Great Place to Work’ (2022, 2023, 2024, and 2025) by the Great Place to Work Institute.

INSURANCE

We maintain various insurance policies to cover the different risks involved in the operation of our business. These include directors and officers liability insurance and insurance policies for burglary, gold storage, all risk policy, group life insurance and property damage. For our gold loan business, we maintain an all risk insurance policy to protect gold loan branches and gold transit.

INTELLECTUAL PROPERTY

Our Company has four registered trademarks, i.e., “CGCL”, under class 35, which expires on October 20, 2034; “CGCL”, under class 36, which expires on October 20, 2034; “PANKH”, under class 36, which expires on May 14, 2030; and “Capri Global Capital”, under class 41, which expires on May 4, 2032. Our Company has applied for registration for fourteen other trademarks, i.e., “CAPRI GLOBAL CAPITAL”, under classes 35 and 36, on May 4, 2022; “CAPRI LOANS”, under classes 35, 36, 41 and 42, on December 28, 2023; “CAPRI GRAHAK”, under classes 35, 36, 41, and 42 on September 20, 2024; and “CAPRI GOLD LOANS”, under classes 35, 36, 41 and 41 on December 28, 2023.

CGHFL has two registered trademarks, i.e., “CAPRI HOME LOANS HUMEIN HAI EHSAAS-GHAR HO AAPKE PAAS”, under class 36, which expires on August 30, 2027; and “CAPRI GLOBAL HOUSING FINANCE”, under class 41, which expires on May 5, 2032. CGHFL has applied for registration for ten other trademarks, i.e., “CAPRI GLOBAL HOUSING FINANCE”, under classes 35 and 36 on May 5, 2022; “CAPRI HOME LOANS”, under classes 35, 36, 41 and 42 on December 27, 2023; and “CAPRI SMARTHOME”, under classes 35, 36, 41 and 42 on September 20, 2024.

PROPERTY

We lease our corporate and registered offices at A-502, Peninsula Business Park, Senapati Bapat Marg, Lower Parel West, Mumbai – 400 051, Maharashtra, India.

As at March 31, 2025, we had 1,111 branches, all of which we lease or license. In addition, we lease our dedicated tech centres in Gurugram, Bengaluru and Noida.

We also own property situated in No. 100 Guduvanchery to Tirupporur Road, Nellikuppam, Chennai- 603 108, comprised in Sy. Nos. 149/10A1A, 149/10D2 (currently 149/10D2B), 149/11, 152/1B, 152/2, 152/3, 152/4 and 152/7B situated in No. 100, Nellikuppam Village, Chengalpattu Taluk, Kancheepuram District, measuring a total extent of 13.6764 acres.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are committed to sustainability and responsible business operations. We earned a score of 49 in the S&P Global Corporate Sustainability Assessment for Fiscal 2025, which underscores our dedication to our ESG initiatives with key scores of 75 for financial inclusion, 58 for labor practices, 76 for business ethics and 79 for tax strategy. We have an ESG Steering Committee dedicated to advancing our ESG agenda by ensuring compliance with applicable legal norms, enhancing transparency and integrating ESG strategies into business operations. Our Company emphasizes workplace inclusion, health, safety, skill development, and environmental sustainability, aligning with UN SDGs. We responsibly dispose of e-waste, invest in digital transformation to reduce its carbon footprint. We adhere to global reporting initiatives (“GRI”) standards and SEBI’s Business Responsibility and Sustainability Reporting (“BRSR”) requirements, ensuring transparency and accountability and we maintain a zero-tolerance policy towards bribery and corruption.

We promote financial inclusion by providing income generating loans to MSMEs and housing loans to self-employed non-professional borrowers lacking proof of income. Women borrowers as applicants represented 95.51% and 97.15% of the number of borrowers for the Fiscal 2025 and Fiscal 2024, respectively.

As part of CSR, our initiatives to provide sustainable livelihood, education, and health initiatives are beacons of transformative change, underpinning our commitment to empowerment and inclusive growth for the communities we serve. We partner with non-governmental organisations, including Professional Assistance for Development Action (PRADAN), Manjari Foundation, Smile Foundation, National Agro Foundation, and Parivaar Education Trust, in various CSR areas, primarily: (i) healthcare and sanitation; (ii) education; (iii) women’s empowerment; and (iv) integrated community development. Some of our notable CSR programmes are listed below:

Self-help groups (“SHGs”): We partner with non-governmental organizations to form and support SHGs for women, which aim to equip women with livelihood skills, capacity-building programs, creating market linkages, creating saving habits, entrepreneurship skills and provide access to affordable credit through revolving zero interest funds.

Digital Sakhis: Through this initiative, we promote the development of professional skills in women and in particular, digital training to promote entrepreneurial skills. This involves imparting digital literacy and financial knowledge in relation to digital payments, prevention of banking fraud and creating awareness and linkages of government schemes.

Green Motivators: We support farmers through agricultural initiatives to increase crop yields, reduce pesticide use and engage in the distribution of Agri-Supply kits, seeds and livestock to empower agricultural communities. We also promote sustainable practices like water body rejuvenation, solar panel installations, and borewell construction. Our efforts enhance agro-ecological practices, livestock management, and natural resource management in villages, fostering a harmonious relationship between

agriculture and the environment.

Education: We support marginalized communities by providing foundational education, digital vocational labs, education materials, uniforms and shoes to children. We are also involved in providing professional training to teachers to improve their pedagogical and teaching skills. In certain government schools, we have also upgraded school facilities and STEM (Science, Technology, Engineering, and Mathematics) laboratories to help create conducive learning environment for children. Initiatives such as 'Building Learning Environment in Schools' and 'Activity Corners' foster interactive and engaging educational experiences for children. We promote digital literacy by supporting the development of computer labs and provision of digital literacy through computer classes. We also provide regular health checkups and nutritious meals to improve student health.

Women's and Artisans Network Initiative: We, in collaboration with partners, implement programmes to connect craft producers to mainstream markets and promote enterprise growth. With the aim of identifying women's skills, especially weaving skills, and linking them to markets where their products can be sold while giving them resources for marketing. Key initiatives include Craftmark certification for authentic handicrafts and the Enterprise Support Programme to help artisan groups become commercially viable. We also lead holistic cluster development programmes for sustainable rural livelihood.

Health: We focus on addressing grassroots challenges by delivering essential healthcare services to remote areas through Mobile Medical Units ("MMUs"). These mobile clinics provide antenatal and postnatal care, expert treatment for hypertension and diabetes, and screening for non-communicable diseases. Special focus is placed on aspirational districts to enhance reach and impact.

ORGANIZATIONAL STRUCTURE

Corporate History

Our Company was originally incorporated as “*Daiwa Securities Limited*” in Calcutta on November 15, 1994, as a public limited company under the Companies Act, 1956, with a certificate of incorporation granted by the Registrar of Companies, West Bengal at Calcutta. Our Company received the certificate of commencement of business from the Registrar of Companies, West Bengal at Calcutta on November 28, 1994. Subsequently, the name of our Company was changed to “*Dover Securities Limited*”, and a fresh certificate of incorporation was granted by the Registrar of Companies, West Bengal at Calcutta, on May 19, 1999. The name of our Company was further changed to “*Money Matters Financial Services Limited*”, and a fresh certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai (“**RoC**”) on October 6, 2008. The name of our Company was further changed to “*Capri Global Capital Limited*”, and a fresh certificate of registration was issued by the RoC on July 24, 2013.

The CIN of our Company is L65921MH1994PLC173469. Our Registered Office and Corporate Office is located at 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India.

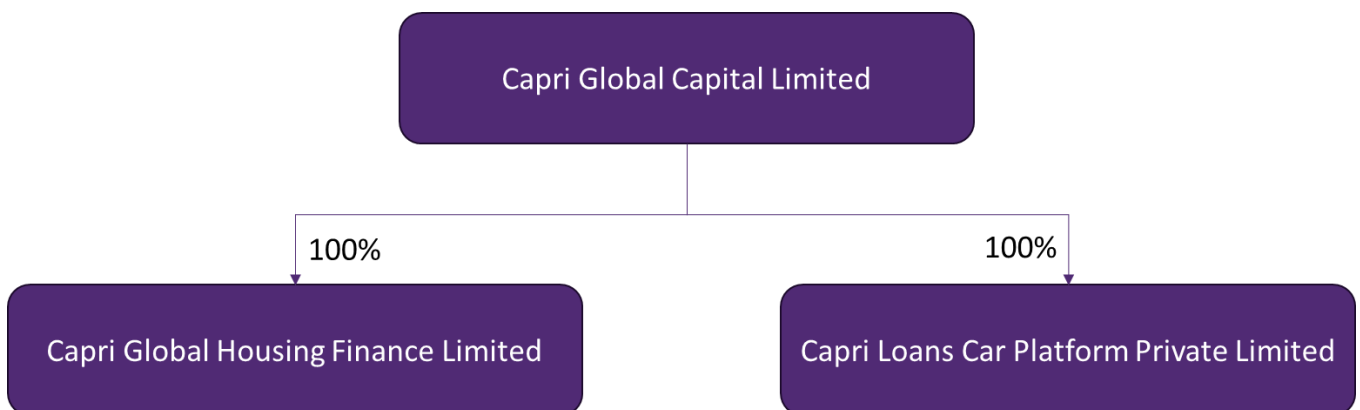
Organizational Structure

As of the date of this Preliminary Placement Document, our Company has two Subsidiaries. For further details, see “*Definitions and Abbreviations*” and “*Financial Information*” on pages 20 and 283, respectively.

The organizational structure of the Company, as on the date of this Preliminary Placement Document is as follows:

Subsidiaries

1. Capri Global Housing Finance Limited; and
2. Capri Loans Car Platform Private Limited.



BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association.

In terms of the Companies Act, 2013 and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Preliminary Placement Document, our Board comprises seven Directors including one Executive Director and six Independent Directors including one woman Independent Director.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

Name, DIN, Term, Address, Occupation and Nationality	Age (in years)	Designation
Lingam Venkata Prabhakar Term: For a period of five years with effect from January 27, 2024. Address: A-265, Ganpat Andalkar Block Asiad Village, Delhi-110049, Delhi. Occupation: Retired Nationality: Indian DIN: 08110715	62	Chairperson and Independent Director
Rajesh Sharma Term: For a period of five years with effect from July 4, 2023 and is liable to retire by rotation. Address: 501 Arihant, 5 th Floor Gulnaz CHSL, 15 th road TPS 3 Khar Bandra West, Mumbai-400052, Maharashtra. Occupation: Business Nationality: Indian DIN: 00020037	55	Managing Director
Ajit Mohan Sharan Term: For a period of five years with effect from April 1, 2024. Address: Bungalow No. 35, New Moti Bagh, Delhi-110021, Delhi. Occupation: Retired Nationality: Indian DIN: 02458844	68	Independent Director
Desh Raj Dogra Term: For a period of five years with effect from February 1, 2021. Address: 402 Somerset, Hiranandani Gardens, Powai, Mumbai-400076, Maharashtra. Occupation: Retired	70	Independent Director

Name, DIN, Term, Address, Occupation and Nationality	Age (in years)	Designation
Nationality: Indian DIN: 00226775 Subramanian Ranganathan Term: For a period of five years with effect from October 31, 2023. Address: A-407/408, Golf Scappe, Sunny Estate, Sion Trombay Road, Chembur East, Mumbai – 400071, Maharashtra. Occupation: Retired Nationality: Indian DIN: 00125493	61	Independent Director
Shishir Priyadarshi Term: For a period of three years with effect from January 27, 2024. Address: A-1/6 Panchsheel Enclave, Delhi-110017, Delhi. Occupation: Retired Nationality: Indian DIN: 03459204	67	Independent Director
Nupur Sunil Mukherjee Term: For a period of three years with effect from January 27, 2024. Address: Flat No. 403, Tower 3, NCC Urban One, Gandipet Kokapet, Rangareddy-500075, Telangana. Occupation: Data AI ESG Banking Expert Nationality: Indian DIN: 10061931	46	Independent Director

Relationship with other Directors

None of the Directors of our Company are related to each other.

Brief Biographies of the Directors

Lingam Venkata Prabhakar is the Chairperson and an Independent Director of our Company. He has completed a master's degree of science in agriculture from Tamil Nadu Agricultural University. He is a Certified Associate of Indian Institute of Bankers. Prior to joining our Company, he was associated with Canara Bank Limited, IndusInd Bank Limited, and National Bank for Financing Infrastructure and Development.

Rajesh Sharma is the Promoter and Managing Director of our Company. He is also a qualified Chartered Accountant with the Institute of Chartered Accountants of India. He has over 25 years of experience in finance sector.

Ajit Mohan Sharan is an Independent Director of our Company. Prior to joining our Company, he was associated with Ministry of AYUSH and has served as an officer of the Indian Administrative Services. He has over three decades of experience in public administration.

Desh Raj Dogra is an Independent Director of our Company. He holds a bachelor's degree and a master's degree of science in agriculture from Himachal Pradesh University and a master's degree in business administration from University of Delhi. He is a Certified Associate of Indian Institute of Bankers. Prior to joining our Company, he was associated with Credit Analysis and Research Limited, S.Chand and Company Limited, Asirvad Micro Finance Limited, M.Power Micro Finance Private Limited, IFB Industries Limited, and Axiscades Technologies Limited.

Subramanian Ranganathan is an Independent Director of our Company. He holds a bachelor's degree of commerce and has completed bachelor's degree of law from University of Bombay. He is a member of the Institute of Chartered Accountants of India, Institute of Cost and Works Accountant of India and a member of Institute of Company Secretaries of India. Prior to joining our Company, he was associated with Edelweiss Capital Limited and Citicorp Finance (India) Limited.

Shishir Priyadarshi is an Independent Director of our Company. He holds a bachelor's degree in science (honours course) and master's degree in science from University of Delhi. He also holds a master's degree in arts (economics) from University of Reading, United Kingdom. Prior to joining our Company, he was associated with World Trade Organization and has served as an officer of the Indian Administrative Services.

Nupur Sunil Mukherjee is an Independent Director of our Company. She has completed a bachelor's degree of commerce from Mumbai University. She has completed the Chartered Institute of Management Accountants course. Further, she has completed Oxford Blockchain Strategy Programme from University of Oxford, Leadership with AI from Indian School of Business, ESG expert Program from Director's Institute – World Council of Directors and completed registered practitioner certification from APMG International. Prior to joining our Company, she was associated with HSBC Software Development (India) Private Limited, Standard Chartered Bank and Barclays Global Service Centre Private Limited.

Borrowing powers of our Board

In accordance with the Articles of Association of our Company, the Companies Act, 2013, and pursuant to a resolution dated May 8, 2024 passed by our Board and resolution dated September 19, 2024 passed by the Shareholders of our Company in accordance with Section 180 of the Companies Act, our Board of Directors are empowered to borrow funds in accordance with applicable law, provided that the funds borrowed or to be borrowed, shall not at any time exceed an amount of ₹ 150,000.00 million.

Interest of the Directors

All our Directors may be deemed to be interested to the extent of their remuneration paid to them for services rendered as officers of our Company and to the extent of sitting fees and compensation payable to them for attending meetings of our Board or committees thereof, as well as to the extent of reimbursement of expenses payable to them. Our Directors may also be regarded as interested in the Equity Shares held by them or their relatives, if any, or that which may be subscribed by or allotted to their relatives or the companies, firms or trusts, in which they are interested as directors, members, partners, trustees or promoters. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as provided in “*Related Party Transactions*” on page 52, there have been no related party transactions between the Company and any of the Directors during the three Fiscals immediately preceding the date of this Preliminary Placement Document. Further, in the current Fiscal, none of the directors have entered into any additional type of related party transactions, other than disclosed in the related party transactions of the Company for the periods mentioned above. For further details on the related party transactions mentioned above, see “*Related Party Transactions*” on page 52.

Further, our Company has neither availed any loans from, nor extended any loans to the Directors which are currently outstanding.

Shareholding of Directors

The following table sets forth the shareholding of the Directors in our Company as on the date of this Preliminary Placement Document:

Name	Number of Equity Shares	Percent of the issued and paid-up Equity Share capital (in %)
Rajesh Sharma	4,000	Negligible
Total	4,000	Negligible

Remuneration to the Executive Director

Pursuant to the resolutions passed by our Board and our Shareholders on May 21, 2022, and September 26, 2022, respectively, Rajesh Sharma was appointed as the Managing Director of our Company for a term of five years with effect from July 4, 2023 to July 3, 2028.

The following table sets forth the details of remuneration paid by our Company to the Executive Director of our Company during the current Fiscal from April 1, 2025, till date of this PPD, and for the Fiscals 2025, 2024 and 2023:

(in ₹ million)

S. No.	Name of Director	Remuneration for the current Fiscal (from April 1, 2025 till date of this PPD)	Remuneration for the Fiscal 2025	Remuneration for the Fiscal 2024	Remuneration for the Fiscal 2023
1.	Rajesh Sharma	2.50	35.59	2.40	2.40

The following table sets forth the details of remuneration paid by our Subsidiaries to the Executive Director of our Company during the current Fiscal from April 1, 2025 till date of this PPD, and for the Fiscals 2025, 2024 and 2023:

(in ₹ million)

S. No.	Name of Director	Remuneration for the current Fiscal (from April 1, 2025 till date of this PPD)	Remuneration for the Fiscal 2025	Remuneration for the Fiscal 2024	Remuneration for the Fiscal 2023
1.	Rajesh Sharma	0.10	1.28	1.20	1.20

Remuneration to Independent Directors

Each Independent Director is entitled to receive sitting fees of ₹ 0.10 million per meeting for attending each meeting of our Board and Audit Committee of our Board and ₹ 0.05 million per meeting for attending each meeting of any other committee of our Board. Further, our Non-Executive Directors are entitled to receive commission of ₹ 1.50 million per annum payable on quarterly basis and ₹ 2.50 million per annum for Non-Executive Chairman payable on quarterly basis.

The following table sets forth the compensation paid/payable by our Company to the Non-Executive Independent Directors of our Company during the current Fiscal from April 1, 2025 till date of this PPD, and Fiscals 2025, 2024 and 2023:

(in ₹ million)

S. No.	Name of Director	Remuneration			
		Current Fiscal (from April 1, 2025 till date of this PPD)	Fiscal 2025 [#]	Fiscal 2024	Fiscal 2023
1.	Lingam Venkata Prabhakar	0.40	4.36	0.11	Nil*
2.	Ajit Mohan Sharan	0.40	3.33	0.71	1.04
3.	Desh Raj Dogra	0.40	3.17	0.87	1.25
4.	Subramanian Ranganathan	0.55	2.07	0.22	Nil
5.	Shishir Priyadarshi	0.30	3.17	0.11	Nil*
6.	Nupur Sunil Mukherjee	0.30	3.05	0.11	Nil*

* Appointed w.e.f. from January 27, 2024.

[#] Includes sitting fees and commission paid to Independent Directors.

In relation to our Subsidiary, CGHFL, each Independent Director is entitled to receive sitting fees of ₹ 0.07 million per meeting for attending each meeting of our Board and Audit Committee of our Subsidiaries and ₹ 0.05 million per meeting for attending each meeting of any other committee.

The following table sets forth the compensation paid/payable by our Subsidiaries to the Non-Executive Independent Directors of our Company during the current Fiscal from April 1, 2025, till date of this PPD, and Fiscals 2025, 2024 and 2023:

(in ₹ million)

S. No.	Name of Director	Remuneration (including sitting fees)			
		Current Fiscal (from April 1, 2025 till date of this PPD)	Fiscal 2025 [#]	Fiscal 2024	Fiscal 2023
1.	Lingam Venkata Prabhakar	0.00	0.00	Nil	Nil
2.	Ajit Mohan Sharan	0.00	0.00	Nil	Nil
3.	Desh Raj Dogra	0.00	0.00	Nil	Nil
4.	Subramanian Ranganathan	0.38	2.28	0.80	Nil
5.	Shishir Priyadarshi	0.00	0.00	Nil	Nil
6.	Nupur Sunil Mukherjee	0.00	0.00	Nil	Nil

[#] Includes sitting fees and commission paid to Independent Directors.

Key Managerial Personnel and Senior Management

The Key Managerial Personnel and members of Senior Management are permanent employees of our Company. In addition to Rajesh Sharma, who is the Managing Director of our Company, whose details are provided in “– Board of our Directors,” the details of our other Key Managerial Personnel and the members of our Senior Management in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as on the date of this Preliminary Placement Document are set forth below:

S. No.	Name	Designation
Key Managerial Personnel		
1.	Partha Chakraborti	Chief Financial Officer
2.	Yashesh Pankaj Bhatt	Company Secretary & Compliance Officer
Senior Management		
1.	Divya Sutar	Director - Business Strategy
2.	Sanjeev Srivastava	Chief Risk Officer
3.	Ravish Gupta	Business Head (Gold Loan)
4.	Vijay Kumar Gattani	Director (Credit – CF)
5.	Chirag Shah	Associate Director – Internal Audit
6.	Abhishek Yadav	Chief Compliance Officer
7.	Tarun Aggarwal	Group Chief Technology Officer
8.	Hardik Girishkumar Doshi	Head - Corporate Finance & Investor Relations
9.	Jinisha Sharma	Associate Vice President - ESG

In addition to Rajesh Sharma, who is the Managing Director of our Company, the details of Key Managerial Personnel of our Company as follows:

Partha Chakraborti is the Chief Financial Officer of our Company. He has completed a bachelor’s degree of commerce from University of Calcutta. He is also a qualified Chartered Accountant with the Institute of Chartered Accountants of India and a member of the Institute of Cost and Works Accountants. Prior to joining our Company, he was associated with Flex P. Films (S.A.E) Egypt and N R Agarwal Industries Limited.

Yashesh Pankaj Bhatt is the Company Secretary & Compliance Officer of our Company. He completed a bachelor’s degree of commerce from University of Mumbai and a bachelor’s degree in law from University of Mumbai. He holds a master’s degree of financial management (M.F.M.) from University of Mumbai. He is a member of the Institute of Company Secretaries of India. Prior to joining our Company, he was associated with Reliance Industries Limited, Shapoorji Pallonji Infrastructure Capital Company Limited, Mahindra and Mahindra Limited, TATA Housing Development Company Limited and L&T Financial Services Limited.

In addition to Partha Chakraborti, Chief Financial Officer of our Company, and Yashesh Pankaj Bhatt, Company Secretary & Compliance Officer of our Company, whose details are provided in “– Key Managerial Personnel and Senior Management” on page 209, the details of our other Senior Management are set out below:

Divya Sutar is the Director – Business Strategy of our Company. She holds a master’s degree of science from University of San Francisco and has completed general management program from Harvard Business School.

Sanjeev Srivastava is the Chief Risk Officer of our Company. He is also a qualified Chartered Accountant with the Institute of Chartered Accountants of India. Previously he was associated with IIFL Finance Limited.

Ravish Gupta is the Business Head (Gold Loan) of our Company. He holds a bachelor’s degree in computer application from Barkatullah Vishwavidyalaya, Bhopal. Previously he was associated with IIFL Group, GE Money Financial Services Limited, and HDFC Bank Limited.

Vijay Kumar Gattani is the Director (Credit – CF) of our Company. He is also a qualified Chartered Accountant with the Institute of Chartered Accountants of India. Previously he was associated with Goldman Sachs (India) Securities Private Limited and ICICI Bank Limited.

Chirag Shah is the Associate Director – Internal Audit of our Company. He has completed the final examination held by the Institute of Chartered Accountants of India.

Abhishek Yadav is the Chief Compliance Officer of our Company. He holds a bachelor’s degree in commerce from University of Mumbai and he has also completed the final examination of a bachelor’s degree of law from University of Mumbai.

Tarun Aggarwal is the Group Chief Technology Officer of our Company. He has completed the final examination of post graduate diploma in management from Institute of Management Technology, Ghaziabad. Previously he was associated with One97 Communication Limited, Adobe Systems India Private Limited, Quad Analytix India Private Limited, and Expedia Online Travel Services India Private Limited.

Hardik Girishkumar Doshi is the Head - Corporate Finance & Investor Relations of our Company. He holds a post graduate programme in management (Finance) from S.P. Jain Institute of Management and Research, Mumbai. Previously he was associated with Kotak Mahindra Capital Company Limited and Deutsche Equities India Private Limited.

Jinisha Sharma is the Promoter and Associate Vice President – ESG of our Company. She holds a master’s degree in business administration from the University of Vermont, United States of America.

Relationship with other KMPs and members of Senior Management

Except for Jinisha Sharma who is daughter of Rajesh Sharma, none of our Key Managerial Personnel and members of the Senior Management are related to each other or to the Directors.

Interest of Key Managerial Personnel and members of Senior Management

None of our Key Managerial Personnel or Senior Management have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them in the ordinary course of business and to the extent of the Equity Shares held by them directly or indirectly in our Company or stock options granted to them under the ESOP 2009, if any, and any dividend payable to them and other distributions in respect of such Equity Shares. For details of interests of Directors, see “- *Interest of the Directors*” on page 207.

Except as provided in “*Financial Information*” on page 283, and except as disclosed in this Preliminary Placement Document, our Company has not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Preliminary Placement Document in which any of the Key Managerial Personnel or Senior Management other than the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Corporate Governance

Our Board presently consists of seven Directors, out of which six are Independent Directors (including one woman Independent Directors).

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board’s supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company’s executive management provides our Board detailed reports on its performance periodically.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders’ Relationship Committee; (iv) Corporate Social Responsibility Committee; and (v) Risk Management Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

S. No.	Committee	Name and Designation of Members
1.	Audit Committee	- Subramanian Ranganathan (<i>Chairperson</i>) - Ajit Mohan Sharan (<i>Member</i>) - Shishir Priyadarshi (<i>Member</i>)

S. No.	Committee	Name and Designation of Members
2.	Nomination and Remuneration Committee	- Ajit Mohan Sharan (<i>Chairperson</i>) - Desh Raj Dogra (<i>Member</i>) - Subramanian Ranganathan (<i>Member</i>)
3.	Stakeholders' Relationship Committee	- Subramanian Ranganathan (<i>Chairperson</i>) - Rajesh Sharma (<i>Member</i>) - Ajit Mohan Sharan (<i>Member</i>) - Desh Raj Dogra (<i>Member</i>)
4.	Corporate Social Responsibility Committee	- Nupur Sunil Mukherjee (<i>Chairperson</i>) - Rajesh Sharma (<i>Member</i>) - Subramanian Ranganathan (<i>Member</i>)
5.	Risk Management Committee	- Lingam Venkata Prabhakar (<i>Chairperson</i>) - Rajesh Sharma (<i>Member</i>) - Desh Raj Dogra (<i>Member</i>) - Subramanian Ranganathan (<i>Member</i>)

Other Confirmations

None of the Directors, Key Managerial Personnel, or members of Senior Management has any financial or other material interest in the Issue and there is no effect of such interest as is different from the interest of other persons.

Neither our Company, nor our Directors or Promoters have ever been identified as wilful defaulters or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrower issued by the RBI and under SEBI ICDR Regulations.

Neither our Company, nor our Directors or Promoters have been debarred from accessing capital markets under any order or direction made by SEBI. Further, none of our Directors have been declared as a Fugitive Economic Offender.

Neither our Company, nor our Directors nor our Promoters have been debarred from accessing capital markets under any order or direction made by SEBI.

None of our Directors, Promoters, Key Managerial Personnel or members of the Senior Management of our Company intends to subscribe to the Issue.

No change in control in our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations apply to our Company and its employees and require our Company to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading. Our Company has implemented a code of practices and procedures for fair disclosure of unpublished price sensitive information in accordance with the SEBI Insider Trading Regulations.

Related Party Transactions

For details in relation to the related party transactions entered into by our Company during the last three Financial Years, immediately preceding the year of circulation of this Preliminary Placement Document, see “*Related Party Transactions*” on page 52.

Employee stock option schemes

For details with respect the employee stock option scheme of our Company, see “*Capital Structure – Employee stock option scheme*” on page 90.

SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company as on March 31, 2025

The following table sets forth the details regarding the equity shareholding pattern of our Company as on March 31, 2025:

Category (I)	Category of shareholder (II)	Nos. of sharehold ers (III)	No. of fully paid up equity shares held (IV)	Total nos. shares held (V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VI) As a % of (A+B+C2)	Number of Voting Rights (VII)	Total as a % of Total Voting right (VIII)	Number of equity shares held in dematerialized form (IX)	Sub-categorization of shares (X)		
									Shareholding (No. of shares) under		
									Sub Category - I	Sub Category - II	Sub Category - III
A	Promoter & Promoter Group	7	576,511,308	576,511,308	69.87	576,511,308	69.87	576,511,308	-	-	-
B	Public	49,555	248,605,044	248,605,044	30.13	248,605,044	30.13	248,591,694			
C	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	49,562	825,116,352	825,116,352	100.00	825,116,352	100.00	825,103,002			

Statement showing shareholding pattern of our Promoters and Promoter Group

The following table sets forth the details regarding the equity shareholding pattern of our Promoters and Promoter Group as on March 31, 2025:

Category	Category & Name of shareholder (I)	Entity Type (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Total number of shares held (V)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VI)	Number of Voting Rights held in each class of securities (VII)		Number of Equity Shares held in dematerialized form (VIII)
							Class eg: Equity Shares	Total	
A1	Indian								
	Individuals/ Hindu undivided Family		5	7,512	7,512	-	7,512	-	7,512
	Rajesh Sharma	Promoter	1	4,000	4,000	-	4,000	-	4,000
	Ramesh Chandra Sharma	Promoter	1	1,112	1,112	-	1,112	-	1,112
	Jahnvi Sharma	Promoter	1	800	800	-	800	-	800
	Jinisha Sharma	Promoter	1	800	800	-	800	-	800
	Raghav Sharma	Promoter	1	800	800	-	800	-	800
	Any Other (specify)		2	576,503,796	576,503,796	69.87	576,503,796	69.87	576,503,796
	Rajesh Sharma as a trustee of JJR Family Trust	Promoter Group	1	181,100,140	181,100,140	21.95	181,100,140	21.95	181,100,140
	Capri Global Holdings Private Limited	Promoter Group	1	395,403,656	395,403,656	47.92	395,403,656	47.92	395,403,656
	Sub-Total (A)(1)		7	576,511,308	576,511,308	69.87	576,511,308	69.87	576,511,308
A2	Foreign								
	Sub-Total (A)(2)								
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		7	576,511,308	576,511,308	69.87	576,511,308	69.87	576,511,308

Statement showing shareholding pattern of the Public Shareholders

The following table sets forth the details regarding the equity shareholding pattern of the public Shareholders as on March 31, 2025:

Category (I)	Category & Name of the Shareholders (II)	Number of shareholder (III)	Number of fully paid up equity shares held (IV)	Total number of shares held (V)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VI)	Number of Voting Rights (VII)	Total as a % of Total Voting right (VII)	Number of equity shares held in dematerialized form (Not Applicable) (VIII)	Sub-categorization of shares (IX)		
									Shareholding (Number of shares) under		
									Sub Category - I	Sub Category - II	Sub Category - III
B	Institutions	-	-	-	-	-	-	-	-	-	-
B1	Institutions (Domestic)	-	-	-	-	-	-	-	-	-	-
	Mutual Funds/	14	13,644,427	13,644,427	1.65	13,644,427	1.65	13,644,427			
	Quant Mutual Fund-Quant Elss Tax Saver Fund	1	12,631,600	12,631,600	1.53	12,631,600	1.53	12,631,600			
	Alternate Investment Funds	1	230	230	-	230	-	230			
	Insurance Companies	3	106,105,785	106,105,785	12.86	106,105,785	12.86	106,105,785			
	SBI Life Insurance Co. Ltd	1	30,207,120	3.66	30,207,120	3.66	30,207,120	30,207,120			
	Life Insurance Corporation of India	1	75,848,401	9.19	75,848,401	9.19	75,848,401	75,848,401			
	NBFCs registered with RBI	2	54140	54,140	0.01	54,140	0.01	54,140			
	Sub Total B1	20	119,804,582	119,804,582	14.52	119,804,582	14.52	119,804,582			
B2	Institutions (Foreign)	-	-	-	-	-	-	-	-	-	-
	Foreign Portfolio Investors Category I	23	8,102,334	8,102,334	0.98	8,102,334	0.98	8,102,334			
	Sub Total B2	23	8,102,334	8,102,334	0.98	8,102,334	0.98	8,102,334			
B3	Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-
B4	Non-Institutions	-	-	-	-	-	-	-	-	-	-
	Key Managerial Personnel	1	16	16	-	16	-	16			
	Investor Education and Protection Fund (IEPF)	1	163,199	163,199	0.02	163,199	0.02	163,199			
	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	48,514	14,669,521	14,669,521	1.78	14,669,521	1.78	14,658,171			
	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	6	1,579,093	1,579,093	0.19	1,579,093	0.19	1,579,093			
	Non Resident Indians (NRIs)	335	265,062	265,062	0.03	265,062	0.03	265,062			
	Bodies Corporate	121	102,931,268	102,931,268	12.47	102,931,268	12.47	102,929,268			

Category (I)	Category & Name of the Shareholders (II)	Number of shareholder (III)	Number of fully paid up equity shares held (IV)	Total number of shares held (V)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VI)	Number of Voting Rights (VII)	Total as a % of Total Voting right (VII)	Number of equity shares held in dematerialized form (Not Applicable) (VIII)	Sub-categorization of shares (IX)		
									Shareholding (Number of shares) under		
									Sub Category - I	Sub Category - II	Sub Category - III
	Samvrudhi Tradesol Private Limited	1	8,434,061	8,434,061	1.02	8,434,061	1.02	8,434,061			
	Gladiolus Property And Investments Private Limited	1	11,154,971	11,154,971	1.35	11,154,971	1.35	11,154,971			
	Samvrudhi Multitrade Private Limited	1	12,499,482	12,499,482	1.51	12,499,482	1.51	12,499,482			
	Roopam Multitrade Private Limited	1	28,210,263	28,210,263	3.42	28,210,263	3.42	28,210,263			
	Gainful Investments And Advisors Private Limited	1	36,832,894	36,832,894	4.46	36,832,894	4.46	36,832,894			
	Any Other (specify)	534	1,089,969	1,089,969	0.13	1,089,969	0.13	1,089,969			
	Clearing Members	2	1,602	1,602	-	1,602	-	1,602			
	HUF	516	984,230	984,230	0.12	984,230	0.12	984,230			
	Bodies Corporate	15	29,777	29,777	-	29,777	-	29,777			
	Unclaimed or Suspense or Escrow Account	1	74,360	74,360	0.01	74,360	0.01	74,360			
	Sub Total B4	49,512	120,698,128	120,698,128	14.63	120,698,128	14.63	120,684,778			
	Total Public Shareholding B=B1+B2+B3+B4	49,555	248,605,044	248,605,044	30.13	248,605,044	30.13	248,591,694			

Statement showing shareholding pattern of the non – Promoter – non-public Shareholder:

The following table sets forth the details regarding the equity shareholding pattern of the non- Promoter- non- public Shareholders as on March 31, 2025.

Sl. No.	Category & Name of the Shareholders (I)	Number of shareholders (II)	Number of fully paid up equity shares held (III)	Total number of shares held	Shareholding % calculated as per SCRR, 1957) As a % of (A+B+C2) (V)	Number of equity shares held in dematerialized form
(1)	Custodian / DR Holder	-	-	-	-	-
(2)	Employee Benefit Trust/Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021	-	-	-	-	-
	Total Non-Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)	-	-	-	-	-

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the Bid, payment of Application Amount, Allocation and Allotment of the Equity Shares to be issued pursuant to the Issue. The procedure followed in the Issue may differ from the one mentioned below, and investors are assumed to have apprised themselves of the same from our Company or the Book Running Lead Managers. Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Bidders are required to confirm and are deemed to have represented to our Company, the Book Running Lead Managers and their respective directors, employees, counsels, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Book Running Lead Managers and their respective directors, officers, employees, counsels, agents, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire the Equity Shares. Prospective investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. Also see "Selling Restrictions" and "Transfer Restrictions" on pages 230 and 238, respectively.

Our Company, the Book Running Lead Managers and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document and the Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided that certain conditions are met by our Company, including but not limited to:

- the Shareholders have passed a special resolution approving the Issue. Such special resolution *inter alia* must specify (a) that the allotment of Equity Shares is proposed to be made pursuant to the QIP and (b) the Relevant Date;
- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed Issue schedule, the purpose or objects of the Issue, the contribution made by our Promoters or our Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the Issue, are listed on the Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to our shareholders for convening the meeting to pass the above-mentioned special resolution. For details, see "*Capital Structure*" on page 88;
- invitation to apply in the Issue must be made through a private placement offer cum application (i.e., this Preliminary Placement Document) and an Application Form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;
- our Company shall have completed allotments with respect to any offer or invitation made by our Company earlier or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;
- neither our Promoters nor our Directors, are Fugitive Economic Offenders;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer cum application (i.e., this Preliminary Placement Document and the Application Form), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The Issue must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe;
- our Company acknowledges the offerings of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited;
- in accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees
- our Company and our Directors have never been identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI; and
- the Promoter and our Directors are not declared as ‘fraudulent borrower’ by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 15, 2024.

At least 10% of the Equity Shares issued pursuant to this Issue to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the Stock Exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The “Relevant Date” referred to above means the date of the meeting in which the Board or the Committee of Directors decides to open the Issue and “stock exchange” means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the special resolution of the Shareholders passed through postal ballot on September 19, 2024, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations.

The Equity Shares will be Allotted within 365 days from the date of the shareholders’ resolution approving the Issue, being September 19, 2025, and within 60 days from the date of receipt of Application Amount from the Successful Bidders, failing which our Company shall refund the Application Amount in accordance with applicable laws. For details of refund of Application Amount, see “– Pricing and Allocation” and “– Designated Date and Allotment of Equity Shares” on pages 225 and 226, respectively.

The “Relevant Date” mentioned above in case of allotment of Equity Shares, refers to the date of the meeting in which the Board or the committee of Directors duly authorised by the board of the Issuer decides to open the Issue and “Stock Exchange” means any of the recognised stock exchanges in India on which the Equity Shares of the Issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the Relevant Date.

The Equity Shares issued pursuant to the Issue must be issued on the basis of this Preliminary Placement Document and the Placement Document that shall contain all material information required under applicable laws including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of allottees with respect to a QIP shall not be less than:

- two, where the issue size is less than or equal to ₹ 250 crore; and
- five, where the issue size is greater than ₹ 250 crore.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes “same group” or “common control”, see “– Bid Process – Application Form” on page 222.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

The Issue has been authorised and approved by our Board on August 3, 2024 and our Shareholders at the annual general meeting on September 19, 2024.

Our Company has filed a draft of this Preliminary Placement Document with each of the Stock Exchanges and has received the in-principle approvals of the Stock Exchanges, each dated June 9, 2025 under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to this Issue on the Stock Exchanges. We will file a copy of the Placement Document with the Stock Exchanges.

Allotments made to VCFs, and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act or any state securities laws of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are being offered and sold only (i) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in “offshore transactions”, as defined in, and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur and (ii) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both U.S. QIBs and QPs in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) of the U.S. Investment Company Act. The Equity Shares are transferable only in accordance with the restrictions described under the sections “Selling Restrictions” and “Transfer Restrictions” on pages 230 and 238, respectively.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On the Issue Opening Date, our Company in consultation with the Book Running Lead Managers shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with the BRLMs, at their sole discretion.
2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Application Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law.
3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Application Amount transferred to the escrow account specified in the Application Form and a copy of the PAN card or PAN allotment letter, during the Issue Period to the Book Running Lead Managers. Application Form may be signed physically or digitally, if required under applicable laws in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable laws. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been

transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. In case Bids are being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Bidders will be required to indicate the following in the Application Form:
 - Full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id and bank account details;
 - number of Equity Shares Bid for;
 - price at which they are agreeable to subscribe for the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;
 - Equity Shares held by the Eligible QIBs in our Company prior to the Issue;
 - details of the depository account to which the Equity Shares should be credited;
 - a representation that it is either (i) outside the United States acquiring the Equity Shares in an “offshore transaction” as defined in, and in reliance on, Regulation S, or (ii) a U.S. QIB, and it has agreed to certain other representations set forth in the “*Representations by Investors*” on page 6 and “*Transfer Restrictions*” on page 238 and certain other representations made in the Application Form; and
 - Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form.
5. Eligible QIBs shall be required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of “CAPRI GLOBAL CAPITAL LIMITED QIP ESCROW ACCOUNT” within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Application Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, (c) the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in “– Refunds” on page 227.
6. Once a duly completed Application Form is submitted by a Bidder, whether signed or not, and the Application Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision in the Issue Price before the Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.
7. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.
8. Upon receipt of the duly completed Application Form and the Application Amount in the Escrow Account, on or after the Issue Closing Date, our Company shall, in consultation with Book Running Lead Managers determine the final

terms, including the Issue Price and number of the Equity Shares to be issued pursuant to the Issue and Allocation to the Successful Bidders. Upon such determination, the Book Running Lead Managers, on behalf of our Company, will send the serially numbered CAN and the Placement Document to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of this Preliminary Placement Document and Application Form. Please note that the Allocation will be at the absolute discretion of our Company and will be in consultation with the Book Running Lead Managers.

9. The Bidder acknowledges that in terms of the requirements of the Companies Act, 2013 upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.
10. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.
11. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.
12. After passing the resolution for Allotment and prior to crediting the Equity Shares allotted pursuant to this Issue, into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.
13. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.
14. Our Company will then apply for the final trading approvals from the Stock Exchanges.
15. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.
16. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to the Successful Bidders. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Bidders are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.
17. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which Application Amount was remitted (as set out in the Application Form). For further details on refunds, see “- Refunds” on page 227.

Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to foreign portfolio investors, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs who can participate in the Issue as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;

- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions (which are resident in India);
- mutual funds registered with SEBI;
- pension funds with minimum corpus of ₹ 25 crore registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹ 25 crore;
- public financial institutions;
- scheduled commercial banks;
- state industrial development corporations;
- systemically important non-banking financial companies;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India; and
- venture capital funds registered with SEBI.

Eligible FPIs are permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. FVCIs are not permitted to participate in this Issue.

In terms of the SEBI FPI Regulations and the FEMA Rules, the issue of Equity Shares to a single FPI including its investor group (which means the multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control, shall be treated as part of the same investor group) must be below 10% of our post-Issue Equity Share capital and the total holding of all FPIs, collectively, shall be below 24% of the paid-up equity share capital of our Company. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI (including its investor group) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis.

In case the holding of an FPI including its investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. Other than those Eligible FPIs, as prescribed in Regulation 22(4) of the SEBI FPI Regulations, in the event that such divestment of excess holding is not undertaken within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI and receipt of necessary regulatory approvals as required and in accordance with applicable laws, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations and FEMA Rules.

As per the FPI Operational Guidelines, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed Central Securities Depository Limited as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The stock exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a

breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Further, with effect from April 1, 2020, the limit of total holdings of all Eligible FPIs put together shall be the sectoral cap applicable to our Company, currently being 100% under the automatic route. As of March 31, 2025, the aggregate FPI shareholding in our Company was 0.98% of our Company's paid-up Equity Share capital on a fully diluted basis. For further details, see "*Capital Structure - Pre-Issue and post-Issue Shareholding Pattern*" on page 90.

Eligible FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the Issue and sale of the Equity Shares in certain jurisdictions, see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 230 and 238, respectively.

Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being a Promoter, or any person related to, the Promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company, and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoters.

Our Company and the Book Running Lead Managers and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of under subscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

***Note:** Affiliates or associates of the Book Running Lead Managers who are QIBs, may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are specifically addressed to them) supplied by our Company and the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, a Bidder will be deemed to have made the representations, warranties, acknowledgements and undertakings given or made under the sections "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 3, 6, 230 and 238, respectively, including as follows:

1. The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
2. The Eligible QIB confirms that it is not a promoter as defined under SEBI ICDR Regulations;
3. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

4. The Bidder confirms that in the event it is resident outside India, it is an Eligible FPI having a valid and existing registration with SEBI under the applicable laws in India, and is eligible to invest in India under applicable law, including the FEMA Rules and the restrictions stated under this section, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;
5. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;
6. The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or members of the Promoter Group or persons related to the Promoters;
7. The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoters;
8. The Eligible QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB or as specified in this Preliminary Placement Document;
9. The Eligible QIB confirms that its Bid would not result in triggering an open offer under the SEBI Takeover Regulations;
10. The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013 and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;
11. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, the Company will be required to disclose names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and consents of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs;
12. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:
 - a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other Eligible QIB; and
 - b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
13. The Eligible QIB confirms that:
 - a. if it is within the United States, it is a U.S. QIB who is, or are acquiring the Equity Shares for its own account or for the account of an institutional investor who also meets the definition and requirement of a U.S. QIB, for investment purposes only and not with a view to, or for resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part and are not our affiliate or a person acting on behalf of such an affiliate; and
 - b. if it is outside the United States, it is subscribing to the Equity Shares in an "offshore transaction", as defined in, and in reliance on, Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate;
14. The Eligible QIBs acknowledge that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price;

15. The Eligible QIBs confirm that they shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; and
16. Each Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations read with the FEMA Rules, along with the restrictions specified above in this section.

ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, PHONE NUMBER, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN OR PAN ALLOTMENT LETTER (AS THE CASE MAYBE), DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY OR STOCK EXCHANGES IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (as the case maybe). The Application Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Managers either through electronic form or through physical delivery at either of the following addresses:

Name of the Book Running Lead Manager	Address	Contact Person	Email	Contact number
ICICI Securities Limited	ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India	Ramesh Vaswana/Abhijit Diwan	Website: www.icicisecurities.com Email: capriglobal.qip@icicisecurities.com Investor Grievance Email: customercare@icicisecurities.com	+91 22 6807 7100
JM Financial Limited	7th Floor, Cnergy Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India	Prachee Dhuri	Website: www.jmfl.com Email: capri.qip@jmfl.com Investor Grievance Email: grievance.ibd@jmfl.com	+91 22 6630 3030/3632
Nuvama Wealth Management Limited	801- 804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India	Pari Vaya	Website: www.nuvama.com Email: capri.global@nuvama.com Investor Grievance Email: customerservice.mb@nuvama.com	+91 22 4009 4400

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

Bidders Bidding in the Issue shall pay the entire Application Amount along with the submission of the Application Form, within the Issue Period.

Payment of Application Amount

Our Company has opened the “CAPRI GLOBAL CAPITAL LIMITED QIP ESCROW ACCOUNT” with our Escrow Agent, in terms of the arrangement among our Company, the Book Running Lead Managers and the Escrow Agent. Bidders will be required to deposit the entire Application Amount payable for the Equity Shares applied for through the Application Form submitted by it in accordance with the applicable laws. Bidders can make payment of the Application Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer.

Note: Payments made through cash, demand draft or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account within the Issue Period stipulated in the Application Form, the Application Form of the QIB is liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in “CAPRI GLOBAL CAPITAL LIMITED QIP ESCROW ACCOUNT” only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Application Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in “– Refunds” on page 227.

Bank Account Details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchange(s) during the two weeks preceding the Relevant Date. However, a discount of not more than 5% of the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations, as approved by our Shareholders pursuant to special resolution passed at the annual general meeting on September 19, 2024, may be offered by our Company in accordance with the provisions of the SEBI ICDR Regulations.

The “Relevant Date” referred to above, for Allotment, will be the date of the meeting in which the Committee of Directors of our Board decides to open the Issue. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Build-up of the book

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with Book Running Lead Managers have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD.

NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Managers, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them the, Issue Price and the Application Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board, or a duly authorised committee thereof, will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLMs.

Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in “*Representations by Investors*” on page 6 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.
2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued, and Allotment shall be made only in the dematerialised form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.
3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.
4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.
5. Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts, our Company will apply for the final trading approvals from the Stock Exchanges.
6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC.
7. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees, belonging in the same group or under common control in the Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document. Further, as required in terms of the PAS Rules, names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company will be disclosed in the Placement Document.
8. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which the Application Amount was remitted (as set out in the Application Form). The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of the Application Amount, our Company shall repay the Application Amount within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at the rate of 12% p.a. from the expiry of the 60th day.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Other Instructions

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. However, this requirement may not apply to certain Bidders who are exempted from the requirement of obtaining a PAN under the IT Act. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the Bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder. For details see “– Refunds” on page 227.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT

No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

Placement Agreement

The Book Running Lead Managers have entered into the Placement Agreement with our Company, pursuant to which the Book Running Lead Managers have agreed, subject to certain conditions, to manage the Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable efforts basis to be placed with the Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, as amended and other applicable provisions of the Companies Act and the rules made thereunder.

The Placement Agreement contains customary representations, warranties and indemnities from our Company and the Book Running Lead Managers, and it is subject to satisfaction of certain conditions and termination in accordance with the terms contained therein. Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares post the Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States, only to persons who are U.S. QIB(s) pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act; for avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as “QIBs”; and (b) outside the United States, in “offshore transactions” as defined in and in reliance upon Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. The Securities are transferable only in accordance with the restrictions described in “*Selling Restrictions*” and “*Transfer Restrictions*” on pages 230 and 238, respectively.

This Preliminary Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

Relationship with the Book Running Lead Managers

In connection with the Issue, the Book Running Lead Managers (or their affiliates or associates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers (or their affiliates or associates) may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see “*Offshore Derivative Instruments*” on page 12. From time to time, the Book Running Lead Managers, and their affiliates have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, commercial banking, trading services for our Company, Subsidiaries, group companies, affiliates and the shareholders of our Company, as well as to their respective affiliates, pursuant to which compensation has been paid or will be paid to the Book Running Lead Managers and their respective affiliates and associates.

Lock-up

Our Company undertakes that, for a period of 90 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Managers, directly or indirectly:

- (a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing;
- (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible

into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities convertible into or exercisable or exchangeable for Equity Shares, in cash or otherwise); or

- (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility;
- (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depositary receipt facility; or
- (e) publicly announce any intention to enter into any transaction falling within (a) to (d) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (d) above. Provided however, that the above restrictions would not apply to an issuance of Equity Shares or options pursuant to any employee stock option scheme formulated by the Company.

Lock-up by Promoter

The Promoter and Promoter Group have agreed that, for a period of 90 days from the date of Allotment under the Issue (the “**Promoter Lock-up Period**”), without the prior written consent of the Book Running Lead Managers, it shall not, directly or indirectly:

- (f) sell, lend, contract to sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any Equity Shares held by them or which may be deemed to be beneficially owned by them (the “**Lock-up Shares**”), or any securities convertible into or exercisable or exchangeable for Lock-up Shares, or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing;
- (g) enter into any swap or other agreement or transaction that transfers in whole or in part, any of the economic consequences of ownership of Lock-up Shares or any securities convertible into or exercisable or exchangeable for Lock-up Shares;
- (h) deposit Equity Shares with any other depositary in connection with a depositary receipt facility;
- (i) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of any of the transaction described in (a), (b) or (c) above; and
- (j) publicly announce any intention to enter into any transaction whether any such transaction described in (a) to (d) above.

Provided that, the foregoing restrictions shall not apply to (a) any Encumbrance created on the Equity Shares or any other securities in the ordinary course of business of our Company; or (b) any inter-se transfers between the Promoters.

The Promoter and Promoter Group has further agreed that any Equity Shares acquired by it during the Promoter Lock-up Period, either from the open market or inter-se transfer, shall constitute Lock-up Shares, and shall be subject to the restrictions contained herein. The Promoter has undertaken that such restrictions shall be applicable to all the Promoter Shares.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document or any offering material and the offering, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

This Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act, 2013.

General

No action has been taken or will be taken by our Company or the BRLMs that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013. Each purchaser of the Equity Shares in the Issue will be deemed to have made acknowledgments and agreements as described under “Transfer Restrictions”, “Notice to Investors” and “Representations by Investors” on pages 238, 3 and 6 respectively.

Republic of India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Preliminary Placement Document has not been and will not be registered as a prospectus with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Australia

This Preliminary Placement Document:

- does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) (“**Australian Corporations Act**”) and does not purport to include the information required of a disclosure document under the Australian Corporations Act.
- has not been, and will not be, lodged with the Australian Securities and Investments Commission (“ASIC”), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act;
- does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a “retail client” (as defined in section 761G of the Corporations Act and applicable regulations) in Australia; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors (“**Exempt Investors**”), available under section 708 of the Corporations Act.

The Equity Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the Equity Shares may be issued, and no draft or definitive Preliminary Placement Document, advertisement or other offering material relating to any Equity Shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Equity Shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of the Equity Shares under the Preliminary Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to us that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to investors in Australia

except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Bahrain

All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Preliminary Placement Document has been prepared for private information purposes for intended investors only who will be high net worth individuals and institutions. Our Company has not made and will not make any invitation to the public in the Kingdom of Bahrain and this Preliminary Placement Document will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency (“BMA”) has not reviewed, nor has it approved, the Preliminary Placement Document or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, the Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

European Economic Area

In relation to each Member State of the European Economic Area (each a “Relevant State”), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation (as defined below), except that it may make an offer to the public in that Relevant State of any Equity Shares at any time:

- to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the BRLMs; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Equity Shares shall require the Issuer or any Book Running Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

Hong Kong

The Book Running Lead Managers have represented, warranted and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Equity Shares other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “CWUMPO”) or which do not constitute an offer to the public within the meaning of the CWUMPO.

(ii) it has not issued or had in its possession for the purposes of the issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong), other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the “FIEA”) and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Law of Japan (“**Japanese Resident**”) or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a “qualified institutional investor” (*tekikaku kikan toshika*), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act

(the “**Qualified Institutional Investor**”), the Equity Shares will be offered in Japan by a private placement to small number of investors (*shoninzu muke kanyu*), as provided under Article 23-13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree falls under the Qualified Institutional Investor, the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (*tekikaku kikan toshikamuke kanyu*), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. To subscribe the Equity Shares (the “**QII Equity Shares**”) such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Equity Shares other than to another Qualified Institutional Investor.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the “**FSCMA**”), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the “**FETL**”). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Kuwait

This Preliminary Placement Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait (“**Kuwait Securities Laws**”). No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia (“**Commission**”) for the Commission’s approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Preliminary Placement Document is subject to Malaysian laws. This Preliminary Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Mauritius

The Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Preliminary Placement Document nor any offering material or information contained herein relating to the offer of Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. This Preliminary Placement Document does not constitute an offer to sell Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

New Zealand

This Preliminary Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “**FMC Act**”). This Issue is not an offer of financial products that requires disclosure under Part 3 of the FMC Act and no product disclosure statement, register entry or other disclosure document under the FMC Act will be prepared in respect of this Issue. The Equity Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act; or
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act.

If, in the future, any person in New Zealand to whom the Equity Shares are issued or sold elects to sell any Equity Shares, they must not do so in any manner which will, or is likely to, result in this Issue, or such sale, being viewed as an offer to which Part 3 of the FMC Act is applicable.

Sultanate of Oman

This Preliminary Placement Document and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in the Sultanate of Oman (“**Oman**”) without the prior consent of the Capital Market Authority (“**Oman CMA**”) and then only in accordance with any terms and conditions of such consent. In connection with the offering of the Equity Shares, no prospectus has been filed with the Oman CMA. The offering and sale of the Equity Shares described in this Preliminary Placement Document will not take place inside Oman. This Preliminary Placement Document is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof does not constitute a public offer of the Equity Shares in Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Authority Law (Royal Decree 80/98) (the “**CMAL**”), nor does it constitute an offer to sell, or the solicitation of any offer to buy Non-Omani securities in the Sultanate of Oman as contemplated by Article 139 of the Executive Regulations of CMA. Additionally, this Preliminary Placement Document and the Equity Shares is not intended to lead to the conclusion of a contract for the sale or purchase of securities. The recipient of this Preliminary Placement Document and the Equity Shares represents that it is a sophisticated investor (as described in Article 139 of the Executive Regulations of the Capital Market Law) and that it has experience in business and financial matters that they are capable of evaluating the merits and risks of investments.

Qatar (excluding the Qatar Financial Centre)

This Preliminary Placement Document and the offering of the Equity Shares have not been, and will not be: (i) lodged or registered with, or reviewed or approved by, the Qatar Central Bank, the Qatar Financial Markets Authority the Ministry of Business and Trade or any other governmental authority in the State of Qatar or (ii) authorized, permitted or licensed for offering or distribution in Qatar, and the information contained in this document does not, and is not intended to, constitute a public or general offer or other invitation in respect to the Equity Shares in the State of Qatar. Accordingly, the Equity Shares are not being, and will not be, offered, issued or sold in the State of Qatar, and this document is not being, and will not be, distributed in the State of Qatar. The offering, marketing, issue and sale of the Equity Shares and distribution of this Preliminary Placement Document is being made in, and is subject to the laws, regulations and rules of jurisdictions outside of the State of Qatar. No application has been or will be made for the Equity Shares to be listed or traded on the Qatar Exchange or the QE Venture Market.

This Preliminary Placement Document is strictly private and confidential, and is being sent to a limited number of institutional and/or sophisticated investors (a) upon their request and confirmation that they understand the statements above; and (b) on the condition that it will not be provided to any person other than the original recipient, and is not for general circulation and may not be reproduced or used for any other purpose.

Qatar Financial Centre

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Centre (the “**QFC**”), and accordingly should not be construed as such. This document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Bank has not been approved or licensed by or registered with any licensing authorities within the QFC.

Saudi Arabia

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a “**Saudi Investor**”) who acquires Equity Shares pursuant to the Issue should note that the offer of Equity Shares is an offer to “Sophisticated Investors” (as defined in Article 11 of the “Offer of Securities Regulations” as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated October 4, 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated August 18, 2008 (the “**KSA Regulations**”)) for the purposes of Article 9 of the KSA Regulations. Each Book Running Lead Managers have represented, warranted and agreed that the offer of the Equity Shares will only be directed at Sophisticated Investors. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this document, you should consult an authorised financial adviser.

The offer of Equity Shares shall not therefore constitute a “public offer” pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi Investor who has acquired Equity Shares as a Sophisticated Investor may not offer or sell those Equity Shares to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and (a) the Equity Shares are offered or sold to a Sophisticated Investor; (b) the price to be paid for the Equity Shares in any one transaction is equal to or exceeds Saudi Arabian Riyal 1 million or an equivalent amount; or (c) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

Singapore

Each BRLM has acknowledged that this Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each BRLM has represented and agreed that it has not offered or sold any Equity Shares or caused the Equity Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any Equity Shares or cause the Equity Shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Preliminary Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares, whether directly or indirectly, to any person in Singapore other than: (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “**SFA**”)) pursuant to Section 274 of the SFA; (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore SFA Product Classification: In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Equity Shares, the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are “prescribed capital markets products” (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

South Africa

Due to restrictions under the securities laws of South Africa, no “offer to the public” (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the “**South African Companies Act**”)) is being made in connection with the issue of the Equity Shares in South Africa. Accordingly, this Preliminary Placement Document does not, nor is it intended to, constitute a “registered prospectus” (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. The Equity Shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions stipulated in section 96 (1) applies:

- i. the offer, transfer, sale, renunciation or delivery is to:
 - (a) persons whose ordinary business is to deal in securities, as principal or agent;
 - (b) the South African Public Investment Corporation;
 - (c) persons or entities regulated by the Reserve Bank of South Africa;
 - (d) authorised financial service providers under South African law;
 - (e) financial institutions recognised as such under South African law;
 - (f) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorised portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or
 - (g) any combination of the person in (a) to (f); or
- ii. the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000 or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the South African Companies Act.

Information made available in this Preliminary Placement Document should not be considered as “advice” as defined in the South African Financial Advisory and Intermediary Services Act, 2002.

Switzerland

The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“**SIX**”) or on any other stock exchange or regulated trading facility in Switzerland. This Preliminary Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Equity Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Preliminary Placement Document nor any other offering or marketing material relating to the offering, the Company, the Equity Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Equity Shares will not be supervised by, the Swiss Financial Market Supervisory Authority and the offer of Equity Shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (“**CISA**”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Equity Shares.

Taiwan

The Equity Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Equity Shares in Taiwan.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary Placement Document has not been, and is not intended to be, approved by the UAE Central Bank, the UAE Ministry of Economy, the Emirates Securities and Commodities Authority or any other authority in the UAE or any other authority in any of the free zones established and operating in the UAE. The Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the UAE in a manner which constitutes a public offering in the UAE in compliance with any laws applicable in the UAE governing the issue, offering and sale of such securities. This Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any other person other than the original recipient and may not be used or reproduced for any other purpose.

Dubai International Financial Centre

The Equity Shares have not been offered and will not be offered to any persons in the Dubai International Financial Centre except on that basis that an offer is:

1. an “Exempt Offer” in accordance with the Markets Rules (MKT) module of the Dubai Financial Services Authority (the “DFSA”); and
2. made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module of the DFSA rulebook.

United Kingdom

The communication of this Preliminary Placement Document and any other document or materials relating to the issue of the Equity Shares offered hereby is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the United Kingdom’s Financial Services and Markets Act 2000, as amended (the “FSMA”). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. In the United Kingdom, this Preliminary Placement Document is being distributed only to, and is directed only at those (i) who have professional experience in matters relating to investments and who fall within the definition of investment professionals in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”) or otherwise in circumstances which have not resulted and will not result in an offer to the public of the Equity Shares in the United Kingdom within the meaning of the FSMA. Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this Preliminary Placement Document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this Preliminary Placement Document relates to may be made or taken exclusively by relevant persons.

In addition, in relation to the United Kingdom, no offer of Equity Shares which are the subject of the offering contemplated by this Preliminary Placement Document to the public may be made in the United Kingdom other than:

- (i) to any legal entity which is a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 (“EUWA”);
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA) in the United Kingdom subject to obtaining the prior consent of the BRLMs; or
- (iii) in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Equity Shares shall require our Company or any BRLM to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

For the purposes of this provision, the expression “an offer of Notes to the public” in relation to any Equity Shares means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold (a) within the United States, only to persons who are U.S. QIBs pursuant to Section 4(a)(2) or another available exemption from

registration under the U.S. Securities Act, and (b) outside the United States, in “offshore transactions”, as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. For further information, please refer to the section titled “*Transfer Restrictions*” on page 238.

TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares, except on the floor of the Stock Exchanges, is not permitted for a period of one year from the date of Allotment. Investors are advised to consult legal counsels prior to making any offer, resale, pledge or transfer of our Equity Shares. In addition to the above, Allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see “*Selling Restrictions*” on page 230.

Transfer restrictions and purchaser representations for purchasers within the United States

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

If you purchase the Equity Shares offered in the United States pursuant to Section 4(a)(2) of the U.S. Securities Act, in reliance upon Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act, by accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented and agreed to us and the Book Running Lead Managers as follows:

- You are authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.
- You (A) are a “qualified institutional buyer” (as defined in Rule 144A) (a “U.S. QIB”), (B) are aware that the sale of the Equity Shares to you is being made pursuant to Section 4(a)(2) of the U.S. Securities Act or another available exemption from the registration requirements of the U.S. Securities Act, and (C) are acquiring such Equity Shares for your own account or for the account of a U.S. QIB.
- You understand and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering within the meaning of the U.S. Securities Act, have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be reoffered, resold, pledged or otherwise transferred except (A)(i) in the United States, (1) to a person who the seller reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (2) pursuant to an exemption from the registration requirements under the U.S. Securities Act provided by Rule 144 under the U.S. Securities Act (if available), (3) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, or (4) pursuant to an effective registration statement under the U.S. Securities Act, or (ii) outside the United States in an offshore transaction in reliance upon Regulation S, as applicable, and (B) in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdictions in which such offers or sales are made.
- You agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer agrees) that neither you, nor any of your affiliates, nor any person acting on your behalf, will make any “directed selling efforts” as defined in Regulation S, with respect to the Equity Shares. You acknowledge and agree that you are not purchasing any Equity Shares as a result of any directed selling efforts.
- The Equity Shares offered and sold in the United States as part of the Issue are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for re-sales of any Equity Shares.
- You will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act.
- You have been provided access to this Preliminary Placement Document and will be provided access to the Placement Document, which you have read in its entirety. You will base your investment decision on a copy of this Preliminary Placement Document and the Placement Document. You acknowledge that neither our Company nor any of its affiliates nor any other person (including the Book Running Lead Managers) or any of its affiliates has made or will make any representations, express or implied, to you with respect to our Company, the Issue, the Equity Shares or the accuracy, completeness or adequacy of any financial or other information concerning our Company, the Issue or the Equity Shares,

other than (in the case of our Company only) the information contained in this Preliminary Placement Document, as it may be supplemented.

- You are a sophisticated investor and possess such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in similar jurisdictions. You and any accounts for which you are subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company or the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) are seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and you or they have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.
- You will notify any transferee to whom you subsequently offer, sell, pledge or otherwise transfer and the executing broker and any other agent involved in any resale of the Equity Shares of the foregoing restrictions applicable to the Equity Shares and instruct such transferee, broker or agent to abide by such restrictions.
- You acknowledge that if at any time your representations cease to be true, you agree to resell the Equity Shares at our Company's request.
- You agree that any offer, resale, pledge or other transfer, or attempted offer, resale, pledge or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions will not be recognised by the Company.

You acknowledge and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges and agrees) that the Company, the BRLMs and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agree that, if any of such acknowledgments, representations or agreements are no longer accurate you will promptly notify Company and the BRLMs; and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make, and do make, the foregoing acknowledgments, representations and agreements on behalf of each such account. You agree that the terms and provisions of the foregoing acknowledgments, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgments, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. You understand that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorize the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

Transfer restrictions and purchaser representations for purchasers outside the United States

If you purchase the Equity Shares offered outside the United States in reliance on Regulation S, by accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented and agreed as follows:

- You are authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations and will comply with all laws, regulations and restrictions (including the selling restrictions contained in this Preliminary Placement Document) which may be applicable in your jurisdiction and you have obtained or will obtain any consent, approval or authorization required for you to purchase and accept delivery of Equity Shares, and you acknowledge and agree that none of the Company or the BRLMs and their respective affiliates shall have any responsibility in this regard.
- You acknowledge (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges) that the Equity Shares are being issued in offshore transactions in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.

- You certify that either (A) you are, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, are located outside the United States (within the meaning of Regulation S), and you have not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) you are a broker-dealer acting on behalf of your customer and your customer has confirmed to you that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, (ii) such customer is located outside the United States (within the meaning of Regulation S), and (iii) such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.
- You are aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.
- You agree (or you are a broker-dealer acting on behalf of a customer that has confirmed to you that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any “directed selling efforts” as defined in Regulation S. You acknowledge and agree that you are not purchasing any Equity Shares as a result of any “directed selling efforts” as defined in Regulation S.
- You understand and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and that such Equity Shares may be offered, resold, pledged or otherwise transferred except (A)(i) in the United States, (1) to a person who the seller reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (2) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 under the U.S. Securities Act (if available), (3) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, or (4) pursuant to an effective registration statement under the U.S. Securities Act, or (ii) outside the United States in an “offshore transaction” complying with Rule 903 or Rule 904 of Regulation S, as applicable, and (B) in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdictions in which such offers or sales are made.
- You are a sophisticated investor and possess such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) are seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and you or they have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.
- You have been provided access to this Preliminary Placement Document and will be provided access to the Placement Document, which you have read in its entirety. You will base your investment decision on a copy of this Preliminary Placement Document and the Placement Document. You acknowledge that neither our Company nor any of its affiliates nor any other person (including the Book Running Lead Managers) or any of its affiliates has made or will make any representations, express or implied, to you with respect to our Company, the Issue, the Equity Shares or the accuracy, completeness or adequacy of any financial or other information concerning our Company, the Issue or the Equity Shares, other than (in the case of our Company only) the information contained in this Preliminary Placement Document, as it may be supplemented.
- You agree to indemnify and hold the Company and the BRLMs harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. You will not hold any of the Company or the BRLMs liable with respect to its investment in the Equity Shares. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where you are subscribing to the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “you” to include such accounts.
- You agree that any offer, resale, pledge or other transfer, or attempted offer, resale, pledge or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.

If such person is a dealer (as such term is defined under the U.S. Securities Act), it may not resell the Equity Shares in the United States prior to 40 days from the commencement of the offering of the Equity Shares. You acknowledge and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges and agrees) that the Company and the BRLMs and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agree that, if any of such acknowledgements, representations or agreements are no longer accurate, you will promptly notify the Company and the BRLMs; and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make, and do make, the foregoing acknowledgements, representations and agreements on behalf of each such account. You agree that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. You understand that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorize the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the “**SCR (SECC) Regulations**”), which regulate, *inter alia*, the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investor, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SEBI ICDR Regulations, 2013 the SCRA, the SCRR, the SEBI Act, SEBI Listing Regulations and various guidelines and regulations issued by SEBI and the Stock Exchanges. The SCRA and the SCRR empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company’s obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange’s governing body and withdraw recognition of a recognized stock exchange.

Further the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended, (“**Delisting Regulations**”) govern the voluntary and compulsory delisting of equity shares from the stock exchanges. Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoters, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares or act as an intermediary in the securities market for a period of 10 years from the date of such delisting. In addition, certain amendments to the Delisting Regulations have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except exempted public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold. However, every listed public sector company whose public shareholding falls below 25% at any time on or after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such commencement or fall, respectively, in the manner specified by SEBI. By way of a notification dated July 19, 2024, the Government has granted an exemption to such public sector undertakings to increase their public shareholding to 25% till August 1, 2026. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above mentioned requirements.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the “equities” as well as the “derivatives” segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation fully automated BSE on-line trading platform (“**BOLT+**”) through which all trades on the equity cash, equity derivatives and currency segments of the exchange are executed.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading (“**NEAT**”), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Settlement

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday. Further, SEBI by way of circulars bearing no. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/20 dated March 21, 2024 and SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/172 dated December 10, 2024, respectively, has introduced and enhanced the scope of optional T+0 settlement cycle in equity cash markets (in addition to the existing T+1 settlement cycle) to the top 500 companies by market capitalisation with effect from January 31, 2025.

Disclosures under the Companies Act and securities regulations

Under the Companies Act, 2013, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the PAS Rules and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company's registered office is situated. A company's directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act, 2013, also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process. Public limited companies are required under the Companies Act, 2013, and other applicable guidelines, to prepare, file with the RoC and circulate to their shareholders audited annual accounts which comply with the Companies Act's disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial statements (subject to a limited review by the company's auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

The SEBI Takeover Regulations were further amended on June 22, 2020 to exempt any acquisitions by way of preferential issue from the obligation to make an open offer. Subsequently, the SEBI Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and creation/invocation/release of encumbrance registered in depository systems under the SEBI Takeover Regulations. These relaxations have been given on account of implementation of the System Driven Disclosures.

SEBI Insider Trading Regulations

SEBI had earlier notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 to prohibit and penalise insider trading in India. The regulations, among other things, prohibited an 'insider' from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("UPSI").

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, *inter alia*, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of

UPSI; an internal code to regulate, monitor and report trading by designated persons and immediate relatives of designated persons governing dealing in securities; and a policy for procedures to be adopted by a company in case of any leak of UPSI. Every such code and procedures for fair disclosure of UPSI and every amendment thereto shall be promptly intimated to the stock exchanges where the securities of the company are listed to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

Further, the board of directors or head(s) of the listed entities are required to maintain a structured digital database containing, *inter alia*, the nature of UPSI, the names of such persons who have shared the UPSI and the names of persons with whom such UPSI is shared under the SEBI Insider Trading Regulations.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term “securities”, as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. The prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

The authorised share capital of the Company is ₹ 2,000,000,000 comprising of 2,000,000,000 Equity Shares (of face value of ₹1 each). As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up capital of the Company is ₹ 825,116,352 comprising of 825,116,352 Equity Shares (of face value of ₹1 each). For further details please see “Capital Structure” on page 88. The Equity Shares are listed on BSE and NSE.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held each fiscal year. The shareholders have the right to decrease but not increase the dividend amount recommended by the board of directors. Dividends are generally declared as a percentage of par value (on per share basis) and distributed and paid to shareholders. The Companies Act provides that shares of the same class of a company must receive equal dividend treatment. According to the Articles of Association, the shareholders of our Company in a general meeting may declare dividend which may not exceed the amount of the dividend recommended by our Board of Directors. However, our Board of Directors is not obligated to recommend a dividend. The decision of our Board of Directors and shareholders may depend on a number of factors, including but not limited to profits earned and available for distribution during the financial year, accumulated reserves including retained earnings, organic growth plans / expansions as well as the prevailing macro-economic environment or any other regulatory changes.

These distributions and payments are required to be paid to or claimed by shareholders within 30 days of the date of declaration of dividend. The Companies Act states that any dividends that remain unpaid or unclaimed after that period are to be transferred to a special bank account within seven days from the date of expiry of the period of 30 days. Any dividend amount that remains unclaimed for seven years from the date of such transfer is to be transferred by our Company to a fund, called the Investor Education and Protection Fund, created by the Government of India. The Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules, 2014 provides that if the profit for a year is inadequate or nil, the dividend for that year may be declared out of the accumulated profits earned in previous years and transferred to reserves, subject to the following conditions: (i) the rate of dividend to be declared shall not exceed the average of the rates at which dividend was declared by the company in the three years immediately preceding that year; (ii) the total amount to be drawn from such accumulated profits from previous years shall not exceed one-tenth of the sum of the paid-up share capital and free reserves as appearing in the latest audited financial statement; (iii) the amount so drawn shall first be utilized to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared; (iv) the balance of reserves after withdrawal must not be below 15% of paid-up share capital as appearing in the latest audited financial statement; and (v) unless carried over previous losses and depreciation not provided in previous year or years are set-off against profit of the company of the current year for which the dividend is declared or paid. SEBI, by its circular dated April 24, 2009, amended the Listing Agreement and provided that the dividend declared has to be on a per share basis only.

The Articles provides that the Board may from time to time to pay to the members such interim dividends of such amount on such class of shares and at such time as it may think fit and as appear to it to be justified by the profits of the company. Under the Companies Act dividends payable can be paid only in cash to the registered shareholder at a record date fixed prior to the relevant AGM, to his order or to the order of his banker. However, any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

No dividend shall be payable except out of the profits of the year or any other undistributed profits of the Company, or otherwise than in accordance with the provisions of the Act and no dividend shall carry interest as against the Company.

Capitalization of Reserves

In addition to permitting dividends to be paid out of current or retained earnings, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account, to its shareholders, in the form of fully paid up bonus shares, which are similar to a stock dividend. Bonus shares are distributed to shareholders in the proportion of the number of ordinary shares owned by them as recommended by the board of directors. The shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to regulations issued by SEBI. The relevant provisions of the SEBI ICDR Regulations prescribe that no company shall, pending conversion of outstanding convertible securities, fully or partly convertible debt instruments, issue any shares by way of bonus unless similar benefit is extended to the holders of such convertible securities, through reservation of shares in proportion to such conversion. Further, as per the Companies Act, 2013, for the issuance of bonus shares a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption of such debentures. The

bonus issue must be made out of free reserves built out of profits or share premium account collected in cash only and not from reserves created by revaluation of fixed assets. Further, bonus shares cannot be issued in lieu of dividend. Our Company, in a general meeting, may resolve that it is desirable to capitalize any part of the amount standing to the credit of any of our Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, among such shareholders as would be entitled to receive dividends, provided that any sum standing to the credit of a share premium account or capital redemption reserve fund may only be applied in paying up of unissued equity shares to be issued to our Company's shareholders as fully paid bonus shares.

Bonus Shares

In addition to permitting dividends to be paid as described above, the Companies Act permits the Board, subject to the approval of the Shareholders of our Company, to distribute to the Shareholders, in the form of fully paid-up bonus shares, an amount transferred from the company's free reserves, securities premium account or the capital redemption reserve account. These bonus equity shares must be distributed to the Shareholders in proportion to the number of equity shares owned by them.

Bonus shares can only be issued if the company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal/interest payments on fixed deposits or debt securities issued by it. Bonus shares shall not be issued in lieu of dividend. Further, listed companies are also required to follow the SEBI ICDR Regulations for issuance of bonus shares.

Pre-Emptive Rights and Issue of Additional Shares

The Companies Act gives shareholders the right to subscribe for new shares in proportion to their existing shareholdings unless otherwise determined by a resolution passed by members who, being entitled so to do, vote in person or by proxy or by postal ballot, are required to be not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting. Under the Companies Act, in the event of an issuance of securities, subject to the limitations set forth above, our Company must first offer the new Equity Shares to the holders of Equity Shares at the date of offer. The offer shall be made by notice specifying the number of Equity Shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer, required to be made by notice, shall include a statement that the right exercisable by the Shareholders to renounce the Equity Shares offered in favour of any other person.

Our Board is permitted to distribute Equity Shares not accepted by existing shareholders in the manner it deems beneficial for us, in accordance with the Articles. Under the provisions of Section 62(1)(c) of the Companies Act, 2013, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, in the event a special resolution to that effect is passed by our Shareholders in a general meeting. In addition, our Company will also be required to comply with the SEBI ICDR Regulations.

Issuance of Preference Shares

Subject to Section 55 of the Companies Act, any new shares may be issued as preference shares or convertible preference shares which are liable to be redeemed in any manner permissible under the Companies Act.

General meetings of shareholders

There are two types of general meetings of shareholders: (i) AGM; and (ii) EGM. Our Company must hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. Our Board may convene an EGM when necessary or at the request of Shareholders in accordance with the Companies Act. Written notice or notice via electronic mode means setting out the business to be transacted at the meeting must be given at least 21 days prior to the date set for the general meeting to the Shareholders. Shorter notice is permitted if consent is received from 95% of the Shareholders entitled to vote at such meeting. As per the provisions of the Companies Act and the Articles of Association, all general meetings other than Annual General Meetings shall be called EGM. The Board may, whenever it thinks fit, call an Extraordinary General Meeting. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Five Shareholders or such other number of Shareholders as required under the Companies Act or applicable laws personally present shall constitute quorum for a general meeting. The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company.

Voting rights

A shareholder has one vote for each equity share and voting may be on a poll or through electronic means or postal ballot.

Ordinary resolutions may be passed by simple majority if the votes cast in favour exceeds the votes cast against the resolution. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Companies Act read with the rules issued thereunder. The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting. Under the Companies Act, 2013, every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, shall be signed by an officer or any attorney duly authorized by it. The proxy so appointed shall have no right to speak at such meeting and shall not be entitled to vote except on poll.

Transfer and transmission of shares

Equity Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to STT (levied on and collected by the stock exchanges on which such equity shares are sold), however, are exempt from stamp duty. Our Company has entered into an agreement for such depository services with NSDL and CDSL. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep a book in which every transfer or transmission of shares will be entered. Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.

Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository.

The Equity Shares shall be freely transferable, subject to applicable laws.

Annual Report and Financial Results

The annual report must be laid before the annual general meeting of the shareholders of a company. This includes financial information about the company such as the audited financial statements as of the date of closing of the financial year, directors' report, management's discussion and analysis and a corporate governance section, and is sent to the shareholders of the company. Under Section 137 the Companies Act, 2013, a company must file the financial statements with the registrar of companies within 30 days from the date of the annual general meeting. As required under the SEBI Listing Regulations, copies of such balance sheet and the statement of profit and loss account are required to be simultaneously sent to the stock exchanges on which the shares of the company making such filings are listed. A listed company must also publish its financial results in at least one English language daily newspaper circulating the whole or substantially the whole of India and also in a newspaper published in the language of the region where the registered office of such company is situated. Our Company submits certain information online, including its financial results and the shareholding pattern statement, in accordance with the requirements of the SEBI Listing Regulations and as may be specified by SEBI from time to time.

Acquisition by our Company of its own Equity Shares

Sections 68, 69 and 70 of the Companies Act, 2013, read with Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014, relate to the power of a company to purchase its own shares or other specified securities out of its free reserves, or the securities premium account or the proceeds of the issue of any shares or other specified securities (other than from the proceeds of an earlier issue of the same kind of shares or other specified securities proposed to be bought back) subject to certain conditions, including:

- the buy-back has been authorized by the articles of association of the company;
- a special resolution has been passed in a general meeting of the company authorizing the buy-back. Under the Companies (Management and Administration) Rules, 2014, such resolution authorizing buy-back has to be passed through a postal ballot; the buy-back is for less than 25% of the total paid-up capital and free reserves of the company, provided that the buy-back of equity shares in any financial year shall not exceed 25% of its total paid-up equity capital in that financial year; the ratio of the aggregate of secured and unsecured debts owed by the company after buy-back is not more than twice the paid-up capital and its free reserves;
- all the shares or other specified securities for buy-back are fully paid-up; and
- the buy-back is in accordance with the regulations made by SEBI in this behalf.

The requirement of special resolution mentioned above would not be applicable if the buy-back is for less than 10% of the total paid-up equity capital and free reserves of the company and provided that such buy-back has been authorized by the board of directors of the company. A company buying back its securities is required to extinguish and physically destroy the securities so bought back within seven days of the last date of completion of the buy-back. Further, a company buying back its securities is not permitted to buy back any securities for a period of one year from the buy-back or to issue the same kind of securities for six months subject to certain exceptions. Every buy-back must be completed within a period of one year from the date of passing

of the special resolution or resolution of the board of directors, as the case may be. Under Section 70 of the Companies Act, 2013, a company is also prohibited from purchasing its own shares or other specified securities through any subsidiary company, including its own subsidiary companies, or through any investment company or group of investment companies or if the company is defaulting on the repayment of deposit or interest, redemption of debentures or preference shares or payment of dividend to a shareholder or repayment of any term loan or interest payable thereon to any financial institution or bank, or in the event of non-compliance with certain other provisions of the Companies Act, 2013.

Winding up

Our Articles of Association provide that on winding up, the liquidator may, with the sanction of a special resolution and any other sanction required under the Companies Act, 2013, divide amongst the members, in specie or kind, the whole or any part of the assets of our Company and vest the whole or any part of the assets of the Company in trustees upon such trust for the benefit of the contributories if considered necessary.

INDIAN TAXATION

STATEMENT OF POSSIBLE TAX BENEFITS

To,

The Board of Directors

Capri Global Capital Limited

502, Tower A, Peninsula Business Park,

Senapati Bapat Marg,

Lower Parel, Mumbai – 400 013

Sub: Statement of possible special tax benefits available to Capri Global Capital Limited, its shareholders and Capri Global Housing Finance Limited, prepared in accordance with the requirements under Schedule VII Clause (18) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (“SEBI ICDR Regulations”)

1. We, M S K A & Associates (‘we’ or ‘us’ or ‘M S K A’ or the ‘Firm’), Chartered Accountants, the statutory auditors of Capri Global Capital Limited (the “Company”) hereby confirm the enclosed statement in the Annexure prepared and issued by the Company, which provides the possible special tax benefits under Income-tax Act, 1961 (“Act”) presently in force in India viz. the Income-tax Act, 1961, (“Act”), the Income-tax Rules, 1962, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, The Customs Act, 1962, The Customs Tariff Act, 1975 and the Foreign Trade Policy (collectively the “Taxation Laws”), the rules, regulations, circulars and notifications issued thereon, as amended by the Finance Act, 2024 & Finance (No.2) Act, 2024 and as applicable to the assessment year 2025-26 relevant to the financial year 2024-25, available to the Company, its shareholders; and Capri Global Housing Finance Limited (“Material Subsidiary”) identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Several of these benefits are dependent on the Company, its shareholders and Material Subsidiary, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company, its shareholders and Material Subsidiary to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company, its shareholders and Material Subsidiary face in the future, the Company, its shareholders and Material Subsidiary may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VII of the SEBI ICDR Regulations. While the term ‘special tax benefits’ has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company and its shareholders the same would include those benefits as enumerated in the Statement. Any benefits under the Taxation Laws other than those specified in the Statement are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the Statement, have not been examined and covered by this Statement.
3. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.
4. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its shareholders and its Material Subsidiary and do not cover any general tax benefits available to them.
5. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
6. The benefits stated in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.
7. We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note

requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accounts of India.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.
9. We do not express any opinion or provide any assurance whether:
 - The Company, its shareholders and Material Subsidiary will continue to obtain these benefits in future;
 - The conditions prescribed for availing the benefits have been / would be met;
 - The revenue authorities/courts will concur with the views expressed herein.
10. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.
11. This Statement is addressed to Board of Directors and issued at specific request of the Company. The enclosed Annexure to this Statement is intended solely for your information and for inclusion in the Preliminary Placement Document, Placement Document and any other material in connection with the proposed qualified institutional placement of equity shares of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number:105047W

Prateek Khandelwal
Partner
Membership Number: 139144
UDIN:

Mumbai
May XX, 2025

ANNEXURE OF SPECIAL TAX BENEFITS AVAILABLE TO CAPRI GLOBAL CAPITAL LIMITED (THE “COMPANY”), ITS MATERIAL SUBSIDIARY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the special tax benefits available to the Company, its material subsidiary and its shareholders under the Income-tax Act, 1961 (the IT Act) applicable for the Financial Year 2024-25. These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act.

I Under the Income -tax Act, 1961 (the IT Act)

A. Special tax benefits available to the Company

1. Deduction under section 36(1)(viia) of the IT Act

The Company is entitled to accelerated deduction in respect of bad and doubtful debts up to the limit specified under section 36(1)(viia) of the Act in computing its income under the head “Profits and gains of business or profession”, to the extent of five per cent (5%) of the gross total income (computed before making any deduction under this section and Chapter VI-A), and subject to satisfaction of prescribed conditions.

As per section 36(1)(vii) of the Act, where the Company has claimed deduction under section 36(1)(viia) of the Act, then the subsequent claim of deduction of actual bad debts under section 36(1)(vii) of the Act shall be reduced to the extent of deduction already claimed under section 36(1)(viia) of the Act.

Further, as per section 41(4) of the Act, where any deduction has been claimed by the Company in respect of a bad debt under Section 36(1)(vii) of the Act, then any amount subsequently recovered on any such debt is greater than the difference between such debt and the amount so allowed as a deduction under section 36(1)(vii) of the Act, the excess shall be deemed to be business income of the year in which it is recovered.

As per provisions of section 43D of the Act, in case of a Systemically Important Non-Deposit taking NBFC or a deposit taking NBFC, the income by way of interest in relation to such categories of bad or doubtful debts (i.e. Non-performing assets) as may be prescribed in Rule 6EA of the Income Tax Rules, 1962 having regard to the guidelines issued by the Reserve Bank of India in relation to such debts shall be chargeable to tax in the previous year in which it is credited to its profit and loss account or, as the case may be, in the year in which it is actually received by that NBFC, whichever is earlier.

2. Section 80M - Deduction in respect of inter-corporate dividends

The Section 80M of the Act, provides for deduction from gross total income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return.

Where the Company receives any such dividend during a Financial Year and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said Financial Year, it shall be entitled to the deduction under Section 80M of the Act. It is to be noted that the dividend is taxable in the hands of shareholder; hence, the Company shall be required to comply with the withholding tax provisions of the Act.

3. Concessional corporate tax rates - Section 115BAA of the IT Act

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions. The option to apply this tax rate is available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21 and the option once exercised shall apply to subsequent AYs. The concessional rate is subject to a company not availing any of the following deductions under the provisions of the IT Act:

- Section 10AA: Tax holiday available to units in a Special Economic Zone.
- Section 32(1)(iia): Additional depreciation;
- Section 32AD: Investment allowance.
- Section 33AB/33ABA: Tea coffee rubber development expenses/site restoration expenses
- Section 35(1)/35(2AA)/ 35(2AB): Expenditure on scientific research.
- Section 35AD: Deduction for capital expenditure incurred on specified businesses.
- Section 35CCC/35CCD: expenditure on agricultural extension /skill development.
- Chapter VI-A except for the provisions of section 80JJAA and section 80M.

The total income of a company availing the concessional rate of 25.17% (i.e. 22% along with surcharge and health & education cess) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the IT Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/ condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

Note: The Company has already opted for the concessional tax rate benefit for the FY 2019-20 relevant to the AY 2020-21 as mentioned in the Section 115BAA for which declaration in Form 10-IC has already been filed with the income tax authority.

4. Deductions in respect of employment of new employees – Section 80JJAA of the IT Act

As per section 80JJAA of the IT Act, where a company is subject to tax audit under section 44AB of the Act and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub- section (2) of section 80JJAA of the IT Act.

B. Special tax benefits available to material subsidiary

As per section 36(1)(viii) of the IT Act, a housing finance company ("HFC") (being a public company formed or registered in India with the main object of carrying on the business of providing long-term finance for construction or purchase of houses in India for residential purposes) is allowed a deduction of an amount not exceeding 20% of the profits derived from eligible business computed under the head "Profits and gains of business or profession" (before making any deduction under the said clause (viii)) carried to any special reserve created and maintained by the HFC.

The term 'eligible business' means the business of providing long-term finance for the construction or purchase of houses in India for residential purposes. Provided that where the aggregate of the amounts carried to such reserve account from time to time exceeds twice the amount of the paid up share capital and of the general reserves of the specified entity, no allowance under section 36(1)(viii) shall be made in respect of such excess.

Capri Global Housing Finance Limited, being a registered HFC, is eligible to claim deduction under section 36(1)(viii), subject to the fulfilment of the conditions mentioned therein.

C. Special tax benefits available to the shareholders.

- The Company would be required to deduct tax at source on the dividend paid to the shareholders, at applicable rates specified under the Act, subject to Double Taxation Avoidance Agreement, in case of shareholders who are eligible to claim benefit under Double Taxation Avoidance Agreement. In case of shareholders who are individuals, Hindu

Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, if the income exceeds INR 1 crore. However, if the income is between INR 50 lakhs to INR 1 crore, surcharge at the rate of 10% shall apply. The shareholders would be eligible to claim the credit of such tax in their return of income.

- As per the provisions of section 80M of the Act, a resident corporate shareholder can claim deduction of an amount equal to dividends received from another domestic company or a foreign company or a business trust. Such deduction shall be claimed from gross total income of the resident corporate shareholder and shall not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.
- The non-resident shareholders can offer the income to tax under the beneficial provisions of the Double Taxation Avoidance Agreement, if any, subject to eligibility and furnishing of requisite documents such as tax residency certificate, electronically filed Form 10F, No Permanent Establishment Certificate, etc (as may be applicable) Further, the non- resident shareholders would be eligible to claim the foreign tax credit, based on the local laws of the country of which the shareholder is the resident. Shareholders being Individual and HUF can opt to be taxed as per the new tax rates mentioned under section 115BAC of the Act.
- There are no other possible special tax benefits available to the Shareholders of the Company for investing in the shares of the Company.

II Indirect tax (Indirect tax regulations)

The Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, including the relevant rules, notifications and circulars issued there under, the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20) (collectively referred as "Indirect Tax Regulations")

A. Special tax benefits available to the Company, Material Subsidiary or Shareholder.

- Availment of GST Input credit

The Company is a NBFC registered with the RBI. As per the provision of section 17(4) of the Central Goods and Service Tax Act, 2017, a banking company or a financial institution including a non-banking financial company, engaged in supplying services by way of accepting deposits, extending loans or advances shall have the option to avail an amount equal to fifty per cent of the eligible input tax as Input tax credit on inputs, capital goods and input services.

- Interest income earned on loans granted are exempted from GST

The Company is engaged in the business of supplying financial services inter alia includes providing loans and advances and earns consideration in the form of interest. As per entry 27 of the Notification No. 12/2017- Central Tax (Rate) dated 28 June 2017, services by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount (other than interest involved in credit card services), is exempted from GST.

- Zero rated supplies of services

As per Section 16 of the Integrated Goods and Services Tax Act, 2017, the following supplies qualifies as zero-rated supply:

- a) export of goods or services or both; or
- b) supply of goods or services or both for authorized operations to a Special Economic Zone developer or a Special Economic Zone unit

The supply of service undertaken by the Company would qualify as 'export of services' if the Company has complied with the specified conditions mentioned in the definition of term 'export of services' as defined under Section 2(6) of the IGST Act and on fulfillment of other prescribed conditions in this regard.

Further, the supply of services to SEZ unit or SEZ developer would qualify as 'zero-rated' if the same is for authorized operations of the SEZ and fulfills the other prescribed conditions in this regard.

Notes:

1. The ability of the Company, its material subsidiary or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company, its material subsidiary or its shareholders may or may not choose to fulfil.
2. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing shares.
4. The Statement is prepared on the basis of information available with the management of the Company and there is no assurance that:
 - The Company, its material subsidiary or its shareholders will continue to obtain these benefits in future;
 - The conditions prescribed for availing the benefits have been/ would be met with; and
 - The revenue authorities/courts will concur with the view expressed herein.
5. The above views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time.
6. We do not assume responsibility to update the views consequent to such change.

The above Statement of Special Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

For **Capri Global Capital Limited**

Authorized Signatory

Date : -----

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

Certain India Income Tax Considerations

There may be certain material Indian tax consequences to a U.S. holder (as defined below) of ownership of Equity Shares which are based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect at the date of this Preliminary Placement Document. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may be retroactive and could affect the tax consequences to holders of the Equity Shares. For information on Indian taxation, refer to the section “*Indian Taxation*” on page 250 of this Preliminary Placement Document.

Certain U.S. Federal Income Tax Considerations

The following is a discussion of certain material U.S. federal income tax consequences to a U.S. holder (as defined below) for purchasing, owning and disposing of Equity Shares acquired pursuant to this Issue. This summary does not address any aspect of U.S. federal non-income tax laws, such as U.S. federal estate and gift tax laws, or state, local or non-U.S. tax laws, and does not purport to be a comprehensive description of all of the U.S. tax considerations that may be relevant to a particular person’s decision to acquire Equity Shares.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

The discussion applies to you only if you acquire the Equity Shares in this Issue and you hold the Equity Shares as capital assets within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”). This section does not apply to you if you are a member of a special class of holders subject to special tax rules, including:

- a broker;
- a dealer in securities, commodities or non-U.S. currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank or other financial institution;
- a tax-exempt organization;
- an insurance company;
- a regulated investment company;
- an accrual method taxpayer subject to special tax accounting rules as a result of its use of financial statements;
- an investor who is a U.S. expatriate, former U.S. citizen or former long term resident of the United States;
- a controlled foreign corporation;
- a passive foreign investment company;
- a mutual fund;
- an individual retirement or other tax-deferred account;
- a holder liable for alternative minimum tax;
- a holder that actually, indirectly or constructively owns 10% or more of (i) the total combined voting power of all classes of the Company voting stock or (ii) the total value of all classes of the Company stock;
- a partnership or other pass-through entity for U.S. federal income tax purposes;
- a holder that holds Equity Shares as part of a straddle, hedging, constructive sale, conversion or other integrated transaction for U.S. federal income tax purposes; or
- a U.S. holder (as defined below) whose functional currency is not the U.S. Dollar.

This section is based on the Code, existing and proposed U.S. Department of the Treasury regulations issued under the Code, legislative history, and judicial and administrative interpretations thereof, all as of the date hereof. All of the foregoing are subject to change at any time, and any change could be retroactive and could affect the accuracy of this discussion. In addition, the application and interpretation of certain aspects of the passive foreign investment company (“PFIC”) rules, referred to below, require the issuance of regulations which in many instances have not been promulgated and which may have retroactive effect. There can be no assurance that any of these regulations will be enacted or promulgated, and if so, the form they will take or the effect that they may have on this discussion.

This discussion is not binding on the U.S. Internal Revenue Service (“IRS”) or the courts. No ruling has been or will be sought from the IRS with respect to the positions and issues discussed herein, and there can be no assurance that the IRS or a court will not take a different position concerning the U.S. federal income tax consequences of an investment in the Equity Shares or that any such position would not be sustained.

For U.S. federal income tax purposes, you are a “U.S. holder” if you are a beneficial owner of Equity Shares that acquired the

shares pursuant to this Issue and you are:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity treated as a corporation for U.S. federal income tax purposes created or organized in or under the laws of the United States, any State thereof or the District of Columbia;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorised to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

In addition, this discussion is limited to U.S. holders who are not resident in India for purposes of the Income Tax Treaty between the United States and India.

If a partnership (including for this purpose any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of the Equity Shares, the U.S. tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. A holder of the Equity Shares that is a partnership and partners in such a partnership should consult their own tax advisors concerning the U.S. federal income tax consequences of purchasing, owning and disposing of Equity Shares.

Taxation of Dividends

Subject to the PFIC rules described below under "PFIC Considerations", if you are a U.S. holder you generally must include in your gross income as a dividend the gross amount of any distributions of cash or property (other than certain pro rata distributions of Equity Shares) with respect to Equity Shares, to the extent the distribution is paid by our Company out of its current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. A U.S. holder will include the dividend as ordinary income at the time of actual or constructive receipt. Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your basis in the Equity Shares and thereafter as capital gain from the sale or exchange of such Equity Shares. Notwithstanding the foregoing, our Company does not intend to maintain calculations of its earnings and profits as determined for U.S. federal income tax purposes. Consequently, distributions generally will be reported as dividend income for U.S. information reporting purposes.

Subject to the PFIC rules described below, dividends paid by a non-U.S. corporation generally will be taxed at the preferential tax rates applicable to long-term capital gain of non-corporate taxpayers if (a) such non-U.S. corporation is eligible for the benefits of certain U.S. treaties or the dividend is paid by such non-U.S. corporation with respect to stock that is readily tradable on an established securities market in the United States, (b) the U.S. holder receiving such dividend is an individual, estate, or trust, and (c) such dividend is paid on shares that have been held by such U.S. holder for at least 61 days during the 121-day period beginning 60 days before the "ex-dividend date." If the requirements of the immediately preceding sentence are not satisfied, a dividend paid by a non-U.S. corporation to a U.S. holder, including a U.S. holder that is an individual, estate, or trust, generally will be taxed at ordinary income tax rates (and not at the preferential tax rates applicable to long-term capital gains). The dividend rules are complex, and each U.S. holder should consult its own tax advisor regarding the dividend rules. Dividends received generally will be income from non-U.S. sources, which may be relevant in calculating your U.S. foreign tax credit limitation. Such non-U.S. source income generally will be "passive category income", which is treated separately from other types of income for purposes of computing the foreign tax credit allowable to you. The rules with respect to foreign tax credits are complex and involve the application of rules that depend on a U.S. holder's particular circumstances. You should consult your own tax advisor to determine the foreign tax credit implications of owning the Equity Shares.

The amount of the dividend distribution that you must include in your income as a U.S. holder will be the U.S. Dollar value of the Indian Rupee payments made, determined at the spot Indian Rupee/U.S. Dollar exchange rate on the date the dividend distribution is includible in your income, regardless of whether the payment is in fact converted into U.S. Dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date you include the dividend payment in income to the date you convert the payment into U.S. Dollars will be treated as ordinary income or loss. The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes.

Taxation of Sale, Exchange or Other Taxable Disposition of Equity Shares

Subject to the PFIC rules discussed below, if you are a U.S. holder and you sell, exchange or otherwise dispose of your Equity Shares in a taxable disposition, you generally will recognize capital gain or loss for U.S. federal income tax purposes equal to the difference between the U.S. Dollar value of the amount realized and your tax basis, determined in U.S. Dollars, in your Equity Shares. Gain or loss recognized on such a sale, exchange or other disposition of Equity Shares generally will be long-term capital gain if the U.S. holder has held the Equity Shares for more than one year. Long-term capital gains of U.S. holders who are individuals (as well as certain trusts and estates) are generally taxed at preferential rates (currently at a maximum rate of 20%). The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes, unless it is attributable to an office or other fixed place of business outside the United States and certain other

conditions are met. Your ability to deduct capital losses is subject to limitations.

Medicare Tax

Certain U.S. holders who are individuals, estates or trusts are required to pay a 3.8% Medicare surtax on all or part of that holder's "net investment income", which includes, among other items, dividends on, and capital gains from the sale or other taxable disposition of, the Equity Shares, subject to certain limitations and exceptions. Prospective investors should consult their own tax advisors regarding the effect, if any, of this surtax on their ownership and disposition of the Equity Shares.

PFIC Considerations

The Code provides special rules regarding certain distributions received by U.S. persons with respect to, and sales, exchanges and other dispositions, including pledges, of, shares of stock in a PFIC. A non-U.S. corporation will be treated as a PFIC for any taxable year in which either: (i) at least 75 percent of its gross income is "passive income" or (ii) at least 50 percent of its gross assets during the taxable year (generally based on the average of the fair market values of the assets determined at the end of each quarterly period) are "passive assets," which generally means that they produce passive income or are held for the production of passive income. Passive income for this purpose generally includes, among other things, dividends, interest, rents, royalties, gains from commodities and securities transactions, and gains from assets that produce passive income. Cash is generally a passive asset. However, under recently proposed U.S. Treasury regulations, on which taxpayers may rely, an amount of cash held in a non-interest bearing financial account that is held for the present needs of an active trade or business and is no greater than the amount necessary to cover operating expenses incurred in the ordinary course of the trade or business and reasonably expected to be paid within 90 days is generally not treated as a passive asset. Further, goodwill is generally treated as an active asset to the extent attributable to activities that produce or are intended to produce active income. In determining whether a non-U.S. corporation is a PFIC, a pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest (by value) is taken into account.

No assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the application of the PFIC rules to a non-U.S., non-bank financial company such as our Company is uncertain in several respects under current U.S. federal income tax law, (ii) the composition of our Company's income and assets will vary over time, and (iii) our Company holds, and may continue to hold, a substantial amount of cash. Further, our Company's PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

If we are a PFIC for any fiscal year during which a U.S. holder holds our Equity Shares, we generally will continue to be treated as a PFIC with respect to that U.S. holder for all succeeding fiscal years during which the U.S. Holder holds our Equity Shares, unless we cease to meet the threshold requirements for PFIC status and that U.S. holder makes a qualifying "deemed sale" election with respect to the Equity Shares. If such an election is made, the U.S. holder will be deemed to have sold the Equity Shares it holds at their fair market value on the last day of the last fiscal year in which we qualified as a PFIC, and any gain from such deemed sale will be subject to the consequences described below. After the deemed sale election, the Equity Shares with respect to which the deemed sale election was made will not be treated as shares in a PFIC unless we subsequently become a PFIC.

If we are a PFIC for any taxable year during which a U.S. holder holds our Equity Shares, the U.S. holder may be subject to adverse tax consequences. Generally, gain recognized upon a disposition (including, under certain circumstances, a pledge) of our Equity Shares by the U.S. holder would be allocated ratably over the U.S. holder's holding period for such Equity Shares. The amounts allocated to the taxable year of disposition and to years before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and would be increased by an additional tax equal to interest on the resulting tax deemed deferred with respect to each such other taxable year. Further, to the extent that any distribution received by a U.S. holder on our Equity Shares exceeds 125% of the average of the annual distributions on such Equity Shares received during the preceding three years or the U.S. holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner described immediately above with respect to gain on disposition.

If we are a PFIC for any fiscal year during which any of our non-U.S. subsidiaries is also a PFIC, a U.S. Holder of our Equity Shares during such year will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules to such subsidiary. U.S. holders should consult their tax advisers regarding the tax consequences if the PFIC rules apply to any of our subsidiaries. Alternatively, if we are a PFIC and if our Equity Shares are "regularly traded" on a "qualified exchange", a U.S. holder may be eligible to make a mark-to-market election that would result in tax treatment different from the general tax treatment described above. Our Equity Shares would be treated as "regularly traded" in any calendar year in which more than a de minimis quantity of the Equity Shares are traded on a qualified exchange on at least 15 days during each calendar quarter. However, because a mark-to-market election cannot be made for equity interests in any lower-tier PFIC that we may own, a U.S. holder that makes a mark-to-market election with respect to us may

continue to be subject to the PFIC rules with respect to any indirect investments held by us that are treated as an equity interest in a PFIC for U.S. federal income tax purposes. If a U.S. holder makes the mark-to-market election, the U.S. Holder generally will recognize as ordinary income any excess of the fair market value of the Equity Shares at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the Equity Shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. holder makes the election, the U.S. holder's tax basis in the Equity Shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of our Equity Shares in a year when we are a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. holder makes a mark-to-market election it will be effective for the taxable year for which the election is made and all subsequent taxable years unless our Equity Shares are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election. U.S. holders are urged to consult their tax advisers about the availability of the mark-to-market election, and whether making the election would be advisable in their particular circumstances.

Alternatively, a U.S. holder of stock in a PFIC may make a so-called "Qualified Electing Fund" election to avoid the PFIC rules regarding distributions and gain described above. The PFIC taxation regime would not apply to a U.S. holder who makes a QEF election for all taxable years that such U.S. Holder has held our Equity Shares while we are a PFIC, provided that we comply with specified reporting requirements. Instead, each U.S. holder who has made a valid and effective QEF election is required for each taxable year that we are a PFIC to include in income such U.S. Holder's pro rata share of our ordinary earnings as ordinary income and such U.S. Holder's pro rata share of our net capital gains as long-term capital gain, regardless of whether we make any distributions of such earnings or gain. The QEF election is made on a shareholder-by-shareholder basis and generally may be revoked only with the consent of the IRS. Our Company does not intend to provide to U.S. holders the information required to make a valid QEF election and our Company currently makes no undertaking to provide such information. Accordingly, it is currently anticipated that a U.S. holder will not be able to avoid the special tax rules described above by making the QEF election.

In addition, if we are a PFIC or, with respect to particular U.S. holders, are treated as a PFIC for the taxable year in which we paid a dividend or for the prior taxable year, the preferential rates discussed above with respect to dividends paid to certain non-corporate U.S. Holders would not apply.

If a U.S. Holder owns our Equity Shares during any year in which we are a PFIC, the U.S. Holder generally will be required to file an IRS Form 8621 (Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund) with respect to us, generally with the U.S. holder's federal income tax return for that year. If we are a PFIC for a given taxable year, you should consult your tax advisor concerning your annual filing requirements.

The U.S. federal income tax rules relating to PFICs are complex. U.S. holders are urged to consult their own tax advisers with respect to the ownership and disposition of our Equity Shares, the consequences if we are or become a PFIC, any elections available with respect to our Equity Shares, and the IRS information reporting obligations with respect to the ownership and disposition of our Equity Shares.

Information with Respect to Foreign Financial Assets

In addition, certain U.S. holders may be subject to certain reporting obligations with respect to Equity Shares if the aggregate value of these and certain other "specified foreign financial assets" exceeds \$50,000. If required, this disclosure is made by filing Form 8938 with the IRS. Significant penalties can apply if U.S. holders are required to make this disclosure and fail to do so. In addition, a U.S. holder should consider the possible obligation for online filing of a FinCEN Report 114—Foreign Bank and Financial Accounts Report as a result of holding Equity Shares. U.S. holders are thus encouraged to consult their U.S. tax advisors with respect to these and other reporting requirements that may apply to their acquisition of Equity Shares.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to distributions made on our Equity Shares within the U.S. to a non-corporate U.S. holder and to the proceeds from the sale, exchange, redemption or other disposition of Equity Shares by a non-corporate U.S. holder to or through a U.S. office of a broker. Payments made (and sales or other dispositions effected at an office) outside the U.S. will be subject to information reporting in limited circumstances.

In addition, backup withholding of U.S. federal income tax may apply to such amounts if the U.S. holder fails to provide an accurate taxpayer identification number (or otherwise establishes, in the manner provided by law, an exemption from backup withholding) or to report dividends required to be shown on the U.S. holder's U.S. federal income tax returns.

Backup withholding is not an additional income tax, and the amount of any backup withholding from a payment to a U.S. holder will be allowed as credit against the U.S. holder's U.S. federal income tax liability provided that the appropriate returns are filed.

You should consult your own tax advisor as to the qualifications for exemption from backup withholding and the procedures for obtaining the exemption.

The foregoing does not purport to be a complete analysis of the potential tax considerations relating to this Issue, and is not tax advice. Prospective investors should consult their own tax advisors as to the particular tax considerations applicable to them relating to the purchase, ownership and disposition of the Equity Shares, including the applicability of the U.S. federal, state and local tax laws or non-tax laws, non-U.S. tax laws, and any changes in applicable tax laws and any pending or proposed legislation or regulations.

LEGAL PROCEEDINGS

Our Company is, from time to time, involved in various litigation proceedings in the ordinary course of our business. These legal proceedings are primarily in the nature of, amongst others, civil suits, criminal proceedings, writ petitions and tax proceedings. These legal proceedings may have been initiated by us or by customers, regulators, or other parties, and are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals.

Except as disclosed in this section, there are no outstanding legal proceedings which have been considered material in accordance with our Company's "Policy for Determining Material Events and Information", framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by our Board pursuant to its resolution dated June 8, 2024. However, solely for the purpose of this Issue, our Company has disclosed in this section, to the extent applicable: (i) all outstanding criminal proceedings involving our Company and Subsidiaries, (ii) any outstanding action initiated by regulatory and statutory authorities (such as SEBI, RBI, Stock Exchanges or such similar authorities) involving our Company and Subsidiaries, (iii) any outstanding civil litigation or tax proceedings involving our Company and Subsidiaries, where the amount involved is ₹160.43 million (being have 5% of average absolute value of profit or loss after tax, as per the last three Audited Consolidated Financial Statements) or above, (iv) all outstanding litigation involving our Company and Subsidiaries, which are non-quantifiable and may have a material adverse effect on our Company or which may otherwise be material for our Company, and (v) any proceedings involving the subsidiaries which are considered material by our Company on a consolidated basis.

This Preliminary Placement Document also discloses (i) any inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act or the Companies Act, 1956 in the last three years preceding the year of this Preliminary Placement Document involving our Company or its Subsidiaries, and any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company or Subsidiaries; (ii) any material fraud committed against our Company in the last three years, and if so, the action taken by our Company; (iii) any significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company or its future operations; (iv) any default by our Company including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) any default in annual filing of our Company under the Companies Act or the rules made thereunder; (vi) any litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against our Promoters of our Company during the last three years and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action, if any.

It is clarified that for the above purposes, pre-litigation notices received by any of our Company, our Subsidiaries, or our Promoters (excluding notices issued by statutory or regulatory or taxation authorities or notices threatening criminal actions), have not been considered as litigation until such time that any of our Company, our Subsidiaries, our Directors and / or our Promoters are not impleaded as a defendant in the litigation proceedings before any judicial/ arbitral forum.

I. Litigation involving our Company

Litigation against our Company

Criminal proceedings

1. Praveen Khera and Pinky Khera ("**Complainants**") had filed a complaint dated November 21, 2021 ("**Complaint**") against our Company alleging offences under Sections 420, 406, 409, 468, 471, 506 and 120 B of the Indian Penal Code, 1860 for fraudulently increasing the monthly instalments payable by the Complainant and sanctioning an additional loan without the consent of the Complainants. The Complaint was dismissed vide an order dated October 13, 2023 passed by Metropolitan Magistrate, Tis Hazari Court, Delhi ("**Order**"). Subsequently, the Complainants have filed a criminal revision petition before the District and Session Judge, Tis Hazari Court, Delhi against the Order *inter alia*, requesting that the Order be set aside. The matter is currently pending.
2. Ramesh Chandra Jat ("**Complainant**") has filed a complaint dated October 9, 2024 before the Judicial Magistrate, Kapsan, Rajasthan under Sections 351(2), and 351(3) of the Bhartiya Nyaya Sanhita, 2023 against our Company. The Complainant has alleged that our Company had granted a loan to the Complainant's son without his consent. Additionally, the Complainant has alleged that agents of our Company have harassed the Complainant regarding payment of installments. The matter is currently pending.
3. A first information report was filed by Promod Kumar ("**Complainant**") on June 16, 2022 with the Sector 63 Police Station, Budha Nagar under Section 154 of the Code of Criminal Procedure, 1973 against our Company alleging offenses

under Sections 120-B, 420, 467, 468, 471 and 504 of the Indian Penal Code, 1860 for fraudulently increasing the monthly instalments payable by the Complainant. The matter is currently pending.

4. A first information report was filed by Jayanti Lal (“**Complainant**”) on December 3, 2022 with the Sumerpur Police Station, Pali under Section 154 of the Code of Criminal Procedure, 1973 against a Mr. Jayanti Al and our Company alleging offenses under Sections 120-B, 191, 192, 193, 420, 467, 468, 471, and 472 of the Indian Penal Code, 1860 for *inter alia* cheating and forgery by making the Complainant a co-borrower in relation to a loan availed by Jayanti Al from our Company. The matter is currently pending.
5. A first information report was filed by Lehar Enterprises (“**Complainant**”) on September 16, 2024 with the Maharana Pratap Police Station, Bhopal under Section 154 of the Code of Criminal Procedure, 1973 against a Mr. Lalit Sharma and our Company alleging an offense under Section 420 of the Indian Penal Code, 1860 for forging the signature of the Complainant in relation to the loan facility availed by Lalit Sharma from our Company. The matter is currently pending.
6. A first information report was filed by Ami Lal (“**Complainant**”) on January 8, 2025 with the Kolayat Police Station, Bikaner, under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Punamchand, Rakesh, Prakash and officers of our Company, alleging offences under Sections 3(5), 61(2)(a), 303(2), and 331(23) of the Bharatiya Nyaya Sanhita, 2023 for entering the house of the Complainant without authorization and taking certain ornaments and other items.
7. A first information report was filed by Raju Jatav (“**Complainant**”) on March 10, 2025 with the Vaishali Nagar Police Station, Jaipur (West), under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against our Company and others alleging offences under Sections 61(2), 318(4), 336(3), 338, and 340(2) of the Bharatiya Nyaya Sanhita, 2023, forging the signature of the Complainant in relation to the loan facility availed by the Complainant from our Company and for entering the house of the Complainant without authorization and taking certain ornaments and other items. The matter is currently pending.

Actions Taken by Regulatory and Statutory Authorities against the Company

Nil

Material civil proceedings

Nil

Recovery proceedings under the SARFAESI Act

Various parties (collectively, the “**Petitioners**”) have challenged the actions of auctioning the mortgaged property, taking possession of the mortgaged property, among others, taken by our Company under the SARFAESI Act against the Petitioners. The Petitioners have filed 245 applications before the Debt Recovery Tribunal and High Courts of various jurisdictions, under Section 17 of the SARFAESI Act, contesting, *inter alia*, the action of our Company in claiming rights over the mortgaged property and seeking restraining orders against the actions initiated by our Company against the Petitioners. The total pecuniary value involved in these matters aggregates to ₹ 1118.01 million, along with interest and these are currently pending at various stages of adjudication.

Other material litigations

A provisional attachment order dated August 2, 2022, was issued by the enforcement directorate (“**ED**”) attaching property in possession of our Company and an original complaint (“**OC**”) was filed before the Adjudicating Authority, PMLA, New Delhi which was confirmed by order dated January 27, 2023. Our Company filed a petition dated March 1, 2023, submitting that our Company was in possession of the property pursuant to proceedings under SARFAESI Act, 2002 with respect to loan advanced to certain borrowers (“**Borrowers**”). The ED has filed a reply dated February 28, 2024, stating that the action taken by the ED is against the property and not against our Company and that our Company has no involvement in the offence of money laundering committed by the Borrowers. The matter is currently pending.

Litigation by our Company

Criminal Proceedings

1. Our Company, in the ordinary course of business, has initiated 2,168 recovery proceedings against several of its borrowers, for dishonor of cheques issued to our Company under Section 138 of the Negotiable Instruments Act, 1881. These proceedings are pending at various stages of adjudication before various courts. The aggregate amount involved in such proceedings is ₹ 2,793.30 million, to the extent ascertainable. Criminal revision petitions/appeals have been filed by the accused parties in 4 such proceedings.
2. Our Company, in the ordinary course of business, has initiated 136 recovery proceedings against several of its borrowers for dishonor of electronic funds transfer under Section 25 of the Payment and Settlement Systems Act, 2007. These proceedings are pending at various stages of adjudication before various courts. The aggregate amount involved in such proceedings is ₹ 4.18 million, to the extent ascertainable.
3. Our Company has filed a criminal complaint dated September 19, 2022, against Ganesh Patel and Laad Kunwar Bai (collectively, the “**Accused**”) under Section 156(3) of the Code of Criminal Procedure, 1973 before the Judicial Magistrate, I Class, Tonk Khurd, Dewas (“**Magistrate**”) alleging, *inter alia*, offences under Sections 446 of the Indian Penal Code, 1860, criminal trespass which punishable under Section 447 of the Indian Penal Code, 1860. Simultaneously, our Company also filed a criminal complaint dated September 19, 2022 against the Accused under Section 200 of the Code of Criminal Procedure, 1973 before the Magistrate, praying, *inter alia*, for registering the case against the Accused and directing the relevant police station to file the investigation report before the Magistrate. The matter is currently pending.
4. Our Company has filed a criminal complaint dated July 21, 2023 against Jay Bipinchandra Bhatt under Section 210 of the Code of Criminal Procedure, 1973 before the court of Chief Judicial Magistrate of Anand alleging offences under Sections 406 and 420 of the Indian Penal Code, 1860 for *inter alia* defrauding and cheating the Company by appropriating installment amounts paid by borrowers of our Company. The matter is currently pending.
5. Our Company has filed a complaint dated July 18, 2024 before the Court of Illaqa Magistrate, J. M.I.C. Faridabad under Sections 175(3) and 175(4) of the Bhartiya Nagrik Suraksha Sanhita, 2024 against Prem Welding Works, Yogesh Kumar, and Murari Lal alleging offences under Sections 405, 406, 441, 447, 34, 120-B of the Indian Penal Code, 1860 for *inter alia* maliciously conspiring and cheating our Company by not paying due installments. The matter is currently pending.
6. Our Company has filed a complaint dated July 2023 before the Chief Judicial Magistrate, Rajkot (“**Court**”) against Sadhnaben Motani, Amit Motani and Vimal Bipinbhai Thadeshwar (collectively, the “**Accused**”) alleging offences under Sections 406, 420, 467, 468, 471 and 120-B of the Indian Penal Code, 1860 for *inter alia* breach of trust, fraud and cheating with our Company by not paying due installments and making false documents in relation to the loan facility availed by the Accused from our Company. The matter is currently pending.
7. Our Company has filed an appeal dated April 21, 2025 before the Bombay High Court under Section 483(3) of the Bhartiya Nagrik Suraksha Sanhita, 2023, against an order of the Learned Additional Sessions Judge, Mumbai dated February 24, 2025 granting anticipatory bail to Vandana Suresh Pote, Balu Tukaram Auti and Sacin Sambhaji Dhore (collectively, the “**Accused**”). Our Company has previously filed a first information report dated September 22, 2024 with the NS Joshi Marg Police Station, Brihan Mumbai City under Section 154 of the Code of Criminal Procedure, 1973 against Gayatri Industries, and the Accused alleging offences under Sections 404, 468, 467, 465, 464, 463, 423, 420, 428, 417, 415, 406, 405, 120-B, and 120-A of the Indian Penal Code, 1860, for *inter alia* cheating and breach of trust in relation to the loan facility availed by the Accused. The matter is currently pending.
8. Our Company has filed a first information report dated October 14, 2015 with the Economic Offences Wing Mandir Marg, New Delhi under Section 154 of the Code of Criminal Procedure, 1973 against Vinay Mittal proprietor of M/s Delhi Trading Company, Vipin Mittal, and Namrata Shani (collectively, the “**Accused**”) alleging offences under Sections 420, 467, 468, 471 and 120-B of the Indian Penal Code, 1860 for forgery, breach of trust, misappropriation of money and cheating our Company by not paying due instalments and concealing material facts in relation to the loan facility availed by the Accused from our Company. The matter is currently pending.
9. Our Company has filed a first information report dated April 12, 2018 with the Civil Lines Police Station, Gurugram under Section 154 of the Code of Criminal Procedure, 1972 against M/s O.P. Timber through (the “**Accused**”) alleging offences under Sections 120-B, 34 and 420 of the Indian Penal Code, 1860 for conspiring and cheating our Company

by making false documents in relation to the loan facility availed by the Accused from our Company. The matter is currently pending.

10. Our Company has filed a first information report dated January 24, 2023 with the Nandgram Police Station, Ghaziabad under Section 154 of the Code of Criminal Procedure, 1973 against Sauveer Singh Rana and Rajdeep, alleging offences under Sections 309, 353, 504, and 506 of the Indian Penal Code, 1860 for behaving inappropriately with our Company officials and creating hinderances at the time of attempting physical possession after possession was granted to our Company. The matter is currently pending.
11. Our Company has filed a first information report dated October 28, 2024 with the Amalner Police Station, Jalgaon, under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Yogesh Chudamal Shethe, Shaila Chudamal Shethe, Bhumika Chudamal Shethe, and Chudamal Sinu Shethe, alleging offences under Sections 3(5), 329(4), 233, 351(2), and 352 of the Bharatiya Nyaya Sanhita, 2023 for behaving inappropriately with our Company officials and creating hinderances at the time of attempting physical possession after possession was granted to our Company. The matter is currently pending.
12. Our Company has filed a first information report dated October 5, 2024 with the Vishwakarma Police Station, Jaipur under Section 173B of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Mahavir Singh Shekhawat, Laxmi Kanwar, Pradeep Singh Shekhawat, M/s/ Laxmi Steel through its proprietor, and M/s Jalmahal Housing Cooperative Society Limited through its secretary (collectively, the “**Accused**”), alleging offences under Sections 120-B, 420, 467, 468 and 471 of the Indian Penal Code, 1860 for *inter alia* cheating and breach of trust by making false documents in relation to the loan facility availed by the Accused from our Company. The matter is currently pending.
13. Our Company has filed a first information report dated March 1, 2024 with the Shastrinagar Police Station, Jodhpur under Section 154 of the Code of Criminal Procedure, 1973 against Rajat Jain, Rekha, M/s Rajat Trading, and Kanhaiya Lal Jain (collectively, the “**Accused**”), alleging offences under Sections 120-B, 406, and 420 of the Indian Penal Code, 1860, for *inter alia* cheating and breach of trust in relation to the loan facility availed by the Accused from our Company by failing to make the installment payments and intentionally not providing the original title documents in relation to the mortgaged property. The matter is currently pending.
14. Our Company has filed a first information report dated February 1, 2025 with the Kotwali Police Station, Pali under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Bharat Kumar, Shrimati Gudu and Dipak Panvar, (collectively, the “**Accused**”), alleging offences under Sections 61(2)(A), 316(2), 318(2) and 318(4) of the Bharatiya Nyaya Sanhita, 2023, for *inter alia* cheating and breach of trust by forging signatures in relation to the documents regarding the loan facility availed by the Accused from our Company. The matter is currently pending.
15. Our Company has filed a first information report dated September 16, 2024 with the Badi Police Station, Raisen under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Yogesh Thakyr (the “**Accused**”), alleging offences under Sections 447 of the Indian Penal Code, 1860, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
16. Our Company has filed a first information report dated October 16, 2024 with the Deputy Commissioner of Police, Trans Hindon Division, Ghaziabad District Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against M/s Nidhi Buildco, Dhanpal Singh, Sushila Singh, Sunil Kumar, and Vinod Kumar (collectively, the “**Accused**”), alleging offences under Sections 120-B, 406, 420, 467, 468 and 471 of the Indian Penal Code, 1860, for *inter alia* cheating and breach of trust in relation to the loan facility availed by the Accused by not paying the monthly installation payments and selling the mortgaged property during the loan period. The matter is currently pending.
17. Our Company has filed a first information report dated October 18, 2024 with the Amhiya Police Station, Riwa, under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Ram Suresh Chaurasia, Rani Chaurasia, and Abhishek Chaurasia (collectively, the “**Accused**”), alleging offences under Sections 447 and 448 of the Indian Penal Code, 1860, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
18. Our Company has filed a first information report dated August 3, 2023 with the Bishrakh District Police Station, Gautambudh under Section 154 of the Code of Criminal Procedure, 1973 against M/s Saraswati Education Welfare

Society and Yashoda (collectively, the “**Accused**”), alleging offences under Sections 120-B, 441, 442, 447 and 448 of the Indian Penal Code, 1860, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.

19. Our Company has filed a first information report dated June 28, 2023 with the Laxmipuri Police Station, Kolhapur under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Puja Suja Jadhav Kasbekar, and Sujar Jaysing Jadhav Kasbekar (collectively, the “**Accused**”), alleging offences under Sections 34, 427, 447, and 448 of the Indian Penal Code, 1860, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
20. Our Company has filed a first information report dated August 8, 2023 with the Bistrakh Police Station, Gautam Budha Nagar under Section 154 of the Code of Criminal Procedure, 1973 against Ram Kishore Awasthi, Yashodha Devi, Isha, Chinki, Priya, and Girish Tomar (collectively, the “**Accused**”), alleging offences under Sections 147, 148, 186, 309, 332, 352 and 504 of the Indian Penal Code, 1860, for behaving inappropriately with our Company officials and creating hinderances at the time of attempting physical possession after possession was granted to our Company. The matter is currently pending.
21. Our Company has filed a first information report dated December 8, 2024 with the Old City Police Station, Ahmednagar under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Jitesh Batra, Jatin Batra and Jogendra Batra (collectively, the “**Accused**”), alleging offences under Sections 3(5) and 329(4) of the Bharatiya Nyaya Sanhita, 2023, for breaking the locks, trespassing and causing damage to the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
22. Our Company has filed a first information report dated February 4, 2025 with the Jodhewal Police Station, Ludhiana under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Pradeep Yadav, Pramod Yadav, Poonam Yadav and Raj Dev Yadav (collectively, the “**Accused**”), alleging offences under Sections 34, 447, 448 and 453 of the Indian Penal Code, 1860, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
23. Our Company has filed a first information report dated June 10, 2024 with Kalwad Police Station, Jaipur West, against Ramniwas Chaudhary, and Vimla Devi (collectively, the “**Accused**”), alleging offences under Sections 120-B and 452 of the Indian Penal Code, 1860, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
24. Our Company has filed a first information report dated December 3, 2024 with the Old City Police Station, Akola under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Avinash Satendranath Chayhan, Gopal Satendranath Chauhan and Satendranath Rathunath Chauhan (collectively, the “**Accused**”), alleging offences under Sections 3(5), 115(2), 223, 329(4) and 352 of the Bharatiya Nyaya Sanhita, 2023, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
25. Our Company has filed a first information report dated September 14, 2018 with the Civil Lines Police Station, Gurgaon under Section 154 of the Code of Criminal Procedure, 1973 against Kaushik Chatterjee, Zillion Infraprojects Private Limited, Anant Saxena and Raman Puri (collectively, the “**Accused**”), alleging offences under Sections 34, 120-B, 406, 408 and 420 of the Indian Penal Code, 1860, for *inter alia* cheating and breach of trust in relation to the loan facility availed by the Accused by forging documents and using the loan for purposes other than for which it was sanctioned for.
26. Our Company has filed a first information report dated August 20, 2019 with the Civil Lines Police Station, Gurgaon under Section 154 of the Code of Criminal Procedure, 1973 against Kaushik Chatterjee, M/s. M S Hotel through its proprietor Shankar Parwani, Varsha Parwani, Dipesh Parwani, Vrishab Parawani and Riddhi Siddhi Mobiles (collectively, the “**Accused**”), alleging offences under Sections 34, 120-B, 406, 408 and 420 of the Indian Penal Code, 1860, for *inter alia* cheating and breach of trust in relation to the loan facility availed by the Accused by forging documents, using the loan for purposes other than for which it was sanctioned for, and by not disclosing material facts regarding the mortgaged property.

27. Our Company has filed a first information report dated November 23, 2017 with the Civil Lines Police Station, Gurgaon under Section 154 of the Code of Criminal Procedure, 1973 against Haji Aiyyubhai Ibrahimhai Kapadia as an individual and as a Proprietor of M/s. Al-Fateh Tours Travels, Hajiyani Sabina Kapadia and Hakim Shaikh (collectively, the “**Accused**”), alleging offences under Sections 34, 120-B, 406, 408 and 420 of the Indian Penal Code, 1860, for *inter alia* cheating and breach of trust in relation to the loan facility availed by the Accused by forging documents regarding the mortgaged property.
28. Our Company has filed a first information report dated July 26, 2024 with the Bandikui Police Station, Dausa under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Rahul Saini (the “**Accused**”) alleging offences under Sections 324(4), 324(5) and 329(4) of the Bharatiya Nyaya Sanhita, 2023, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
29. Our Company has filed a first information report dated October 18, 2024 with the Siroli M.I.D.C Police Station, Kolhapur under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Ranjit Suresh Jadhav, Suresh Jadhav, Sanika Ranjit, and Jadhav Ranjit Jadhav (collectively, the “**Accused**”) alleging offences under Sections 3(5), 324(4), 324(5), 329(3) and 329(4) of the Bharatiya Nyaya Sanhita, 2023, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
30. Our Company has filed a first information report dated May 14, 2025, with the Dausa Police Station, Kolwa under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Ratanlal Parsad, Bhagwati Prasad, Rameshwari Devi, Surendra Kumar and Revendra Kumar (collectively, the “**Accused**”) alleging offences under Sections 189(2), 331(1) and 331(2) of the Bharatiya Nyaya Sanhita, 2023, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
31. Our Company has submitted a complaint with the Hon’ble Chief Judicial Magistrate, First Class, Sehore, on January 22, 2025, against Gaurav Tyagi Harinarayan, Magta Tyagi, Kamna Tyagi and Gautam Tyagi Hon’ble Chief Judicial Magistrate, First Class, Sehore alleging offences under Sections 329 and 330 of the Bharatiya Nyaya Sanhita, 2023 and the Contempt of Courts Act, 1971, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
32. Our Company has filed a first information report dated November 24, 2022, with the Khadakvasla Police Station, Pune City under Section 154 of the Code of Criminal Procedure, 1973, against Prabhakar Bhau Sathe and Rakhi Sushil Sathe, (collectively, the “**Accused**”) alleging offences under Sections 34, 447 and 448 of the Indian Penal Code, 1860, for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.

Material Civil Proceedings

Nil

II. Litigation involving our Subsidiaries

Litigation against CGHFL

CGHFL has received summons from the District and Sessions Court, Nagpur with respect to a criminal miscellaneous application filed by Radhabai Ramawatar Pal (“**Applicant**”). CGHFL had initiated proceedings under section 14 of the SARFAESI Act against its borrower Gangadhar Vijay Pardhi (“**Borrower**”) seeking assistance in taking possession of the property mortgaged to CGHFL by the Borrower and the application was allowed by order dated April 20, 2024 (“**Order**”) passed by Joint C.J.S.D & A.C.J.M., Nagpur. Thereafter, the Applicant has filed an application for condonation of delay appealing against the Order. The matter is currently pending.

Recovery proceedings under the SARFAESI Act

Various individuals and entities (collectively, the “**Petitioners**”) have challenged the actions of auctioning the mortgaged property, taking possession of the mortgaged property, among others, taken by CGHFL under the SARFAESI Act against the

Petitioners. The Petitioners have filed 94 applications before the Debt Recovery Tribunal and High Courts of various jurisdictions, under Section 17 of the SARFAESI Act, contesting, *inter alia*, the action of CGHFL in claiming rights over the mortgaged property and seeking restraining orders against the actions initiated by CGHFL against the Petitioners. The total pecuniary value involved in these matters aggregates to ₹ 206.49 million, along with interest and these are currently pending at various stages of adjudication.

Litigation by CGHFL

Criminal Proceedings

1. CGHFL, in the ordinary course of business, has initiated 874 recovery proceedings against several of its borrowers, for the dishonor of cheques under Section 138 of the Negotiable Instruments Act, 1881. These proceedings are pending at various stages of adjudication before various courts. The aggregate amount involved in such proceedings is ₹947.57 million, to the extent ascertainable.
2. CGHFL, in the ordinary course of business, has initiated 42 recovery proceedings against sever of its borrowers for dishonour of electronic funds transfer under Section 25 of the Payment and Settlement Systems Act, 2007. These proceedings are pending at various stages of adjudication before various courts. The aggregate amount involved in such proceedings is ₹ 0.76 million to the extent ascertainable.
3. CGHFL has filed a criminal complaint dated April 13, 2022 against Shahid Ali, Vikas Sahu, Ujjwal Jain, Shailender Jaat, Raghuvir Singh Dangi and Bala Prasad (collectively, the “**Accused**”) under Section 156(3) of the Code of Criminal Procedure, 1973 before the Judicial Magistrate, I Class, Bhopal (“**Magistrate**”) alleging offences under Sections 406, 420, 467, 468, 471, 120B and 34 of the Indian Penal Code, 1860, *inter alia*, cheating, forgery of documents and causing wrongful loss amounting to ₹1.00 million to CGHFL. Simultaneously, CGHFL also filed a criminal complaint against the Accused under Section 200 of the Code of Criminal Procedure, 1973 before the Magistrate praying, *inter alia*, for registering the case against the Accused and directing the relevant police station to file the investigation report before the Magistrate. The matter is currently pending
4. CGHFL has filed a criminal complaint dated April 13, 2022 against Rajesh Jain (the “**Accused**”) under Section 156(3) of the Code of Criminal Procedure, 1973 before the Judicial Magistrate, I Class, Bhopal (“**Magistrate**”) alleging offences under Sections 406, 420, 467, 468, 471, 120B and 34 of the Indian Penal Code, 1860, *inter alia*, cheating, forgery of documents and causing wrongful loss amounting to ₹0.55 million to CGHFL. Simultaneously, CGHFL also filed a criminal complaint against the Accused under Section 200 of the Code of Criminal Procedure, 1973 before the Magistrate, praying, *inter alia*, for registering the case against the Accused and directing the relevant police station to file the investigation report before the Magistrate. The matter is currently pending.
5. CGHFL has filed a criminal complaint dated April 13, 2022 against Ghanshyam Singrole (the “**Accused**”) under Section 156(3) of the Code of Criminal Procedure, 1973 before the Judicial Magistrate, I Class, Bhopal (“**Magistrate**”) alleging offences under Sections 406, 420, 467, 468, 471, 120B and 34 of the Indian Penal Code, 1860, *inter alia*, cheating, forgery of documents and causing wrongful loss amounting to ₹0.65 million to CGHFL. Simultaneously, CGHFL also filed a criminal complaint against the Accused under Section 200 of the Code of Criminal Procedure, 1973 before the Magistrate praying, *inter alia*, for registering the case against the Accused and directing the relevant police station to file the investigation report before the Magistrate. The matter is currently pending.
6. CGHFL has filed a complaint dated September 23, 2024 against Girish Kumar Maurya and others (collectively the “**Accused**”) under Section 175(3) of the Bhartiya Nagrik Suraksha Sanhita, 2024 (“**Complaint**”) before the Chief Judicial Magistrate, Karkadooma, Delhi (“**Magistrate**”). CGHFL has alleged that the Accused have committed offences under Sections 406, 420, 467, 468, 471, 120B and 34 of the Indian Penal Code, 1860, by *inter alia* cheating, causing wrongful loss amounting to CGHFL. CGHFL also filed a first information report dated April 18, 2022 (“**FIR**”) against the Accused for the alleged offences. In the Complaint, CGHFL has prayed to direct the police to investigate the case in FIR and submit the chargesheet. The matter is currently pending.
7. CGHFL has filed a Complaint dated December 2, 2024, before the court of Chief Judicial Magistrate (Central) Tis Hazari Court, New Delhi under Section 175(3) read with Section 210 of Bharatiya Nagarik Suraksha Sanhita, 2023 against Praveen Sharma and others (“**Accused**”) alleging offences under Section 61, 316, 318, 319, 321, 337 and 339 of the Bharatiya Nyaya Sanhita, 2023. CGHFL has alleged that the Accused used forged documents as genuine to defraud and avail a loan facility from CGHFL. The matter is currently pending.

8. CGHFL has filed a first information report dated July 25, 2020 with the Vaishali Nagar Police Station, Jaipur West under Section 154 of the Code of Criminal Procedure, 1973 against Mohit Julani, Deepika, Manoj Ramesh, Om Shiv Grih Nirman Sahkari Samiti Limited, and Ram Singh Rathore (collectively, the “**Accused**”) alleging offences under Sections 120-B, 406, 420 of the Indian Penal Code, 1860 for *inter alia* breach of trust, fraud and cheating with our Company by not paying due installments and making false documents in relation to the loan facility availed by the Accused from our Company. The matter is currently pending.
9. CGHFL has filed a first information report dated October 27, 2023 with the Amroli Police Station, Surat West under Section 154 of the Code of Criminal Procedure, 1973 against Rameshbhai Chhanabhai Baraiya (the “**Accused**”) alleging offences under Sections 114, 447, and 506 of the Indian Penal Code, 1860 for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
10. CGHFL has filed a first information report dated August 26, 2024 with the Badliyas Police Station, Bhilwada under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Gopal Lal Gurjar and Bheri Gurjar (collectively, the “**Accused**”) alleging offences under Sections 34, 384, 427 and 448, of the Indian Penal Code, 1860 for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
11. CGHFL has filed a first information report dated July 1, 2024 with the Baneda Police Station, Shahpura under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Shakti Singh Bhati, Lakshmi Devi, Bhairu Sigh Bhati and Vikram Singh Bhati (collectively, the “**Accused**”) alleging offences under Sections 120 and 452 of the Indian Penal Code, 1860 for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
12. CGHFL has filed a first information report dated September 22, 2024 with the Shivaji Nagar Police Station, Kolhapur under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Sunil Parsram Dhanvade Chauhan, Asha Parstam Dhanvade Chauhan and Parstam Maruti Dhanvade Chauhan (collectively, the “**Accused**”) alleging offences under Sections 223 and 329(4) of the Bharatiya Nyaya Sanhita, 2023 for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
13. CGHFL has filed a first information report information report dated May 8, 2025 with the Badnor Police Station, Beawar, under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Dharmichand Gurjar and Meera Devi (collectively, the “**Accused**”) alleging offences under Sections 3(5), 62, 329(3) and 324(4) of the Bharatiya Nyaya Sanhita, 2023 for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
14. CGHFL has filed a first information report information report dated April 17, 2025 with the Kotri Police Station, Bhilwara, under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Kana Gujar, Arami Deviq and others (collectively, the “**Accused**”) alleging offences under Sections 3(5), 62, 329(3) and 324(4) of the Bharatiya Nyaya Sanhita, 2023 for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
15. CGHFL has filed a first information report information report dated March 13, 2025 with the Kapasan Police Station, Chittorgarh, under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Gopal Lal Khatk (the “**Accused**”) alleging offences under Sections 331(1) of the Bharatiya Nyaya Sanhita, 2023 for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.
16. CGHFL has filed a first information report information report dated April 17, 2025 with the Koregaon Police Station, Satara, under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Sanket Rajendra Bhusari and Rajendra Vishnu Bhusari (collectively, the “**Accused**”) alleging offences under Sections 3(5), 115, 223, 329(4), 351(2) and 351(3) of the Bharatiya Nyaya Sanhita, 2023 for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.

17. CGHFL has filed a first information report information report dated February 27, 2025 with the Amaroli Police Station, Surat, under Section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 against Rameshbhai Chanabhai Baraiya and Jagrutiben Rameshbhai Baraiya (collectively, the “**Accused**”) alleging offences under Sections 54 and 329(3) of the Bharatiya Nyaya Sanhita, 2023 for breaking the locks and trespassing into the property in possession of our Company by virtue of non-payment of due installments on loan facility availed by the Accused. The matter is currently pending.

Inquiries, inspections or investigations initiated or conducted under the Companies Act or the Companies Act, 1956 in the last three years preceding the year of this Preliminary Placement Document involving our Company and its Subsidiaries, and prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company and its Subsidiaries

Except for as disclosed below, as on the date of this Preliminary Placement Document, there have been no inquiries, inspections or investigations initiated or conducted under the Companies Act or the Companies Act, 1956 and prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company and its Subsidiaries.

S.No.	Date of Notice	Name of Authority	Details
1.	January 1, 2024	BSE	On January 1, 2024, our Company received a notice from the BSE under SEBI circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103, which prescribed for certain penal actions against listed entities which do not comply with certain regulations of the SEBI Listing Regulations. The notice imposed a penalty of ₹62,000 plus GST for non-compliance with Regulation 54(2) of the SEBI LODR. Our Company paid the fine, along with taxes, amounting to ₹73,160 on January 8, 2024.
2.	June 16, 2023	RoC	Our Company received a show cause notice dated June 16, 2023, from the RoC in relation to a delay in filings of Form BEN-2 during the financial year 2021-22. Our Company had previously paid the additional fee relating to the delay in filing on April 13, 2022. Our Company responded to the show cause notice by way of a letter dated June 27, 2023 requesting for a condonation of the delay and a waiver of penalty as leviable by the RoC.

Material frauds committed against our Company in the last three years and actions taken by our Company

As on the date of this Preliminary Placement Document, there are no material frauds that have been committed against our Company in the last three years.

Significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations

As on the date of this Preliminary Placement Document, there are no significant and material orders that have been passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

Defaults by our Company in repayment of statutory dues, dues payable to holders of any debentures and interest thereon, dues payable in respect of deposits and interests thereon, or in repayment of any loan obtained from any bank or financial institution and interest thereon

As on the date of this Preliminary Placement Document, our Company has no outstanding defaults in relation to payment/repayment, as applicable, of statutory dues and debentures and interest thereon, deposits and interest thereon and loan from any bank or financial institution and interest thereon.

Defaults in the annual filings of our Company under the Companies Act

As on the date of this Preliminary Placement Document, our Company has not defaulted in annual filings under the Companies Act.

Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years preceding the year of this Preliminary Placement Document and directions issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action:

As on the date of this Preliminary Placement Document, there is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years nor are there any directions issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

Reservations, qualifications or adverse remarks of auditors in the last five Financial Years immediately preceding the year of circulation of the Preliminary Placement Document and their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remarks

Except as disclosed below and in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Auditor Observations*” on page 115, there have not been any reservations, qualifications or adverse remarks of auditors in the last five Financial Years immediately preceding the year of circulation of the Preliminary Placement Document:

(the remainder of this page has been left blank intentionally)

Financial year / period ended	Nature of Adverse Observation	Reservation, qualification, emphasis of matter or adverse remark	Impact on the financial statements and financial position of the Company	Corrective steps taken and / or proposed to be taken by the Company for each reservation, qualification, emphasis of matter and adverse remark						
Financial year ended March 31, 2025	Observation in the Audit Report	The Company has used certain accounting softwares (including new ERP implemented w.e.f December 1, 2024) for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except no audit trail feature was enabled at database level in respect of one accounting software (the old ERP discontinued on November 30, 2024) and was not enabled at the database level from April 1, 2024 to July 7, 2024 in respect of another accounting software. Further, the audit trail feature was not enabled at the application level in respect of one accounting software to log any direct data changes as explained in Note 63 to the Audited Consolidated Financial Statements. Further, where enabled, audit trail feature has been operated throughout the year/period for all relevant transactions recorded in the accounting softwares. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting softwares. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded except for one application the audit trail is not preserved where audit trail feature was enabled on July 08, 2024 at database level.	No impact on the financial statements.	A leading third party LMS which is deployed across multiple banking and NBFC institutions both in India and Internationally and is the core system supporting our MSME, Home Loan, and Gold Loan businesses, covering 77% of our AUM. For this third-party system, the audit trail feature is enabled and the audit logs are securely maintained and accessible through the backend, as per the standard configuration of the platform. Another third party LMS deployed for (Construction Finance): This third party LMS is used specifically for Construction Finance due to the unique nature of the product. It is a robust solution used by several leading industry players. The audit observation noted that the database-level audit trail was not enabled between April 1, 2024, and July 7, 2024. In response, the management, in consultation with the IT Steering Committee, has decided to bring the infrastructure management of this third party LMS in-house to strengthen operational control and compliance. The database-level audit logging has since been enabled. Third party ERP: Please note that the old third -party ERP system was in the process of being sunset and has now been fully replaced with Oracle Fusion ERP. Relevant audit controls have been transitioned to the new platform.						
	CARO Report Observation, Clause iii(d)	The details of amount overdue for more than ninety days, on the loans and advances in the nature of loans, are mentioned below: <table><tr><th>No. of Cases</th><th>Total outstanding of overdue loans</th><th>Remarks (if any) (Also, specify whether reasonable Cases overdue loans steps have been taken/ not been taken by the Company for recovery of principal amount and interest)</th></tr><tr><td></td><td></td><td></td></tr></table>	No. of Cases	Total outstanding of overdue loans	Remarks (if any) (Also, specify whether reasonable Cases overdue loans steps have been taken/ not been taken by the Company for recovery of principal amount and interest)				The Company has maintained appropriate Loan-to-Value (LTV) cushion between the loans disbursed and actual value of secured asset. Also, sufficient provision has been	Post bounce, the case is either allocated to tele calling unit or field agent depending on the customer past payment behaviour. The Company initiate legal remedies post overdue such as Section 138, SARFAESI Act, 2002, NI Act, Arbitration and IBC based on the severity of the case. Explore OTS and other alternatives for recovery as per legal provisions.
No. of Cases	Total outstanding of overdue loans	Remarks (if any) (Also, specify whether reasonable Cases overdue loans steps have been taken/ not been taken by the Company for recovery of principal amount and interest)								

Financial year / period ended	Nature of Adverse Observation	Reservation, qualification, emphasis of matter or adverse remark				Impact on the financial statements and financial position of the Company	Corrective steps taken and / or proposed to be taken by the Company for each reservation, qualification, emphasis of matter and adverse remark	
		9,265	₹ 2,216.60 million	Yes*		provided in the financial statements.		
		* Total amount outstanding for overdue classified under Stage 3 - Refer Note 48 to the financial statements. The Company has taken all the reasonable steps including legal actions to ensure recovery of interest and principal.						
	CARO Report Observation, Clause vii(b)	Dues relating to sub clause (a) which have not been deposited as on March 31, 2025, on account of any dispute, except as mentioned below:				Appropriate disclosure / provision has been made in the financial statements.	These matters are under dispute before relevant tax authority. As of now, no further steps required.	
		Name of the statute	Nature of dues	Gross Amount (₹ Millions) in	Forum where dispute is pending			Remarks (if any)
		Income Tax Act, 1961	Assessment u/s 143 (3)	0.58	Assessment Year 2016-17			CIT (Appeals)
		Income Tax Act, 1961	Assessment u/s 143 (3)	0.33	Assessment Year 2017-18			CIT (Appeals)
		Income Tax Act, 1961	Assessment u/s 147	0.30	Assessment Year 2017-18			CIT (Appeals)
		Income Tax Act, 1961	Assessment u/s 143 (3)	0.45	Assessment Year 2018-19			CIT (Appeals)
		Income Tax Act, 1961	Assessment u/s 143 (3)	0.61	Assessment Year 2020-21			CIT (Appeals)
		Income Tax Act, 1961	Assessment u/s 143 (3)	1.33	Assessment Year 2021-22			CIT (Appeals)
		Income Tax Act, 1961	Assessment u/s 143 (3)	1.48	Assessment Year 2022-23			CIT (Appeals)
		GST	Order u/s 73	1.24	Financial Year 2017-18			Appellate Authority
		GST	Order u/s 73	0.05	Financial Year 2018-19			Appellate Authority
		GST	Order u/s 73	0.02	Financial Year 2019-20			Appellate Authority
		GST	Order u/s 73	21.55	Financial Year 2021-22 & 2022-23			Appellate Authority

Financial year / period ended	Nature of Adverse Observation	Reservation, qualification, emphasis of matter or adverse remark	Impact on the financial statements and financial position of the Company	Corrective steps taken and / or proposed to be taken by the Company for each reservation, qualification, emphasis of matter and adverse remark																		
	CARO Report Observation, Clause xi(a)	No fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit except as mentioned in Note 55 to the accompanying standalone financial statements. The Company has initiated necessary action against such instances.	Sufficient provision has been provided in the financial statements.	Corrective Steps • Random branch audit has been implemented thru Area Audit Managers based on Risk scoring • Cross Zone audit implemented • Surprise audit is scheduled on holidays and in off hours • Branch staff rotation policy implemented • Automation of the vault key movement thru system maker and checked initiated • Awareness created about the whistle blower policy by Animated videos, training, circulating the prints etc. • Refresher Valuation training conducted by the auditors of all the branch staff on gold checking.																		
	CARO Report Observation, Clause xi(b)	During the year reports under Section 143(12) of the Act, has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.																				
Financial year ended March 31, 2024	CARO Report Observation, Clause iii(c)	The Company is a Non-Banking Financial Company (‘NBFC’), registered under provisions of the Reserve Bank of India Act, 1934 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India including Master Circular – Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular except as mentioned below: <table><tr><th>Particulars – Days past due</th><th>Total amount outstanding (in million)</th><th>No. of Cases</th></tr><tr><td>1-30 days</td><td>2,985.68</td><td>18,308</td></tr><tr><td>31-60 days</td><td>1,738.84</td><td>10,565</td></tr><tr><td>61-90 days</td><td>1,519.82</td><td>6,282</td></tr><tr><td>More than 90 days</td><td>2,142.91</td><td>5,069</td></tr><tr><td>Total:</td><td>8,387.25</td><td>40,224</td></tr></table>	Particulars – Days past due	Total amount outstanding (in million)	No. of Cases	1-30 days	2,985.68	18,308	31-60 days	1,738.84	10,565	61-90 days	1,519.82	6,282	More than 90 days	2,142.91	5,069	Total:	8,387.25	40,224	Sufficient provision has been provided in the financial statements.	The tele-calling team will make collection calls and send SMS/email reminders for payment on the due date to reduce CBR. AI-based voice bots via the Credit Nirvana App will engage borrowers before and after the due date until payment is made.
Particulars – Days past due	Total amount outstanding (in million)	No. of Cases																				
1-30 days	2,985.68	18,308																				
31-60 days	1,738.84	10,565																				
61-90 days	1,519.82	6,282																				
More than 90 days	2,142.91	5,069																				
Total:	8,387.25	40,224																				
	CARO Report Observation, Clause iii(d)	The total amount which is overdue for more than 90 days in respect of loans and advances in the nature of loans given in course of the business of the Company aggregates to ₹ 2,142.91 millions as at 31 March 2024 in respect of 5,069 number of loans. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.	The Company has maintained appropriate Loan-to-Value (LTV) cushion between the loans disbursed and actual	Post bounce, the case is either allocated to tele calling unit or field agent depending on the customer past payment behaviour. The Company initiate legal remedies post overdue such as Section 138, SARFAESI Act, 2002, NI Act, Arbitration and IBC based on the severity																		

Financial year / period ended	Nature of Adverse Observation	Reservation, qualification, emphasis of matter or adverse remark						Impact on the financial statements and financial position of the Company	Corrective steps taken and / or proposed to be taken by the Company for each reservation, qualification, emphasis of matter and adverse remark
								value of secured asset. Also, there is sufficient provision coverage to cover potential loan losses.	of the case. Explore OTS and other alternatives for recovery as per legal provisions.
	CARO Report Observation, Clause vii(b)	There are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:						Appropriate disclosure / provision has been made in the financial statements.	These matters are under dispute before relevant tax authority. As of now, no further steps required.
		Name of the statute	Nature of dues	Gross Amount (₹ in Millions)	Amount paid under Protest (₹ in millions)	Period to which the amount relates	Forum where dispute is pending		
		Income Tax Act, 1961	Assessment u/s 143 (3)	5.80	5.60	Assessment Year 2016-17	CIT (Appeals)		
		Income Tax Act, 1961	Assessment u/s 143 (3)	3.26	2.90	Assessment Year 2017-18	CIT (Appeals)		
		Income Tax Act, 1961	Assessment u/s 147	3.04	Nil	Assessment Year 2017-18	CIT (Appeals)		
		Income Tax Act, 1961	Assessment u/s 143 (3)	4.47	Nil	Assessment Year 2018-19	CIT (Appeals)		
		Income Tax Act, 1961	Assessment u/s 143 (3)	6.10	6.09	Assessment Year 2020-21	CIT (Appeals)		
		Income Tax Act, 1961	Assessment u/s 143 (3)	13.35	13.35	Assessment Year 2021-22	CIT (Appeals)		
		Income Tax Act, 1961	Assessment u/s 143 (3)	13.49	7.92	Assessment Year 2022-23	CIT (Appeals)		
		GST	Order u/s 73	12.37	0.59	Assessment Year 2018-19	Appellate Authority		
		GST	Order u/s 73	0.55	0.03	Assessment Year 2018-19	Appellate Authority		

Financial year / period ended	Nature of Adverse Observation	Reservation, qualification, emphasis of matter or adverse remark						Impact on the financial statements and financial position of the Company	Corrective steps taken and / or proposed to be taken by the Company for each reservation, qualification, emphasis of matter and adverse remark
		GST	Order u/s 73	0.55	0.03	Assessment Year 2019-20	Appellate Authority		
Financial year ended March 31, 2023	CARO Report Observation, Clause iii(c)	The Company is a Non-Banking Financial Company (‘NBFC’), registered under provisions of the Reserve Bank of India Act, 1934 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India including Master Circular – Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular except as mentioned below:						Sufficient provision has been provided in the financial statements.	The tele-calling team will make collection calls and send SMS/email reminders for payment on the due date to reduce CBR. AI-based voice bots via the Credit Nirvana App will engage borrowers before and after the due date until payment is made.
		Particulars – Days past due		Total amount outstanding (in million)		No. of Cases			
		1-30 days		2,434.96		13,869			
		31-60 days		3,551.08		12,643			
		61-90 days		185.91		1,836			
		More than 90 days		1,379.51		1,308			
		Total:		7,551.46		29,656			
CARO Report Observation, Clause iii(d)	The total amount which is overdue for more than 90 days in respect of loans and advances in the nature of loans given in course of the business operations of the Company aggregates to Rs 1,379.51 millions as at 31 March 2023 in respect of 1,308 number of loans. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.						The Company has maintained appropriate Loan-to-Value (LTV) cushion between the loans disbursed and actual value of secured asset. Also, there is sufficient provision coverage to cover potential loan losses.	Post bounce, the case is either allocated to tele calling unit or field agent depending on the customer past payment behaviour. The Company initiate legal remedies post overdue such as Section 138, SARFAESI Act, 2002, NI Act, Arbitration and IBC based on the severity of the case. Explore OTS and other alternatives for recovery as per legal provisions.	
CARO Report Observation, Clause vii(b)	There are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:						Appropriate disclosure / provision has been made in the financial statements.	These matters are under dispute before relevant tax authority. As of now, no further steps required.	
	Name of the statute	Nature of dues	Gross Amount (₹ in Millions)	Amount paid under Protest (₹ in millions)	Period to which the amount relates	Forum where dispute is pending			
	Income Tax Act, 1961	Assessment u/s 143 (3)	5.80	5.60	Assessment Year	CIT (Appeals)			

Financial year / period ended	Nature of Adverse Observation	Reservation, qualification, emphasis of matter or adverse remark						Impact on the financial statements and financial position of the Company	Corrective steps taken and / or proposed to be taken by the Company for each reservation, qualification, emphasis of matter and adverse remark																		
						2016-17																					
		Income Tax Act, 1961	Assessment u/s 147	105.32	18.74	Assessment Year 2016-17	CIT (Appeals)																				
		Income Tax Act, 1961	Assessment u/s 143 (3)	3.26	2.90	Assessment Year 2017-18	CIT (Appeals)																				
		Income Tax Act, 1961	Assessment u/s 147	3.01	Nil	Assessment Year 2017-18	CIT (Appeals)																				
		Income Tax Act, 1961	Assessment u/s 143 (3)	4.47	Nil	Assessment Year 2018-19	CIT (Appeals)																				
		Income Tax Act, 1961	Assessment u/s 143 (3)	6.10	6.09	Assessment Year 2020-21	CIT (Appeals)																				
		Income Tax Act, 1961	Assessment u/s 143 (3)	13.35	13.35	Assessment Year 2021-22	CIT (Appeals)																				
Financial year ended March 31, 2022	CARO Report Observation, Clause iii(c)	The Company is a Non-Banking Financial Company (‘NBFC’), registered under provisions of the Reserve Bank of India Act, 1934 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India including Master Circular – Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular except as mentioned below: <table><tr><th>Particulars – Days past due</th><th>Total amount outstanding (in million)</th><th>No. of Cases</th></tr><tr><td>1-30 days</td><td>1,471.94</td><td>1,056</td></tr><tr><td>31-60 days</td><td>3,317.60</td><td>1,453</td></tr><tr><td>61-90 days</td><td>1,958.13</td><td>945</td></tr><tr><td>More than 90 days</td><td>1,299.84</td><td>623</td></tr><tr><td>Total:</td><td>8,047.52</td><td>4,077</td></tr></table>						Particulars – Days past due	Total amount outstanding (in million)	No. of Cases	1-30 days	1,471.94	1,056	31-60 days	3,317.60	1,453	61-90 days	1,958.13	945	More than 90 days	1,299.84	623	Total:	8,047.52	4,077	Sufficient provision has been provided in the financial statements.	The tele-calling team will make collection calls and send SMS/email reminders for payment on the due date to reduce CBR. AI-based voice bots via the Credit Nirvana App will engage borrowers before and after the due date until payment is made.
Particulars – Days past due	Total amount outstanding (in million)	No. of Cases																									
1-30 days	1,471.94	1,056																									
31-60 days	3,317.60	1,453																									
61-90 days	1,958.13	945																									
More than 90 days	1,299.84	623																									
Total:	8,047.52	4,077																									
	CARO Report Observation, Clause iii(d)	The total amount which is overdue for more than 90 days in respect of loans and advances in the nature of loans given in course of the business operations of the Company aggregates to Rs 1,299.84 million as at 31 March 2022 in respect of 623 number of loans. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.						The Company has maintained appropriate Loan-to-Value (LTV) cushion between the loans disbursed and actual	Post bounce, the case is either allocated to tele calling unit or field agent depending on the customer past payment behaviour. The Company initiate legal remedies post overdue such as Section 138, SARFAESI Act, 2002, NI Act, Arbitration and IBC based on the severity																		

Financial year / period ended	Nature of Adverse Observation	Reservation, qualification, emphasis of matter or adverse remark	Impact on the financial statements and financial position of the Company	Corrective steps taken and / or proposed to be taken by the Company for each reservation, qualification, emphasis of matter and adverse remark																																
			value of secured asset. Also, there is sufficient provision coverage to cover potential loan losses.	of the case. Explore OTS and other alternatives for recovery as per legal provisions.																																
	CARO Report Observation, Clause iii(f)	The Company has not granted loans or advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment except to Capri Global Resources Private Limited (a subsidiary company till 15 January 2022). The details of the same are mentioned below: <table><tr><th>Particulars</th><th>All Parties</th><th>Promoters</th><th>Related Party*</th></tr><tr><td>Aggregate of Loans / advances in the nature of loans:</td><td></td><td></td><td></td></tr><tr><td>- Which are repayable on demand (A)</td><td>-</td><td>-</td><td>-</td></tr><tr><td>- Where agreement does not specify any terms or period of repayment (Including opening balance ₹ 0.2 million) (B)</td><td>-</td><td>-</td><td>₹ 0.7 Million</td></tr><tr><td>Total (A + B)</td><td>-</td><td>-</td><td>₹ 0.7 Million</td></tr><tr><td>Repayment received</td><td></td><td></td><td>₹ 0.7 Million</td></tr><tr><td>Balance as at 31st March 2022</td><td></td><td></td><td>-</td></tr><tr><td>Percentage of loans and advances in the nature of loans to the total loan as at 31st March 2022</td><td></td><td></td><td>-</td></tr></table> * The loans were granted and repaid when the said Company was a 100% subsidiary.	Particulars	All Parties	Promoters	Related Party*	Aggregate of Loans / advances in the nature of loans:				- Which are repayable on demand (A)	-	-	-	- Where agreement does not specify any terms or period of repayment (Including opening balance ₹ 0.2 million) (B)	-	-	₹ 0.7 Million	Total (A + B)	-	-	₹ 0.7 Million	Repayment received			₹ 0.7 Million	Balance as at 31st March 2022			-	Percentage of loans and advances in the nature of loans to the total loan as at 31st March 2022			-	Appropriate disclosure has been made in financial statements.	The loans were granted and repaid when Capri Global Resources Private Limited was a 100 % subsidiary company.
Particulars	All Parties	Promoters	Related Party*																																	
Aggregate of Loans / advances in the nature of loans:																																				
- Which are repayable on demand (A)	-	-	-																																	
- Where agreement does not specify any terms or period of repayment (Including opening balance ₹ 0.2 million) (B)	-	-	₹ 0.7 Million																																	
Total (A + B)	-	-	₹ 0.7 Million																																	
Repayment received			₹ 0.7 Million																																	
Balance as at 31st March 2022			-																																	
Percentage of loans and advances in the nature of loans to the total loan as at 31st March 2022			-																																	
	CARO Report Observation, Clause vii(b)	There are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below: <table><tr><th>Name of the statute</th><th>Nature of dues</th><th>Gross Amount (₹ in Millions)</th><th>Amount paid under Protest (₹ in millions)</th><th>Period to which the amount relates</th><th>Forum where dispute is pending</th></tr><tr><td>Income Tax Act, 1961</td><td>Assessment u/s 143 (3)</td><td>104.21</td><td>Nil</td><td>Assessment Year 2016-17</td><td>CIT (Appeals)</td></tr><tr><td>Income Tax Act, 1961</td><td>Assessment u/s 143 (3)</td><td>2.90</td><td>Nil</td><td>Assessment Year</td><td>CIT (Appeals)</td></tr></table> <td>Appropriate disclosure has been made in the financial statements.</td> <td>These matters are under dispute before relevant tax authority. As of now, no further steps required.</td>	Name of the statute	Nature of dues	Gross Amount (₹ in Millions)	Amount paid under Protest (₹ in millions)	Period to which the amount relates	Forum where dispute is pending	Income Tax Act, 1961	Assessment u/s 143 (3)	104.21	Nil	Assessment Year 2016-17	CIT (Appeals)	Income Tax Act, 1961	Assessment u/s 143 (3)	2.90	Nil	Assessment Year	CIT (Appeals)	Appropriate disclosure has been made in the financial statements.	These matters are under dispute before relevant tax authority. As of now, no further steps required.														
Name of the statute	Nature of dues	Gross Amount (₹ in Millions)	Amount paid under Protest (₹ in millions)	Period to which the amount relates	Forum where dispute is pending																															
Income Tax Act, 1961	Assessment u/s 143 (3)	104.21	Nil	Assessment Year 2016-17	CIT (Appeals)																															
Income Tax Act, 1961	Assessment u/s 143 (3)	2.90	Nil	Assessment Year	CIT (Appeals)																															

Financial year / period ended	Nature of Adverse Observation	Reservation, qualification, emphasis of matter or adverse remark						Impact on the financial statements and financial position of the Company	Corrective steps taken and / or proposed to be taken by the Company for each reservation, qualification, emphasis of matter and adverse remark
						2017-18			
		Income Tax Act, 1961	Assessment u/s 147	2.76	Nil	Assessment Year 2017-18	CIT (Appeals)		
		Income Tax Act, 1961	Assessment u/s 143 (3)	3.74	Nil	Assessment Year 2018-19	CIT (Appeals)		
		Income Tax Act, 1961	Assessment u/s 143 (1)(a)	0.66	Nil	Assessment Year 2020-21	Rectification with Assessing officer		
Financial year ended March 31, 2021	Emphasis of Matter	We draw your attention to note 33 to the Audited Consolidated Financial Statement of the relevant year, which describes the continuing uncertainty arising from the COVID-19 pandemic of our financial statements. Our opinion is not modified in respect of this matter.						Sufficient provision has been provided in the financial statements.	The impact of COVID-19 has been normalised from FY 2022 onwards.
	CARO Report Observation, Clause vii(c)	In respect of statutory dues, details of dues of Income tax which has not been deposited as on March 31, 2021 on account of disputes are mentioned below:						Appropriate disclosure has been made in the financial statements.	These matters are under dispute before relevant tax authority. As of now, no further steps required.
		Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹)			
		Income Tax Act, 1961	Regular Assessment u/s 143(3) of the Act	CIT (Appeals)	AY 2017-18	29,01,192			

INDEPENDENT STATUTORY AUDITORS

Our Company's Statutory Auditors, M S K A & Associates, Chartered Accountants are independent auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by ICAI and have been appointed as the statutory auditors of our Company and have been appointed pursuant to our Shareholders' approval at the annual general meeting held on September 19, 2024, for a period of three years.

As on date of this Preliminary Placement Document, our Statutory Auditor, M S K A & Associates, Chartered Accountants, hold a valid peer review certificate.

GENERAL INFORMATION

- Our Company was originally incorporated as “Daiwa Securities Limited” in Calcutta on November 15, 1994, as a public limited company under the Companies Act, 1956, with a certificate of incorporation granted by the Registrar of Companies, West Bengal at Calcutta. Our Company received the certificate of commencement of business from the Registrar of Companies, West Bengal at Calcutta on November 28, 1994. Subsequently, the name of our Company was changed to “Dover Securities Limited” and a fresh certificate of incorporation was granted by the Registrar of Companies, West Bengal at Calcutta, on May 19, 1999. The name of our Company was further changed to “Money Matters Financial Services Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai on October 6, 2008. The name of our Company was further changed to “Capri Global Capital Limited” and a fresh certificate of registration was issued by the RoC on July 24, 2013.
- The CIN of our Company is L65921MH1994PLC173469.
- Our Registered and Corporate Office is located at 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra.
- The website of our Company is www.capriloads.in.
- The Equity Shares are listed on BSE and NSE.
- The Issue was authorised and approved by our Board pursuant to a resolution dated August 3, 2024 and by the Shareholders of our Company pursuant to a special resolution passed at the annual general meeting on September 19, 2024.
- Our Company has received in-principle approvals under Regulation 28(1) of the SEBI Listing Regulations to list the Equity Shares to be issued pursuant to the Issue, on BSE and NSE, each dated June 9, 2025.
- Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays, Sundays and public holidays) during the Issue Period at our Registered Office.
- No change in the control of our Company will occur consequent to the Issue.
- Our Company has obtained all consents, approvals and authorisations required in connection with the Issue.
- In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited as the Monitoring Agency, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.
- There has been no material change in the financial or trading position of our Company since March 31, 2025, the date of the Audited Consolidated Financial Statements prepared in accordance with applicable accounting standards included in this Preliminary Placement Document, except as disclosed herein.
- Our Company confirms that it is in compliance with the minimum public shareholding requirements as required under the terms of the SEBI Listing Regulations, SCRA and SCRR.
- Except as disclosed in this Preliminary Placement Document, there are no litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see “*Legal Proceedings*” on page 262.
- The Floor Price is ₹153.93 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations as certified by S K Patodia & Associated LLP, Chartered Accountants pursuant to their certificate dated June 9, 2025. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Shareholders through special resolution passed through at the annual general meeting on September 19, 2024, and Regulation 176(1) of the SEBI ICDR Regulations.
- Yashesh Pankaj Bhatt is the Company Secretary and Compliance Officer of our Company. His details are as follows:

Yashesh Pankaj Bhatt

Address: 502, Tower A, Peninsula Business Park, Senapati Bapat Marg Lower Parel, Mumbai 400 013, Maharashtra, India

Tel: +91 9967542301

E-mail: secretarial@capriglobal.in

- Our Company and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including the websites of our Company and our Subsidiaries, would be doing it at his or her own risk.

FINANCIAL INFORMATION

Financial Information	Page Nos.
Audited Consolidated Financial Statements	284-525

INDEPENDENT AUDITOR'S REPORT

To the Members of Capri Global Capital Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Capri Global Capital Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), the RBI Guidelines and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2025, and of consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flow for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("the ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

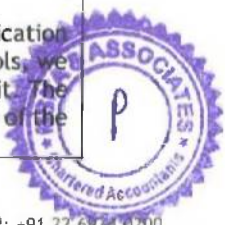
Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	Impairment of loans including Expected Credit Losses ("ECL"): Total Loans as at March 31, 2025: Rs. 1,82,515.02 millions (net of ECL) Impairment Provision as at March 31, 2025: Rs. 2,677.96 millions (Refer Note 7 of the Consolidated Financial Statements) As per Ind AS 109 - Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its financial assets using ECL approach involving an estimation of probability of loss on such financial assets, considering reasonable and supportable	The audit procedures performed by us to assess the appropriateness of the impairment allowance based on ECL on loans included the following: - Understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over: - the assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure at Default, Staging of Loans, etc; - the completeness and accuracy of source data used by the Management in the ECL computation; and



	information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets The estimation of impairment loss allowance on loan assets involves significant judgement and estimates, which are subject to uncertainty, and involves applying appropriate measurement principles in case of loss events ECL is calculated using the percentage of probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") for each of the stages of loan portfolio. Significant management judgment and assumptions involved in measuring ECL is required with respect to: - Segmentation of loan book in buckets based on common risk characteristics; - Staging of loans and in particular determining the criteria, which includes qualitative factors for identifying a significant increase in credit risk (i.e. Stage 2) and credit-impaired (i.e. Stage 3); - factoring in future macro-economic and industry specific estimates and forecasts; - past experience and forecast data on customer behaviour on repayments and; - varied statistical modelling techniques to determine probability of default, loss given default and exposure at default basis, the default history of loans, subsequent recoveries made and other relevant factors using probability weighted scenarios Considering the significance of the above matter to the Consolidated Financial Statements and since the matter required significant attention to test the calculation of ECL, we identified this as a key audit matters for current year audit	iii. ECL computations for their reasonableness - Along with the assistance of the auditor's expert, verified the appropriateness of methodology and models used by the Company and reasonableness of the assumptions used within the computation process to estimate the impairment provision. - Test-checked the completeness and accuracy of source data used. - Recomputed the impairment provision for a sample of loans across the loan portfolio to verify the arithmetical accuracy and compliance with the requirements of Ind AS 109. - Evaluated the reasonableness of the judgement involved in management overlays that form part of the impairment provision, and the related approvals. - Evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the consolidated financial statements
2	Information Technology ("IT") systems and controls impacting financial controls The Company key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated. Amongst its multiple IT systems, we scoped	Key IT audit procedures performed included the following, but not limited to: Key IT audit procedures performed included the following, but not limited to: For testing the IT general controls, application controls and IT dependent manual controls, we involved IT specialists as part of the audit. The team also assisted in testing the accuracy of the



	in systems that are key for overall financial reporting. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. We have identified 'IT systems and controls' as a key audit matter considering the high level of automation, significant number of systems being used by Management and the complexity of the IT architecture and its impact on overall financial reporting process and regulatory expectation on automation	information produced by the Company IT systems. • Obtained a comprehensive understanding of IT applications landscape implemented at the Company. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people-process and technology. • Key IT audit procedures includes testing design and operating effectiveness of key controls operating over user access management (which includes user access provisioning, de-provisioning, access review, password configuration review, segregation of duties and privilege access), change management (which include change release in production environment are compliant to the defined procedures and segregation of environment is ensured), program development (which include review of data migration activity), computer operations (which includes testing of key controls pertaining to, backup, Batch processing (including interface testing), incident management and data centre security), System interface controls. This included testing that requests for access to systems were appropriately logged, reviewed, and authorized. • In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were tested. Using various techniques such as inquiry, review of documentation / record / reports, observation, and re-performance. We also tested few controls using negative testing technique. • Tested compensating controls and performed alternate procedures, where necessary. In addition, understood where relevant changes made to the IT landscape during the audit period
--	--	--

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.



Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flow of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act and the RBI Guidelines. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 50,104.00 millions (before consolidation adjustments) as at March 31, 2025, total revenues of Rs. 8,463.38 millions (before consolidation adjustments) and net cash flow amounting to Rs. (1,757.72) millions (before consolidation adjustments) for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- b. The consolidated financial statements of the Company for the year ended March 31, 2024, were audited by another auditor whose report dated May 08, 2024 expressed an unmodified opinion on those statements.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Separate Financial Statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books, except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g).
 - d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - e. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.



- f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g).
- h. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 38 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 7 and 17 to the consolidated financial statements in respect of such items as it relates to the Group.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
 - iv.
 - i. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer Note 60.6 to the Consolidated Financial Statements.
 - ii. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer Note 60.7 to the Consolidated Financial Statements.
 - iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (i) and (ii) above, contain any material mis-statement.



MSKA & Associates

Chartered Accountants

- v. On the basis of our verification and on consideration of the reports of the statutory auditors of subsidiaries, associates and joint ventures that are Indian companies under the Act, we report that:
- The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
 - The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of their members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. Refer Note 26 to the consolidated financial statements
- vi. Based on our examination which included test checks, and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the holding company and its subsidiary companies incorporated in India have used accounting softwares for maintaining their respective books of account for the year ended March 31, 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, and further, during the course of audit of the holding company and for above referred subsidiaries we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the holding company and above referred subsidiaries as per the statutory requirements for record retention as explained in Note 61 to the financial statements.

Instances where audit trail has not been enabled at the database level in case of old ERP application until November 30, 2024 to log any direct data changes for certain accounting software	In respect of holding company and two subsidiary companies
Instances where audit trail has not been enabled at the database level from April 1, 2024 to July 07, 2024 to log any direct data changes for one accounting software	In respect of Holding Company
Instances where audit trail has not been enabled at the application level to log any direct data changes for one accounting software	In respect of Holding Company
Instances where audit trail is not preserved at database level in case of one accounting software where audit trail is enabled on July 08, 2024	In respect of Holding Company

- In our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.
- According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of subsidiaries included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there are no qualifications/adverse remarks.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Prateek Khandelwal

Prateek Khandelwal
Partner
Membership Number: 139144
UDIN: 25139144BMOJTT1629



Mumbai
May 05, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CAPRI GLOBAL CAPITAL LIMITED

Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Capri Global Capital Limited on the consolidated Financial Statements for the year ended

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls reference to consolidated financial statements of Capri Global Capital Limited (hereinafter referred to as "the Holding Company") which includes the internal financial controls over financial reporting of the Holding Company's and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Group have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI").

Management's and Board of Director's Responsibility for Internal Financial Controls

The respective Management and the Board of Directors of the Group are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Group.



Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Prateek Khandelwal
Prateek Khandelwal
Partner
Membership Number: 139144
UDIN: 25139144BMOJTT1629



Mumbai
May 05, 2025

Capri Global Capital Limited
Consolidated Balance Sheet as at March 31, 2025
(Currency : Indian Rupees in millions)

	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
(I) Financial Assets			
(a) Cash and cash equivalents	3	15,065.48	6,396.49
(b) Bank balances other than cash and cash equivalents	4	246.57	349.72
(c) Derivative financial instruments	17	-	41.05
(d) Receivables			
(i) Trade receivables	5	587.81	1,366.85
(ii) Other receivables	6	276.20	52.78
(e) Loans	7	1,82,515.02	1,34,211.83
(f) Investments	8	1,604.17	2,162.29
(g) Other financial assets	9	1,333.07	1,007.70
		2,01,628.32	1,45,588.71
(II) Non Financial Assets			
(a) Current tax assets (net)	10	441.47	279.24
(b) Deferred tax assets (net)	11	847.44	706.25
(c) Property, plant and equipment	12	2,978.65	3,210.06
(d) Capital work-in-progress	13	1.15	0.79
(e) Intangible assets under development	14	29.53	190.37
(f) Other intangible assets	15	435.60	285.54
(g) Other non financial assets	16	1,950.95	1,240.73
		6,684.79	5,912.98
Total Assets		2,08,313.11	1,51,501.69
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Derivative financial instruments	17	556.84	-
(b) Payables	18		
i) Trade payables			
Total outstanding dues of micro and small enterprises		7.70	5.44
Total outstanding dues of creditors other than micro and small enterprises		1,017.57	1,297.18
ii) Other payables	19		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		626.69	196.80
(c) Debt securities	20	5,086.57	1,521.65
(d) Borrowings (other than debt securities)	21	1,50,681.54	1,02,547.48
(e) Other financial liabilities	22	6,200.97	6,994.40
		1,64,177.88	1,12,562.95
(II) Non-Financial Liabilities			
(a) Current tax liabilities (net)	10	410.69	24.53
(b) Provisions	23	457.90	274.91
(c) Other non-financial liabilities	24	225.67	273.60
		1,094.26	573.04
EQUITY			
(a) Equity share capital	25	825.12	824.94
(b) Other equity	26	42,215.85	37,540.76
		43,040.97	38,365.70
Total Liabilities and Equity		2,08,313.11	1,51,501.69

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Prateek Khandehwal
Partner
Membership Number: 139144
Place : Mumbai
May 05, 2025



For and on behalf of the Board of Directors of

Capri Global Capital Limited
CIN: U65990MH2006PLC161153

Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 05, 2025

Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 05, 2025

Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 05, 2025

Partha Chakrabarti
Chief Financial Officer

Place : Mumbai
May 05, 2025



Capri Global Capital Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	Note No.	For year ended March 31, 2025	For year ended March 31, 2024
(I) Revenue from operations			
a) Interest income	27	26,055.64	18,228.58
b) Dividend income		2.53	-
b) Fee and commission income	28	3,279.28	2,306.35
c) Net gain on fair value change	29	641.71	412.61
d) Net gain on derecognition of financial instruments under amortised cost category	30	1,650.77	1,018.10
e) Sale of services		-	630.99
f) Other operating income	31	845.07	532.69
Total revenue from operations		32,475.00	23,129.32
(II) Other income	32	33.36	13.40
Total income		32,508.36	23,142.72
(III) Expenses			
(a) Finance costs	33	12,735.98	8,371.92
(b) Fees and commission expense		1,444.17	1,093.48
(c) Impairment on financial instruments	34	1,008.16	913.66
(d) Employee benefits expenses	35	7,429.62	6,236.92
(e) Depreciation, amortization and impairment	12 & 15	1,017.13	878.70
(f) Others expenses	36	2,540.12	1,991.64
Total expenses		26,175.18	19,486.32
(IV) Profit before tax for the year (I + II - III)		6,333.18	3,656.40
(V) Tax expense :			
(a) Current tax		1,695.65	1,099.90
(b) Deferred tax		(141.78)	(227.54)
(c) Short / (Excess) provision for earlier years		(6.02)	(10.02)
		1,547.85	862.34
(VI) Net profit after tax for the year (IV - V)		4,785.33	2,794.06
(VII) Other comprehensive income			
(a) Items that will not be reclassified to profit and loss			
(i) Remeasurement on defined benefit plans		(33.84)	(28.77)
(ii) Income tax impact on above		8.06	7.24
Total (a)		(25.78)	(21.53)
(b) Items that will be reclassified to profit and loss			
(i) Fair value gain on time value of forward element of forward contract in hedging relationship		61.89	(39.46)
(ii) Fair value gain on loans measured at Fair value through OCI		(105.36)	-
Income tax impact on above (i & ii)		(10.05)	9.93
Total (b)		(53.52)	(29.53)
Other comprehensive income (a+b)		(79.30)	(51.06)
(VIII) Total comprehensive income for the year (VI + VII)		4,706.03	2,743.00
(IX) Earnings per equity share in rupees (Face value ₹ 1 each)			
Basic	37	5.80	3.39
Diluted	37	5.77	3.36

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For M S K A & Associates

Chartered Accountants

Firm's Registration Number: 105047W

Prateek Khandelwal

Partner

Membership Number: 139144

Place : Mumbai

May 05, 2025



For and on behalf of the Board of Directors of

Capri Global Capital Limited

CIN: U65990MH2006PLC161153

Rajesh Sharma

Managing Director

DIN 00020037

Place : Mumbai

May 05, 2025

Yashesh Bhatt

Company Secretary

ACS-20491

Place : Mumbai

May 05, 2025

Subramanian Ranganathan

Independent Director

DIN 00125493

Place : Mumbai

May 05, 2025

Partha Chakraborti

Chief Financial Officer

Place : Mumbai

May 05, 2025

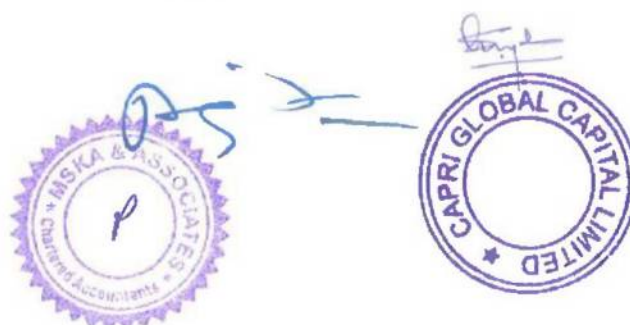


Capri Global Capital Limited

Consolidated Statement of cash flow for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

Particulars	For year ended Mar-25	For year ended Mar-24
A Cash flow from operating activities		
Profit before tax	6,333.18	3,656.40
Adjustments for		
Depreciation, amortization and impairment	1,017.13	878.70
Impairment on financial instruments	1,008.16	913.66
Net gain on fair valuation of financial instruments	(641.71)	(412.61)
Net gain on derecognition of financial instruments	(1,650.77)	(1,009.98)
Loss/(Gain) on sale of property, plant and equipment	0.61	(2.89)
Write off - property, plant and equipment	6.43	2.55
Write off - Others	0.65	1.82
Gain on early termination of Lease	(4.84)	(4.07)
Gain on sale of assets held for sale	(2.11)	(2.91)
Share based payments to employees	91.63	85.70
Dividend income	(2.53)	-
Operational loss	29.02	-
Interest on lease liability	327.57	342.25
Interest income	(26,055.64)	(18,221.65)
Finance cost	12,408.41	8,029.68
Interest received	25,332.50	17,549.33
Interest paid	(12,626.83)	(8,450.64)
Operating cash flow before working capital changes	5,570.86	3,355.34
<i>Add / (Less): Adjustments for working capital changes</i>		
(Increase)/Decrease in		
Loans	(48,367.64)	(39,822.18)
Trade receivables	649.59	(825.52)
Other financial assets	1,134.32	946.51
Other non-financial assets	(730.12)	(584.52)
Increase/(Decrease) in		
Trade payables	152.56	410.47
Other financial liability	(792.36)	633.36
Derivative instrument	659.78	(156.23)
Other non-financial liability	(47.92)	127.19
Provision	121.69	77.85
Cash used in operations	(41,649.24)	(35,837.73)
Income taxes paid (net of refunds received)	(1,467.11)	(1,147.92)
Net cash used in operating activities - A	(43,116.35)	(36,985.65)
B Cash flow from investing activities		
Increase/(decrease) in fixed deposits not considered as cash and cash equivalent	109.37	(7.23)
Purchase of property, plant and equipment and other intangible assets	(653.89)	(635.75)
Intangible assets under development	160.85	(42.33)
Capital work-in-progress	(0.37)	24.44
Proceeds from sale of property and equipment	2.89	73.31
Purchase of mutual fund units	(1,56,252.19)	(410.42)
Proceed from sale of mutual fund units	1,57,595.36	497.58
Purchase of shares/bonds	(7,055.89)	112.51
Proceed from sale of shares & bonds	6,619.94	-
Purchase of security receipt	(542.39)	-
Proceeds from sale of investment (PTC)	580.40	807.65
Purchase of investment (PTC)	-	(602.36)
Interest received on PTC	33.87	112.10
Dividend received	2.53	-
Net cash generated from / (used in) investing activities - B	600.48	(70.50)



Capri Global Capital Limited

Consolidated Statement of cash flow for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	For year ended Mar-25	For year ended Mar-24
C Cash flow from financing activities		
Debt securities issued	10,880.00	-
Debt securities redeemed	(7,230.00)	(2,666.67)
Proceed from borrowings other than debt securities	86,199.52	57,086.82
Repayment of borrowings other than debt securities repaid	(38,077.23)	(28,194.39)
Other short term loan (net)	145.13	3,151.36
Payments for the principal portion of the lease liability	(282.59)	(226.87)
Payments for the interest portion of the lease liability	(327.57)	(342.25)
Dividends paid	(123.74)	(103.08)
Proceed from issue of equity Shares	6.63	11.74
Right issue expenses	-	(18.81)
Proceeds from employee stock options	(5.29)	(10.35)
Net cash generated from financing activities - C	51,184.86	28,687.50
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	8,668.99	(8,368.65)
Cash and cash equivalent as at the beginning of the year	6,396.49	14,765.14
Cash and cash equivalent as at the end of the year	15,065.48	6,396.49
Components of cash and cash equivalents		
a) Cash on hand	84.76	97.81
b) Balances with Banks (of the nature of cash and cash equivalents)		
i) In current accounts	14,916.92	4,455.38
ii) Fixed deposits with original maturity of 3 Months or less	-	1,750.83
c) Cheques on hand	63.80	92.47
Total cash and cash equivalents	15,065.48	6,396.49

Notes:

- 1 Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
- 2 Figures in brackets represent outflows.

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Prateek Khandelwal
Partner
Membership Number: 139144
Place : Mumbai
May 05, 2025



For and on behalf of the Board of Directors of

Capri Global Capital Limited
CIN: U65990MH2006PLC161153

Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 05, 2025

Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 05, 2025

Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 05, 2025

Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 05, 2025



Capri Global Capital Limited
Consolidated statement of changes in equity for the year ended March 31, 2025
(Currency: Indian Rupees in millions)

A. Equity Share Capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	Amount	Number of Shares	Amount
Issued, subscribed and fully paid up equity shares outstanding	82,49,39,972	834.94	20,61,52,844	412.31
As at the beginning of the year				
Changes in equity share capital due to prior period errors				
Restated balance as at the beginning of the year	82,49,39,972	834.94	20,61,52,844	412.31
Add: Shares issued during the year	1,76,380	0.18	82,149	0.16
Add: Shares issued for split of face value	-	-	20,62,34,993	-
Add: Bonus Shares issued during the year	-	-	41,24,63,986	412.47
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	82,51,16,352	835.12	82,49,39,972	824.94

B. Other Equity

Particulars	Reserves and Surplus				Statutory Reserve 49-4C of PFR Act, 1961	Statutory Reserve Section 29C of the National Company Act, 1987	Re-measurement of defined benefit plans	Other Comprehensive Income		Total
	General Reserve	Securities Premium Account	Retained Earnings Account	Employee Share Option Outstanding				Fair Value Gain on time value of forward element of forward contract in including adjustments	Fair Value Gain on loans measured at Fair value through OCI	
Balance as at April 01, 2023	642.05	18,834.53	12,085.00	253.45	3,014.80	409.68	7.40	(4.57)	-	35,243.34
Changes in accounting policy/prior period errors										
Restated balance as at April 01, 2023	642.05	18,834.53	12,085.00	253.45	3,014.80	409.68	7.40	(4.57)	-	35,243.34
Profit for the year	-	-	2,794.96	-	-	-	(21.53)	-	-	2,794.06
Other comprehensive income / (losses) for the year	-	-	(103.08)	-	-	-	-	(29.53)	-	(51.06)
Dividends	-	-	-	-	-	-	-	-	-	(103.08)
On account of ESOP exercised/ lapsed	17.29	11.58	-	60.91	396.12	143.40	-	-	-	89.78
Transfer from / (to) retained earnings	-	(612.47)	-	-	-	-	-	-	-	-
Utilised for issue of Bonus shares	-	(18.31)	-	-	-	-	-	-	-	(412.47)
Unauthorised right issue expenses unrecognised	-	-	-	-	-	-	-	-	-	(18.81)
Balance as at March 31, 2024	659.34	18,414.83	14,236.46	314.36	3,410.92	553.08	(14.13)	(34.10)	-	37,540.76
Changes in accounting policy/prior period errors										
Restated balance as at March 31, 2024	659.34	18,414.83	14,236.46	314.36	3,410.92	553.08	(14.13)	(34.10)	-	37,540.76
Profit for the year	-	-	4,785.33	-	-	-	(25.78)	25.32	(78.84)	4,785.33
Other comprehensive income / (losses) for the year	-	-	(125.74)	-	-	-	-	-	-	(79.20)
Dividends	-	-	-	-	-	-	-	-	-	(125.74)
On account of ESOP exercised/ lapsed	24.93	6.46	-	61.41	-	-	-	-	-	92.80
Transfer from / (to) retained earnings	-	-	(953.53)	-	829.79	123.74	-	-	-	-
Balance as at March 31, 2025	684.27	18,421.29	17,944.52	375.77	4,240.71	676.82	(39.91)	(8.78)	(78.84)	42,315.85

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached
For M S K & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Prateek Khandewal
Partner
Membership Number: 139144
Place: Mumbai
May 05, 2025



Rajesh Sharma
Managing Director
DIN: 00078037
Place: Mumbai
May 05, 2025

[Signature]

Yashesh Dhat
Company Secretary
ACS-20491
Place: Mumbai
May 05, 2025

[Signature]

Subramanian Ranganathan
Independent Director
DIN: 00125403
Place: Mumbai
May 05, 2025



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

1 Corporate Information

Capri Global Capital Limited ("the Company/Holding Company") having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged in the business of providing loans to Micro, Small and Medium Enterprises (MSMEs), Micro Lap, Home loans, Gold Loans, Construction Finance. The Holding Company is NBFC – Investment and Credit Company (NBFC-ICC), holding a Certificate of Registration No. B-13.01882 from the Reserve Bank of India ("RBI") dated November 05, 2007, having CIN: L65921MH1994PLC173469.

Capri Global Housing Finance Limited (the Subsidiary Company) having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged in the business of providing loans primarily to customers for purchase / construction / repair and renovation of residential property. The Company holds registration certificate No. 07.0139.16 with National Housing Bank under section 29A of the National Housing Bank Act, 1987 dated July 18, 2016.

Capri Loans Car Platform Private Limited (the Subsidiary Company) having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged primarily in the business of car loan distribution. The Company holds certificate of incorporation vide No. U66190MH2023PTC412270 in pursuant to sub-section (2) of section 7 and sub-section (1) of section 8 of the Companies Act, 2013 (18 of 2013) and rule 18 of the Companies (Incorporation) Rules, 2014 with effect from October 16, 2023.

The consolidated financial statements relate to the Holding Company and its subsidiary companies (together referred as the "Group").

The consolidated financial statements as at and for the year ended March 31, 2025 were authorised for issue in accordance with a resolution of the Board of Directors on May 05, 2025.

2 Material accounting policies

2.01 Basis of Consolidation

2.01.A The following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Capri Global Housing Finance Limited - 100% wholly owned subsidiary (CGHFL)

Capri Loans Car Platform Private Limited – 100% wholly owned subsidiary incorporated on October 16, 2023 (CLCPPL)

For details of the subsidiary companies considered for consolidation refer note 53

2.01.B Principles of Consolidation:

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) 110 - "Consolidated Financial Statements" notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the consolidated financial statements as at March 31, 2025

b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Holding Company's separate financial statements. Appropriate adjustments have been made in the financial statements of the subsidiaries with respect to different accounting policies for like transaction and events in similar circumstances for the purpose of preparation of consolidated financial statements.

c) The financial statements of the subsidiaries used in consolidation are drawn up to the same reporting date as that of the Holding Company i.e. as at / for the year ended March 31, 2025.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

2.02 Statement of compliance and basis of preparation and presentation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, Master Direction – Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 with the circular No. RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/2023-24 Dated October 19, 2023 and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI. (Previously Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as amended ('the RBI Master Directions')) and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.) The Group uses accrual basis of accounting except in case of significant uncertainties [Refer note 2.04 (A),(C),(D),(E)]. Accounting policies have been consistently applied to all periods presented unless otherwise stated.

The consolidated financial statement has been prepared in accordance with and comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The preparation of consolidated financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Group are discussed in Note 2.13 Significant accounting judgements, estimates and assumptions.

2.03 Presentation of financial statement

The Group presents its balance sheet in the order of liquidity.

The Group prepares and present its Consolidated Financial Statements in the format prescribed by Division III of Schedule III to the Act as amended from time to time.

Financial assets and financial liabilities are generally reported on a gross basis except when there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Group and/or its counterparties

2.04 Revenue from operations

2.04.A Interest Income

Interest income is recognised by applying Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at Fair Value Through Profit and Loss (FVTPL) taking into account the amount outstanding and the applicable interest rate. In case of credit-impaired financial assets (as set out in note no. 2.06 (G) regarded as 'Stage 3'), the Group recognises interest income on the amortised cost net of impairment loss of the financial asset. If the financial asset is no longer credit impaired, the Group reverts to calculating interest income on a gross basis.

The EIR is computed

- a. As the rate that exactly discounts estimated future cash payments or receipts through the weighted average behavioral life of the financial asset to the gross carrying amount of a financial asset.
- b. By considering all the contractual terms of the financial instrument (for example prepayment, extension, call and similar options) in estimating the cash flows.
- c. Including all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction cost, and all other premiums or discounts.

Loan processing fees on loans is collected towards processing of loan. These are amortised on EIR basis over the weighted average behavioral life of the loan for MSME, Gold loan, Home Loan and Unsecured business loan and over the contractual tenure for Construction Finance and Indirect Lending.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

2.04.B Dividend Income

Dividend income is recognised when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

2.04.C Fees & Commission Income

The Group recognises the fee and commission income not integral to EIR under Ind AS 109 in accordance with the terms of the relevant customer contracts / agreement and when it is probable that the Group will collect.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation. Fees for sale of services are accounted as and when the service is rendered, provided there is reasonable certainty of its ultimate realisation.

Bounce/ penal charges levied on customers for non-payment/delayed in payment of instalment on the contractual date & Foreclosure charges collected from loan customers for early payment / closure of loan are recognised on a point in time basis and are recorded when realised.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery.

Commission on Insurance Policies sold is recognised on accrual basis when the Holding Company under its agency code sells the insurance policies.

2.04.D Sale of service

Sale of services includes advertising income, representing income earned from the activities incidental to the business and is recognised when the service is performed. Revenue is net of applicable indirect taxes as per the terms of the contract.

2.04.E Net gain on Fair value changes

Any differences between the fair values of financial assets classified as FVTPL held by the Group on the Balance Sheet date is recognised as an unrealised gain / loss. In case there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss, the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

However, Net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

2.04.F Assignment transactions

In accordance with Ind AS 109, in case of assignment transactions with significant transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognized from the Balance Sheet immediately upon execution of such transaction. Further, the transfer of financial assets qualifies for derecognition to the extent of portion transferred. The whole of the interest spread is at its present value (discounted over the life of the asset) is recognized on the date of derecognition itself as interest only strip receivable (interest strip on assignment) and correspondingly recognized as profit on derecognition of financial asset.

2.05 Expenses

2.05.A Finance costs

Finance costs on borrowings paid towards availing of loan is amortised on EIR basis over the contractual life of loan.

The EIR in case of a financial liability is computed

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts

Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the liability.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee, etc. provided these are incremental costs that are directly related to the issue of a financial liability.

2.05.B Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

The Group provides a defined contribution plan for all the eligible employees of the Group who have opted to receive benefits under the Provident Fund and Employees State Insurance Scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Group has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit schemes

The Group provides a defined benefit retirement plan for gratuity covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary at each Balance Sheet date using the Projected Unit Credit Method which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in Statement of Profit or Loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at half yearly intervals.

The Group fully contributes all ascertained liabilities to The Trustees – CGCL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Financial Services Limited Employee Group Gratuity Assurance Scheme)" and CGHFL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Securities Private Limited Employee Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the Insurance Regulatory and Development Authority (IRDA) approved Insurance Companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

2.05.C Leases Rent

The Group obtain on leases most of its office facilities under operating lease agreements that are renewable on a periodic basis at the option of the lessor and the lessee. The lease agreements contain rent free periods and rent escalation clauses.

The Group assesses whether a contract contains a lease at the inception of the contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether (i) the contract involves the use of an identified asset, (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a Right-of-Use (ROU) assets and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. ROU assets represent the Group's right to use an underlying asset for the lease term and lease liabilities represent the Group's obligation to make lease payments arising from the lease. For short-term leases and low value leases, the Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

The lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the lease term.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. For leases under which the rate implicit in the lease is not readily determinable, the Group uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset, if the Group changes its assessment as to whether it will exercise an extension or a termination option.

At initial recognition the carrying value of the refundable deposits is taken at present value of all expected future principal repayments discounted using market rates prevailing at the time of inception. For Interest expenses, the difference between present market value and deposit made is recognised as prepayment and amortised in the Statement of Profit and Loss over the benefit period on systematic basis. Interest income is recognised at the prevailing market rates.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. The carrying amount of lease liability is remeasured to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. A change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not be exercised.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.05.D Impairment of non-financial assets

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.05.E Taxes

Income Tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss, other comprehensive income or directly in equity when they relate to items that are recognized in the respective line items.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty if any related to income taxes. It is measured using tax rates (and tax law) enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity.

Goods and Services Tax /Service Tax/Value Added Taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/service tax/value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from or payable to the taxation authority is included as part of receivables or payables in the balance sheet.

2.06 Financial instruments

Financial assets and financial liabilities are recognised in the Group's Balance Sheet on trade date, i.e. when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues of financial assets or financial liabilities carried at fair value through the profit or loss account are recognised immediately in the Statement of Profit or Loss. Trade Receivables are measured at transaction price.

2.06.A (i) Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost.
2. Financial assets to be measured at fair value through profit or loss.

The classification depends on the contractual terms of the financial assets, cash flows and the Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- ▶ How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- ▶ The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- ▶ How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- ▶ The expected frequency, value and timing of sales are also important aspects of the Group's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

2.06.B Financial assets measured at amortised cost

These financial assets comprises of bank balances, receivables, investments and other financial assets.

Financial assets

Financial assets are measured at amortised cost where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These Financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost.

2.06.C Items at Fair Value Through Profit or Loss (FVTPL)

Items at Fair Value Through Profit or Loss comprise:

- Investments (including equity shares) held for trading;
- debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at FVTPL are initially recognised at fair value with transaction costs recognised in the Statement of Profit and Loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments designated as measured at FVTPL

Upon initial recognition, financial instruments may be designated FVTPL. A financial asset may only be designated at FVTPL if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at FVTPL if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at FVTPL, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Group has not designated any financial instruments as measured at fair value through profit or loss.

2.06.D Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds and costs that are an integral part of the Effective Interest Rate (EIR).

2.06.E Reclassification

If the business model under which the Group holds financial assets undergoes changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described in subsequent paragraphs.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

2.06.F Recognition and Derecognition of financial assets and liabilities

Recognition:

- a) Loans and Advances are initially recognised when the Financial Instruments are transferred to the customers.
- b) Investments are initially recognised on the settlement date.
- c) Debt securities and borrowings are initially recognised when funds are received by the Group.
- d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset such as a loan to a customer when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI). In case of an existing exposure to the borrower in the Group, the newly recognised loans are classified as per the staging of the existing exposure.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification

a) Financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if the Group has transferred its contractual rights to receive cash flows from the financial asset.

A transfer only qualifies for derecognition, if either:

- i. The Group has transferred substantially all the risks and rewards of the asset, or
- ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the Statement of Profit or Loss.

2.06.G Impairment of financial assets

Overview of the ECL principles

The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, referred to in 'financial instruments' section. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss) unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group has grouped its loan portfolio into Micro, Small and Medium Enterprises (MSMEs), Construction Finance, Indirect Lending, Gold Loan, Home Loan and Unsecured business loan

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest Days Past Due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances (past due for 0 to 30 days) under this category. Stage 1 loans also include facilities where the credit risk has reduced and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets past due for 31 to 90 days are classified under this stage and lifetime ECL is recognised on such financial assets. Stage 2 loans also include facilities where the credit risk has reduced, and the loan has been reclassified from Stage 3.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. More than 90 days Past Due is considered as default for classifying a financial instrument as credit impaired.

Credit-impaired financial assets:

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- d) The disappearance of an active market for a security because of financial difficulties.

The mechanics of ECL:

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD)

Probability of Default (PD) is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors.

Loss Given Default (LGD)

Loss Given Default (LGD) is defined as the loss rate on the exposure, given the borrower has defaulted. LGD is being calculated for all financial instruments under risk parameter approach by way of evaluation of historical data on defaults, recovery amounts, collateral liquidation, direct expenses, and opportunity cost for each default.

Exposure at Default (EAD)

The Exposure at Default (EAD) is an estimate of the exposure at a future default date including the undrawn commitments. EAD is taken as the gross exposure under a facility upon default of an obligor. The principal outstanding, overdue principal, accrued interest, overdue interest less excess received from the customers is considered as EAD for the purpose of ECL computation.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD determined by the Group based on its internal data/external data. While the internal estimates of PD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Collateral repossessed

In its normal course of business, Group repossess assets under SARFAESI/ Arbitration Act, but do not transfer these assets in its book of accounts. The Group continues to show these loans account as Non-Performing Assets (NPA) in the books till the liquidation of the secured assets through public auction and realise actual payment against these loans.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

2.06.H Write-offs

The Group reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

2.06.I Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments (as explained in note) at fair value on each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation are significant and are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Difference between transaction price and fair value at initial recognition

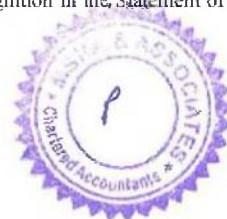
The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is not recognised at the initial recognition stage.

2.06.J Derivative Financial Instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each Balance Sheet date. The resulting gain/loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its floating rate borrowings arising from changes in interest rates and exchange rates at inception of designated hedging relationships.

The Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item determined on a present value basis from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in Statement of Profit or Loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. Change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

2.07 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.08 Property, plant and equipment

Property, Plant and Equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, if any. The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate and treated as changes in accounting estimates.

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress."

Depreciation

Depreciation is calculated using the Written Down Value (WDV) method to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Act. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the Statement of Profit and Loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

2.09 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end.

Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the Statement of Profit and Loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years unless it has a shorter useful life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible under development"

Estimated useful life of assets is as below:

- (a) Lease hold improvements and Lease Premises- As per lease period
- (b) Computer- 3 years
- (c) Furniture & fixtures - 10 years
- (d) Office Equipment- 5 years
- (e) Vehicles- 10 years (Motor cycles, scooters) and 8 years (Motor cars)
- (f) Electric installations- 10 years
- (g) Computer Software- 3 years
- (h) Trademarks- 10 years

2.10 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

2.11 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

2.12 Earnings Per Share

The Group reports basic and diluted Earnings Per Share (EPS) in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

2.13 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

2.13.A Defined employee benefit assets and liabilities - Refer 2.05.B

2.13.B Impairment of financial assets - Refer 2.06.G

2.13.C Effective Interest Rate (EIR) method - Refer 2.04.A and 2.05.A

2.13.D Lease - Refer 2.05.C

2.13.E Impairment test of non-financial assets - Refer 2.05.D

2.13.F Property, Plant, Equipment and Intangibles assets - Refer 2.08 and 2.09

2.13.G Taxes - Refer 2.05.E

2.13.H Provisions and Contingent liabilities - Refer 2.10 and 2.11

2.13.I Determination of the fair value - Refer 2.06.I

2.13.J Business Model Assessment - Refer 2.06.A

2.14 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has not notified new standards or amendments to the existing standards applicable to the Group for current reporting period.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2025	As at March 31, 2024
3. Cash and cash equivalents		
a) Cash on hand	84.76	97.81
b) Balances with Banks (of the nature of cash and cash equivalents)		
i) in current accounts (Refer Note no. 1 below)	14,916.92	4,455.38
ii) in deposit accounts having original maturity less than 3 months	-	1,750.83
c) Cheques, drafts on hand	63.80	92.47
Total	15,065.48	6,396.49
Of the above, the balances that meet the definition of Cash and Cash equivalent as per Ind AS 7 "Statement of Cash Flows":	15,065.48	6,396.49

1. Balances with Bank in Current Account includes Escrow Bank Balance of ₹ 383.57 million As at March 31, 2025 (₹ 14.97 million As at March 31, 2024)

4. Bank balances other than cash and cash equivalents
Other Bank balances

a) In Fixed deposit accounts		
i) Fixed deposit accounts with maturity more than 3 months (Refer Note no. 1 and 2 below)	246.44	349.57
b) In earmarked balance with banks		
i) Unclaimed dividend account (Refer note no 40)	0.13	0.15
Total	246.57	349.72

Notes :

1. Out of the above ₹ 244.83 millions (as at March 31, 2023: ₹ 320.46 millions) balance in deposit accounts with banks are being earmarked towards overdraft facilities, bank guarantee and against customer advance.

2. Deposits are made for varying period from 7 days to 10 years and earn interest from 4.9% to 8.7% p.a.

17. Derivative financial instruments
17.A Fair value derivative assets / (liabilities)

a) Currency derivatives - forwards		(556.84)	41.05
Total Net		(556.84)	41.05
Derivative Assets (net)	(A)	-	41.05
Derivative Liabilities (net)	(B)	556.84	-
Total Net	(A-B)	(556.84)	41.05

Fair value liabilities

a) Embedded Derivatives on market linked debentures		-	-
Total (B)		-	-
Total (A-B)		(556.84)	41.05
Derivative Assets		-	41.05
Derivative Liabilities		556.84	-

17.B As at March 31, 2025

	Notional Amounts *	Fair Value - Assets	Fair Value - Liabilities
Part I			
(i) Currency Derivatives:			
Forwards	27,164.29	(478.31)	109.76
Total Derivative financial instruments	27,164.29	(478.31)	109.76
Part II			
Included in above (Part I) are derivatives held for hedging and risk			
(i) Cashflow Hedging:			
Currency derivatives - forwards	27,164.29	(478.31)	109.76
(ii) Others			
Total Derivative financial instruments	27,164.29	(478.31)	109.76



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2025	As at March 31, 2024
-------------	-------------------------	-------------------------

17.C As at March 31, 2024

	Notional Amounts *	Fair Value - Assets	Fair Value - Liabilities
Part I			
(i) Currency derivatives:			
Forwards	26,471.16	9.82	478.31
Total derivative financial instruments	26,471.16	9.82	478.31
Part II			
Included in above (Part I) are derivatives held for hedging and risk			
(i) Cashflow Hedging:			
Currency Derivatives : Forwards	26,471.16	9.82	478.31
(ii) Others			
Total derivative financial instruments	26,471.16	9.82	478.31

Note: * Notional amount of the respective currency has been converted at exchange rate of March 31 of the respective year.

5. Trade receivables

a) Trade receivables considered good - Secured	-	-
b) Trade receivables considered good - Unsecured	587.81	1,366.85
c) Trade receivables which have significant increase in credit risk		
i) Secured, considered doubtful	-	-
i) Unsecured, considered doubtful	-	-
d) Trade receivables - Credit impaired	72.44	9.92
	660.25	1,376.77
Less: Impairment loss allowance	(72.44)	(9.92)
Total	587.81	1,366.85

5.A Reconciliation of impairment loss allowance on trade receivables

a) Impairment loss allowance as at beginning of the year	(9.92)	(11.40)
b) Net increase/(decrease) during the year	(62.52)	1.48
c) Impairment loss allowance as at the end of the year	(72.44)	(9.92)

Note :

- Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

6. Other receivables

a) Other Receivables considered good - Secured	-	-
b) Other Receivables considered good - Unsecured	276.20	52.78
c) Other Receivables which have significant increase in credit risk	-	-
d) Other Receivables - Credit impaired	-	-
	276.20	52.78
Less: Allowance for expected credit losses	-	-
Total	276.20	52.78



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

5.A Trade receivables - Ageing Schedule

As at March 31, 2025

	Unbilled due	Current but Not due	Outstanding for the following period from due date of payments:				Total
			Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 Years more than 3 years	
a) Undisputed - Considered Good	0.43	123.13	464.25	-	-	-	587.81
b) Undisputed - considered credit impaired	-	-	-	-	-	-	-
c) Disputed - Considered Good	-	-	-	-	-	-	-
d) Disputed - considered credit impaired	-	-	62.94	7.39	2.11	-	72.44
Total (Gross)	0.43	123.13	527.19	7.39	2.11	-	660.25
Less: Loss allowance for doubtful debts.	-	-	(62.94)	(7.39)	(2.11)	-	(72.44)
Total Trade Receivables (Net)	0.43	123.13	464.25	-	-	-	587.81

As at March 31, 2024

	Unbilled due	Current but Not due	Outstanding for the following period from due date of payments:				Total
			Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 Years more than 3 years	
Trade Receivables							
a) Undisputed - Considered Good	-	461.08	905.77	-	-	-	1,366.85
b) Undisputed - considered credit impaired	-	-	-	-	-	-	-
c) Disputed - Considered Good	-	-	-	-	-	-	-
d) Disputed - considered credit impaired	-	-	8.89	0.93	0.10	-	9.92
Total (Gross)	-	461.08	914.66	0.93	0.10	-	1,376.77
Less: Loss allowance for doubtful debts.	-	-	(8.89)	(0.93)	(0.10)	-	(9.92)
Total Trade Receivables (Net)	-	461.08	905.77	-	-	-	1,366.85

6.A Other receivables - Ageing Schedule

	Unbilled due	Current but Not due	Outstanding for the following period from due date of payments:				Total
			Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 Years more than 3 years	

As at March 31, 2025

a) Undisputed - Considered Good	-	-	276.20	-	-	-	276.20
---------------------------------	---	---	--------	---	---	---	--------

As at March 31, 2024

a) Undisputed - Considered Good	-	-	52.78	-	-	-	52.78
---------------------------------	---	---	-------	---	---	---	-------



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2025	As at March 31, 2024
7. Loans		
A. Category of loans wise details		
I. At amortised cost		
Term loans	182,727.78	136,714.04
Loan to employees	20.15	11.00
II. At Fair value through profit or loss		
Secured		
Term loans	-	-
III. At Fair value through OCI		
Secured		
Term loans	2,417.55	-
IV. Purchased or Originated as Credit Impaired (POCI)		
Secured		
Term loans	27.50	53.62
Total (i) - Gross	185,192.98	136,778.66
Less: Impairment loss allowance		
a at Amortised cost	(2,677.96)	(2,566.83)
b at Fair value through profit or loss	-	-
c at Fair value through OCI	-	-
	(2,677.96)	(2,566.83)
Total (A) - Net	182,515.02	134,211.83
B. Nature of Security wise details		
I. At Amortised cost		
i) Secured by Tangible Assets	180,714.08	133,631.72
ii) Secured by Book Debts	1,764.64	2,662.55
iii) Unsecured	296.71	484.39
II. At Fair value through profit or loss		
i) Secured by Tangible Assets	-	-
ii) Secured by Book Debts	-	-
III. At Fair value through OCI		
i) Secured by Tangible Assets	2,417.55	-
ii) Secured by Book Debts	-	-
Total (B) - Gross	185,192.98	136,778.66
Less: Impairment loss allowance	(2,677.96)	(2,566.83)
Total (B) - Net	182,515.02	134,211.83
C. Location wise details		
i) Loans in India		
a. Public Sector	-	-
b. Others	-	-
Total	185,192.98	136,744.27
ii) Loans outside India	-	-
Total (C) - Gross	185,192.98	136,744.27
Less: Impairment loss allowance	(2,677.96)	(2,566.83)
Total (C) - Net	182,515.02	134,177.44

Notes:

- The Group business model is to hold contractual cash flows, being the payment of Principal and Interest till maturity and accordingly the loans are measured at amortised cost.
Eligible pool of co-lending Loans are valued at fair value through OCI.
- Underlying for the term loans secured by tangible assets are properties and gold jewellery.
- The Group does not have any loans outside India.



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2025	As at March 31, 2024
8. Investments		
A.		
Investments Carried at fair value through profit and loss		
a) Mutual Fund (Quoted/ Unquoted)	500.75	1,553.35
b) Investments in Debt Securities		
i) Debt Instrument	293.81	-
c) Equity Shares - Listed	599.30	24.32
d) Security Receipt	210.31	-
a) Investments in Debt Securities		
i) Pass Through Certificates	-	584.62
	<u>1,604.17</u>	<u>2,162.29</u>
B.		
i. Investments outside India	-	-
ii. Investments in India	1,604.17	2,162.29
	<u>1,604.17</u>	<u>2,162.29</u>

C. Script wise details of investments

Particulars	Face Value	As at March 31, 2025		As at March 31, 2024	
		Quantity	Amt.	Quantity	Amt.
a. Investment in Pass Through Certificates (Unquoted)					
1 Indian Receivable Trust 2019 Series 5 - Series A2 PTC 01 Mar 2019		-	-	2,318	584.62
b. Investment in Mutual Fund units (Quoted)					
1 Axis Mutual Fund		-	-	37,312	100.13
2 Aditya Birla Sunlife Money Manager Fund		-	-	590,303	201.17
3 Nippon Liquid Fund		-	-	16,945	100.13
4 DSP Liquid Fund		-	-	29,012	100.13
5 Tata Money Market Fund		-	-	34,442	150.43
6 SBI Savings Fund		-	-	7,430,107	300.48
7 SBI Liquid Fund		-	-	26,495	100.13
8 Mirae Liquid Fund		-	-	39,262	100.13
9 ICICI Prudential Liquid Fund		-	-	280,163	100.13
10 ICICI Prudential Money Market Fund		-	-	860,399	300.49
11 SBI Liquid Fund Regular Growth		124,698	500.75		
c. Investments in Equity shares (Quoted)					
1 Alpex Solar Limited	10	-	-	73,200.00	24.32
2 Capital Numbers Infotech Limited		114,400	18.34	-	-
3 Quadrant Future Tek Limited		110,000	57.79	-	-
4 Central Bank of India		1,961,470	83.89	-	-
5 Punjab & Sind Bank		3,909,304	170.37	-	-
6 UCO Bank		5,680,508	202.80	-	-
7 Investurus Knowledge Solutions		43,241	66.11	-	-
d. Investment in Debt Securities					
1 Manchenal Repallewada Road Private Limited		3,000	293.81	-	-
e. Investment in Security Receipt (Net)			210.31		
Total			<u>1,604.17</u>		<u>2,162.29</u>

Particulars	As at March 31, 2025	As at March 31, 2024
D. Investment in Security Receipt		
i. Gross Security Receipt	542.38	-
ii. Less:- Impairment Allowances	(332.07)	-
iii. Net Security Receipt	<u>210.31</u>	-



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2025	As at March 31, 2024
9. Other financial assets		
Unsecured, considered good		
a) Security Deposits	107.02	118.79
b) Spread receivable on assigned portfolio	1,130.85	807.33
c) Accrued Income	89.24	65.89
d) Others	5.96	15.69
	<u>1,333.07</u>	<u>1,007.70</u>
Less: Impairment loss allowance	-	-
Total	<u>1,333.07</u>	<u>1,007.70</u>
10. Current tax assets and Current tax liabilities		
A Current tax assets (net)	441.47	279.24
[Advance tax net of provision for tax ₹ 5,219.95 millions (March 31, 2024 ₹ 3,836.61 millions)]		
Total	<u>441.47</u>	<u>279.24</u>
B Current tax liabilities (Net)	410.69	24.53
[Provision for tax net of Advance tax ₹ 1,309.82 millions (March 31, 2023 ₹ 1,394.56 millions)]		
Total	<u>410.69</u>	<u>24.53</u>
11. Deferred tax assets (net)		
A. Deferred tax assets / (Deferred tax liabilities)		
a) Difference between WDV as per books and tax books	131.73	82.99
b) Provision for loans	745.72	593.56
c) Provision for compensated absences	77.87	53.63
e) ECL on interest on NPA	116.66	104.14
f) Others (net)	109.50	77.62
g) Unrealised gain on Financial Instruments at FVTPL	0.40	1.71
Total Deferred Tax Assets	<u>1,181.87</u>	<u>913.67</u>
a) Amortised Finance Cost	(37.77)	(0.23)
b) Unrealised gain on financial instruments at FVTPL	(12.06)	(4.00)
c) Gain on derecognition of financial instruments	(284.61)	(203.19)
Total Deferred tax liabilities	<u>(334.43)</u>	<u>(207.42)</u>
Net Deferred tax assets / (Deferred tax liabilities)	<u>847.44</u>	<u>706.25</u>
Net deferred tax asset	847.44	706.25
Net deferred tax liabilities	-	-

B. For yearly movement in balances of deferred tax assets/(liabilities) refer Note no. - 44



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

12. Property, plant and equipment

Particulars	Property, plant and equipment							Right-of-use assets				
	Buildings	Leasehold Premises	Computer Hardware	Furniture and Fixtures	Office Equipments	Vehicles	Electrical Installation	Total	Premises	Other Assets	Right-of-use assets	Total
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	H = A+B+C+D+E+F+G				
A. Gross carrying amount												
Balance as at April 01, 2023	2.70	186.71	292.14	415.84	251.57	66.33	150.45	1,365.74	2,174.50	-	2,174.50	3,540.24
Addition	-	124.16	81.48	83.79	110.18	11.60	(77.84)	333.37	931.59	-	931.59	1,264.96
Disposal	-	-	2.64	3.33	8.73	18.53	62.42	95.65	65.98	-	65.98	161.63
Balance as at March 31, 2024	2.70	310.87	370.98	496.30	353.02	59.40	10.19	1,603.46	3,040.11	-	3,040.11	4,643.57
Addition	-	34.52	70.69	60.62	49.86	44.30	-	259.99	346.95	-	346.95	606.94
Disposal	-	2.66	19.19	0.93	3.19	10.71	-	36.68	73.52	-	73.52	110.20
Balance as at March 31, 2025	2.70	342.73	422.48	555.99	399.69	92.99	10.19	1,826.77	3,313.54	-	3,313.54	5,140.31
B. Accumulated Depreciation / amortisation												
Balance as at April 01, 2023	0.70	56.89	152.38	76.33	66.23	42.38	22.18	397.09	303.22	-	303.22	700.31
Depreciation / Amortisation expense	0.10	68.64	127.81	88.92	111.98	7.78	(13.52)	391.71	400.93	-	400.93	792.64
Disposal	-	-	2.23	2.48	2.85	15.53	0.05	23.14	36.30	-	36.30	59.44
Balance as at March 31, 2024	0.80	105.53	277.96	162.77	175.36	34.63	8.61	765.66	667.85	-	667.85	1,433.51
Depreciation / Amortisation expense	0.09	72.07	81.41	92.45	89.86	17.01	0.41	353.30	423.22	-	423.22	776.52
Disposal	-	1.54	18.13	0.48	2.77	4.19	-	27.11	21.26	-	21.26	48.37
Balance as at March 31, 2025	0.89	176.06	341.24	254.74	262.45	47.45	9.02	1,091.85	1,069.81	-	1,069.81	2,161.66
C. Net carrying amount (A-B)												
As at March 31, 2023	2.00	149.82	139.76	339.51	185.34	23.95	128.27	968.65	1,871.28	-	1,871.28	2,839.93
As at March 31, 2024	1.90	205.34	93.02	333.53	177.66	24.77	1.58	837.80	2,372.26	-	2,372.26	3,210.06
As at March 31, 2025	1.81	166.67	81.24	301.25	137.24	45.54	1.17	734.92	2,243.73	-	2,243.73	2,978.65
Capital work-in-progress												
Balance as at April 01, 2023	-	-	5.33	15.06	4.83	-	-	25.22	-	-	-	-
Addition	-	-	13.34	125.90	74.25	-	-	213.49	-	-	-	-
Disposal	-	-	18.66	140.58	78.68	-	-	237.92	-	-	-	-
Balance as at March 31, 2024	-	-	0.01	0.38	0.40	-	-	0.79	-	-	-	-
Addition	-	-	0.23	0.80	0.22	-	-	1.25	-	-	-	-
Disposal	-	-	0.23	0.38	0.28	-	-	0.89	-	-	-	-
Balance as at March 31, 2025	-	-	0.01	0.80	0.34	-	-	1.15	-	-	-	-



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

	As at March 31, 2025	As at March 31, 2024
14 Intangible assets under development		
Opening balance as at April 1	190.37	148.04
Addition	39.90	171.47
Deduction	(200.74)	(129.14)
Closing balance as at March 31	29.53	190.37

Aging of Capital work-in-progress & Intangible assets under development
As at March 31, 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1 Intangible Assets under development	29.53	-	-	-	29.53
2 Capital work in progress	1.15	-	-	-	1.15

As at March 31, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1 Intangible Assets under development	169.25	15.76	5.36	-	190.37
2 Capital work in progress	0.47	0.32	-	-	0.79

15. Other intangible assets

	Particulars	Computer Software (A)	Trade Mark (B)	Total C = (A+B)
A. Gross carrying amount				
Balance as at April 01, 2023		186.48	-	186.48
Addition		302.18	0.17	302.35
Disposal		16.22	-	16.22
Balance as at March 31, 2024		472.44	0.17	472.61
Addition		393.77	0.12	393.89
Disposal		46.92	-	46.92
Balance as at March 31, 2025		819.29	0.29	819.58
B. Accumulated Depreciation / amortisation				
Balance as at April 01, 2023		116.82	-	116.82
Depreciation / Amortisation expense		86.05	-	86.05
Disposal		15.80	-	15.80
Balance as at March 31, 2024		187.07	-	187.07
Depreciation / Amortisation expense		240.59	0.02	240.61
Disposal		43.70	-	43.70
Balance as at March 31, 2025		383.96	0.02	383.98
C. Net carrying amount (A-B)				
As at March 31, 2023		69.66	-	69.66
As at March 31, 2024		285.37	0.17	285.54
As at March 31, 2025		435.33	0.27	435.60

12A & 15A Depreciation and Amortisations for the year

	FY 2024-25	FY 2023-24
a) Depreciation on property, plant and equipments	353.30	391.73
b) Depreciation on right-of-use assets	423.22	400.91
c) Amortisation of intangible assets	240.61	86.06
Total	1,017.13	878.70



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

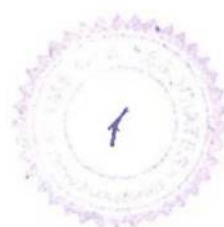
Particulars	As at March 31, 2025	As at March 31, 2024
16. Other non financial assets		
I. Unsecured, considered good		
a) Prepaid Expenses	112.08	110.53
b) Accrued Income	711.84	215.20
c) Advance to vendor	526.58	388.49
d) Balances with Statutory Authorities	73.37	58.63
e) Other Assets	37.36	4.13
f) Capital Advances	282.73	253.81
Less: Provision on Capital Advances	(3.83)	-
Net Capital Advances	278.90	253.81
g) Assets Held for sale	220.16	248.04
Less: Provision on Assets held for sale	(9.34)	(38.10)
Net Assets Held for sale	210.82	209.94
Total	1,950.95	1,240.73

16.A Reconciliation of impairment loss allowance on Capital Advances

a) Impairment loss allowance as at beginning of the year	-	-
b) Net increase/(decrease) during the year	3.83	-
c) Impairment loss allowance as at the end of the year	(3.83)	-

16.B Reconciliation of impairment loss allowance on Assets Held for sale

a) Impairment loss allowance as at beginning of the year	(38.10)	(42.98)
b) Net increase/(decrease) during the year	28.76	4.88
c) Impairment loss allowance as at the end of the year	(9.34)	(38.10)



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2025	As at March 31, 2024
18. Payables		
a) Micro and small enterprises	7.70	5.44
b) Due to related parties	-	-
c) Due to Others	1,017.57	1,297.18
Total	1,025.27	1,302.62
19. Other payables		
a) Micro and small enterprises	-	-
b) Due to related parties	-	-
c) Due to Others	626.69	196.80
Total	626.69	196.80

Notes:

- The amounts due to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, has

18.A Dues to Micro and Small Enterprises

The details of amounts outstanding to Micro and Small enterprises based on information available with the Company is as under:

i) The principal amount and the interest due thereon remaining unpaid to any supplier		
- Principal amount due to micro and small enterprises (Not overdue)	7.70	5.44
- Principal amount due to micro and small enterprises (Overdue)	-	-
- Interest due on overdue	-	-
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small	-	-
iii) The amount of interest due and payable for the period of delay in making payment	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting	-	-
v) The amount of further interest remaining due and payable even in the succeeding	-	-



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

18B & 19A Trade and other payables ageing schedule

	Unbilled	Outstanding for the following period from due date of payments					Total
		Not due	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years	
a) Micro and small enterprises	-	6.43	1.22	0.05	-	-	7.70
b) Others	681.38	492.75	461.33	6.61	2.19	-	1,644.26
c) Disputed - Micro and small enterprises	-	-	-	-	-	-	-
d) Disputed - Others	-	-	-	-	-	-	-
Total	681.38	499.18	462.55	6.66	2.19	-	1,651.96

As at March 31, 2024

	Unbilled	Outstanding for the following period from due date of payments					Total
		Not due	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years	
a) Micro and small enterprises	-	4.62	0.82	-	-	-	5.44
b) Others	242.05	786.16	464.08	1.63	0.06	-	1,493.98
c) Disputed - Micro and small enterprises	-	-	-	-	-	-	-
d) Disputed - Others	-	-	-	-	-	-	-
Total	242.05	790.78	464.90	1.63	0.06	-	1,499.42

Ageing of the trade and other payable is determined from the date of transaction.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2025	As at March 31, 2024
20. Debt securities		
20.A At amortised cost		
A. Secured		
a) Non convertible debentures (listed, fully paid and privately placed)	1,721.10	1,521.65
B. Unsecured		
a) Commercial Paper	3,365.47	-
Total	5,086.57	1,521.65
20.B i) Debt securities in India	5,086.57	1,521.65
ii) Debt securities outside India	-	-
Total	5,086.57	1,521.65

20.C Terms of repayment, nature of security & rate of interest- Non convertible debentures

No.	Name of Security	Maturity date	Terms of repayment	Coupon / Interest rate	As at March 31, 2025	As at March 31, 2024
1	Series 4(FV ₹ 10 Lacs)	09-Aug-29	Bullet payment on maturity	10.23%	1,500.00	1,500.00
2	Series 11 (FV ₹ 1 Lacs)	09-Aug-35	Bullet payment on maturity	9.40%	200.00	-
Sub Total					1,700.00	1,500.00
Add: Interest accrued but not due					21.10	21.65
Less: Unamortised borrowing cost					-	-
Total					1,721.10	1,521.65

20.D Terms of repayment, nature of security & rate of interest-Commercial Paper

No.	Name of Security	Maturity date	Terms of repayment	Coupon / Interest rate	As at March 31, 2025	As at March 31, 2024
1	INE180C14300 (Listed)	17-Jun-25	Bullet payment on maturity	9.40%	1,000.00	-
2	INE180C14318 (Unlisted)	30-Dec-25	Bullet payment on maturity	8.85%	500.00	-
3	INE180C14334 (Unlisted)	07-Jul-25	Bullet payment on maturity	9.15%	250.00	-
4	INE180C14359 (Listed)	11-Apr-25	Bullet payment on maturity	8.50%	100.00	-
5	INE180C14367 (Unlisted)	15-Apr-25	Bullet payment on maturity	9.00%	50.00	-
6	INE180C14375 (Unlisted)	16-Apr-25	Bullet payment on maturity	9.10%	345.00	-
7	INE180C14375 (Unlisted)	16-Apr-25	Bullet payment on maturity	9.10%	120.00	-
8	INE180C14375 (Unlisted)	16-Apr-25	Bullet payment on maturity	9.10%	135.00	-
9	INE180C14383 (Unlisted)	08-May-25	Bullet payment on maturity	9.10%	400.00	-
10	INE180C14391 (Unlisted)	25-Sep-25	Bullet payment on maturity	9.10%	50.00	-
11	INE180C14409 (Listed)	24-Sep-25	Bullet payment on maturity	9.10%	500.00	-
Sub Total					3,450.00	-
Add: Interest accrued but not due					-	-
Less: Unamortised borrowing cost					(84.53)	-
Total					3,365.47	-

20.D Disclosure under regulation 53(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
Debenture Trustees:

Name : Catalyst Trusteeship Limited

Address : 604, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai - 400098 Contact : + 91 (022) 49220555



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2025	As at March 31, 2024
-------------	-------------------------	-------------------------

20.E Disclosure under regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Related party transaction - Refer Note 54

20.F Disclosure under regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Asset Cover

The above NCD's are secured against first pari-passu charge by way of hypothecation on the immovable property, loan receivables/book debts, bank balances and investments of the Holding Company with asset cover range of 1.26 times.

The Holding Company has not defaulted in the repayment of debt securities and interest thereon for the year ended March 31, 2025 and March 31, 2024

21 Borrowings (Other than debt securities)

21.A I At amortised cost

a) Term Loans (Secured)		
i) from banks	118,562.63	85,867.41
ii) from other financial institutions	19,123.92	5,002.05
iii) from National Housing Bank	8,784.99	7,553.15
b) Loans repayable on demand from Banks		
i) Cash credit facility	3,940.00	3,794.87
ii) Overdraft facility	-	-
c) Loans from related parties	-	-
Inter corporate deposits (Refer note no. 54.B)	270.00	330.00
Total	150,681.54	102,547.48
II a) Borrowings in India	150,681.54	102,547.48
b) Borrowings outside India	-	-
Total	150,681.54	102,547.48

21.B Security and cost

a) Term loans from banks

First pari-passu charge by way of hypothecation of the Group's loan receivables / book debts, bank balances and investments with asset cover of 1.10 to 1.33 times.

Exclusive charge by way of hypothecation of Capri Global Housing Finance limited (CGHFL) loan receivables, bank balances with asset cover of 1.20 times in favour of borrowing from SBI of ₹ 766.90 millions.

Weighted average cost for FY 2024-25 is 9.58% p.a. and for FY 2023-24 is 9.24% p.a.

b) Term loans from others

Exclusive charge by way of hypothecation of Group's loan receivables with minimum assets cover of 1.25 times in favour of borrowing from NABARD of ₹ 1,200 millions and asset cover of 1.11 to 1.35 times in favour of borrowing from NHB of ₹ 8,784.991 millions.

First pari-passu charge by way of hypothecation of the Group's loan receivables / book debts, bank balance and investments with asset cover in the range of 1.11 to 1.33 times.

Weighted average cost for FY 2024-25 is 8.12% p.a. and for FY 2023-24 is 7.24% p.a.

c) Other borrowings

First pari-passu charge by way of hypothecation of the Group's loan receivables / book debts, bank balance and investments with asset cover of 1.25 times.

Weighted average cost for FY 2024-25 is 9.12% p.a. and for FY 2023-24 is 9.69% p.a.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars

As at
March 31, 2025

As at
March 31, 2024

21.C Terms of repayment & rate of interest in case of Borrowings (Other than debt securities)

No.	Nature of Facility	Maturity Range	Interest Range	No. and Amt. of installments Due	As at March 31, 2025	As at March 31, 2024
1	Term Loans	0 - 3 years	8.05% - 10.65%	1 to 19	13,303.21	14,712.47
2	Term Loans	3 - 5 years	8.90% - 10.55%	13 to 39	67,368.09	31,177.06
3	Term Loans	5 - 7 years	8.80% - 10.15%	21 to 60	28,525.25	20,315.30
4	Term Loans	0-3 years	8.96% - 10.10%	1 - 12	2,617.85	3,952.15
5	Term Loans	3-5 years	8.84% - 10.25%	13 - 20	6,329.07	5,191.70
6	Term Loans	5-7 years	8.95% - 9.85%	21 - 28	16,539.83	13,438.48
7	Term Loans	Beyond 7 years	8.37% - 9.90%	28 - 32	-	2,685.20
8	Other Financial Institution	5-7 years	9.25%	73 - 82	3,743.56	-
9	Refinance from NHB	0-3 years	3.00%	0-8	285.58	94.40
10	Refinance from NHB	3-5 years	2.8% - 8.60%	15 - 20	2,480.01	434.18
11	Refinance from NHB	5-7 years	5.5% - 8.60%	21 - 27	2,133.47	2,950.87
12	Refinance from NHB	Beyond 7 years	8.25% - 8.60%	30 - 39	3,885.93	4,073.70
13	Inter corporate deposits	0 - 18 months	10%	1 and 270	270.00	330.00
14	Cash Credit	NA	9.20% - 10.65%	NA	3,940.00	3,794.87
Sub Total				(A)	151,421.85	103,150.38
Less: Term loans EIR				(B)	(819.83)	(668.62)
Add: Interest accrued but not due					79.52	65.72
Total				(A-B-C+D)	150,681.54	102,547.48

Notes:

The Group has not defaulted in the repayment of borrowings (other than debt) and interest thereon for the year ended March 31, 2025 and March 31, 2024

The quarterly returns/statements of current assets filed by the Group with the banks or financial institutions are in agreement with the books of accounts



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2025	As at March 31, 2024
22. Other financial liabilities		
a) Unpaid unclaimed dividends	0.14	0.15
b) Margin Money from customers	1.82	142.60
c) Book overdraft	1,261.82	3,633.88
d) Excess money received	647.66	50.96
e) Advances from customers	167.11	139.00
f) Lease liability	2,589.03	2,591.66
g) Auction surplus refundable	7.04	5.62
h) Others	1,526.35	430.53
Total	6,200.97	6,994.40
23. Provisions		
a) Provision for Employee Benefits - Gratuity	131.29	59.11
b) Provision for Employee Benefits - Compensated absences	279.48	192.39
c) Provision on non-fund exposure / undrawn commitments	21.85	23.41
d) Other Provisions	25.28	-
Total	457.90	274.91
24. Other non-financial liabilities		
a) Statutory dues payable	216.75	210.95
b) Others	8.92	62.65
Total	225.67	273.60



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

25. Equity share capital
25.A Share capital authorised, issued, subscribed and paid up

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of ₹ 1 each (Previous year - ₹ 1 each)	2,000,000,000	2,000.00	2,000,000,000	2,000.00
Issued, Subscribed And Fully Paid Up				
Equity Shares of ₹ 1 each (Previous year - ₹ 1 each)	825,116,352	825.12	824,939,972	824.94

25.B Reconciliations of the number of equity shares and share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	824,939,972	824.94	206,152,844	412.31
Shares issued during the year	176,380	0.18	82,149	0.16
Shares issued for split of face value	-	-	206,234,993	-
Bonus Shares issued during the year	-	-	412,469,986	412.47
Balance at the end of the year	825,116,352	825.12	824,939,972	824.94

Notes:

- During the previous year, on March 5, 2024, the Parent Company has issued 20,62,34,993 equity shares of ₹ 1/- each as result of split of face value from ₹ 2 per share to ₹ 1 per share.
- During the previous year, on March 5, 2024, the Parent Company has allotted 41,24,69,986 equity shares of ₹ 1/- each as bonus shares.
- During the year, the Holding Company has allotted 176,380 equity shares of ₹ 1/- each for consideration of ₹ 1.34 million as ESOPs. During the previous year, the Holding Company had allotted 328,596 equity shares of ₹ 1/- each for consideration of ₹ 11.75 million as ESOPs.

25.C Terms/rights attached to equity shares:

- The Holding Company has only one class of equity share having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees.
- In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

25.D Shareholder holding more than 5% of equity shares as at the end of the year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% Holding	No. of Shares	% Holding
i Capri Global Holdings Pvt. Ltd.	395,403,656	47.92%	392,903,656	47.63%
ii Rajesh Sharma	181,100,140	21.95%	183,600,140	22.26%
iii Life Insurance Corporation Of India	75,848,401	9.19%	77,955,556	9.45%

25.E Details of shares held by promoters

No.	Particulars	As at March 31, 2025		As at March 31, 2024	
		No. of shares	% Holding	No. of shares	% Holding
Individuals / Hindu Undivided Family					
1	Ramesh Chandra Sharma	1,112	0.00%	1,112	0.00%
2	Rajesh Sharma	4,000	0.00%	4,000	0.00%
3	Jahnavi Sharma	800	0.00%	800	0.00%
4	Jinisha Sharma	800	0.00%	800	0.00%
5	Raghav Sharma	800	0.00%	800	0.00%
Promoter Trust					
1	Rajesh Sharma	181,100,140	21.95%	183,600,140	22.26%
Bodies Corporate					
1	Capri Global Holdings Private Limited	395,403,656	47.92%	392,903,656	47.63%
Total		576,511,308	69.87%	576,511,308	69.89%



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

25.F Shares reservation :

As at March 31, 2025, 71,81,600 (Previous year - 88,49,194) equity shares of ₹ 1 each towards outstanding employee stock options granted (Refer Note - 57).

25.G Objective for managing capital:

The Holding Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, Reserve Bank of India (RBI). The adequacy of the Holding Company's capital is monitored using, among other measures, the regulations issued by the RBI.

There are no shares reserved for issue under options, contracts, commitments for the sale of shares or divestments.

There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash/bonus shares/ bought back except as mentioned in note no. 25 B(ii).

26. Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
a) Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934		
Opening balance as at beginning of the year	3,410.92	3,014.80
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	829.79	396.12
Add/Less: Other changes	-	-
Closing balance	4,240.71	3,410.92
b) Statutory Reserve Section 29C of the National Housing Bank Act, 1987		
Opening balance as at beginning of the year	553.08	409.68
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	123.74	143.40
Add/Less: Other changes	-	-
Closing balance	676.82	553.08
c) Securities Premium		
Opening balance as at beginning of the year	18,414.83	18,834.53
Add: On account of ESOP exercised	6.46	11.58
Add: Proceed from right issue	-	-
Less: Utilised for issue of Bonus shares	-	(412.47)
Less: Unamortised right issue expenses amortised	-	(18.81)
Closing balance	18,421.29	18,414.83
d) General Reserve		
Opening balance as at beginning of the year	659.34	642.05
Add: Changes during the period	24.93	17.29
Closing balance	684.27	659.34
e) Employee stock option outstanding		
Opening balance as at beginning of the year	314.36	253.45
Add: Changes during the period	61.41	60.91
Closing balance	375.77	314.36
f) Retained earnings		
Opening balance as at beginning of the year	14,188.23	12,087.83
Add: Profit for the period	4,785.33	2,794.06
Add: Other Comprehensive Income for the period	(79.30)	(51.06)
Less: transfer to statutory reserve @ 20%	(953.53)	(539.52)
Less: Dividend paid	(123.74)	(103.08)
Closing balance	17,816.99	14,188.23
Total	42,215.85	37,540.76



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

g) Dividend Payment

During the current year the Holding company has paid dividend of ₹ 0.15 per share amounting to ₹ 123.74 millions

During the previous year the Holding company has paid dividend of ₹ 0.50 per share amounting to ₹ 103.08 millions

Notes:

a) Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934

Every non-banking financial company is required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared.

b) Statutory Reserve Section 29C of the National Housing Bank Act, 1987

Every housing finance company is required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared.

b) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

d) General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013

e) Employee stock option outstanding

This reserve is used to record the employee stock options which are outstanding. The said reserve will be utilised for issuance of share to the eligible employees.

f) Proposed Dividend

The Board of Directors have recommended a final dividend of 20% i.e. ₹ 0.20 per equity share on face value of ₹ 1/- each for the year 2024-25 (previous year ₹ 0.15 per equity share) subject to the approval of the members at the ensuing Annual General Meeting. In terms of Ind AS 10 - "Events after the Reporting Period" the Holding Company has not appropriated proposed dividend aggregating to ₹ 165.02 million from the Statement of Profit and Loss Account for the year ended March 31, 2025.



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	For year ended March 31, 2025	For year ended March 31, 2024
27. Interest income		
On Financial Assets measured at Amortised Cost *		
a) Interest on Loans	25,607.59	17,884.23
b) Interest income from investments	111.38	111.57
c) Interest on deposits	169.32	223.31
d) Interest on Others	16.21	9.47
On Financial Assets measured at FVOCI		
a) Interest on Loans	151.14	-
Total	26,055.64	18,228.58
* - As per effective interest rate - Refer Note No. - 2.04.A		
28. Fee and commission income		
a) Application fees	144.95	96.02
b) Commission on loan sourcing	2,407.21	2,169.16
c) Other Commission Income	727.12	41.17
Total	3,279.28	2,306.35
29. Net gain on fair value change		
a) Profit/(loss) on Trading portfolio - investment in shares	312.19	134.37
b) Profit/(loss) on Trading portfolio - Mutual Fund & Bonds	329.52	275.78
c) Profit/(loss) on REITs	-	2.46
Total Net Gain / (loss)	641.71	412.61
Of the above		
Realised	602.94	407.07
Unrealised	38.77	5.54
Total	641.71	412.61
30. Net gain on derecognition of financial instruments under amortised cost category		
a) Net gain on derecognition of financial instruments	1,632.60	1,002.45
b) Gain/(loss) on sale of investments not designated at fair value	18.17	15.65
Total	1,650.77	1,018.10
31. Other operating income		
a) Foreclosure Fees	325.40	226.13
b) Other Charges	493.66	277.79
c) Legal charges received	26.01	25.12
d) Other operating revenue	-	3.65
Total	845.07	532.69
32. Other income		
a) Profit on sale of assets (net)	0.37	3.02
b) Credit balance / Provision no longer required written back	0.73	0.52
c) Profit on sale of Assets held for sale	2.11	2.91
d) Other income	30.15	6.95
Total	33.36	13.40



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	For year ended March 31, 2025	For year ended March 31, 2024
33. Finance costs		
On Financial liabilities measured at Amortised Cost		
a) Interest on borrowings (other than debt securities)	11,998.84	7,798.89
b) Interest on debt securities	347.57	191.29
c) Interest on bank CC	3.74	2.88
d) Interest - lease liabilities	327.57	342.25
e) Other finance Charges	58.26	36.61
Total	12,735.98	8,371.92
34. Impairment on financial instruments		
a) Impairment on loans		
i) At amortised cost	111.13	772.36
b) Impairment on Investment	332.07	-
c) Impairment on Trade receivables	79.88	-
d) Impairment / (write back) on Undrawn commitments	(1.56)	(46.69)
e) Impairment / (write back) on Others	43.00	(11.34)
f) Write off of Loans	372.75	199.33
g) Loss on sale of assets	70.89	-
Total	1,008.16	913.66
35. Employee benefits expenses		
a) Salaries, allowances and bonus	6,680.19	5,713.50
b) Contribution to Provident fund and other funds		
i) Contribution to Provident fund and funds other than gratuity	374.57	304.37
ii) Contribution to Gratuity	90.58	30.33
c) Share Based Payments to employees	91.63	85.70
d) Staff welfare expenses	186.64	101.61
e) Ex-gratia payments	6.01	1.41
Total	7,429.62	6,236.92
36. Others expenses		
a) Advertising	109.30	171.40
b) Auditors' Remuneration (Refer note 36.A)	12.63	9.66
c) Banking charges	1.15	1.36
d) Business Development Expenses	19.66	28.25
e) Corporate Social Responsibility Expenses (Refer note 36.B)	53.82	47.31
f) Directors' Fees	14.14	11.15
g) Electricity Charges	76.91	94.02
h) Filing & Other Fees to ROC	4.05	10.55
i) Legal and Professional	456.64	363.68
j) Loss On Sale of Fixed Assets	0.98	0.13
k) Membership & Subscription	8.59	6.25
l) Miscellaneous Expenses	729.24	471.87
m) Postage, Telephone and Fax	94.60	89.37
n) Printing and Stationery	20.63	45.06
o) Processing Fees on Co Lending	0.64	1.56
p) Recruitment Expenses	49.31	26.08
q) Rent	87.45	41.97
r) Service fees Subsidiary	14.33	11.34
s) Software Expenses	428.61	241.76
t) Travelling and Conveyance	350.07	314.50
u) Write off - Fixed Assets	6.43	2.55
v) Write off - Others	0.94	1.82
Total	2,540.12	1,991.64



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

Particulars	For year ended March 31, 2025	For year ended March 31, 2024
36.A Auditors' Remuneration		
To Holding Company Auditors		
a) For Statutory Audit	6.95	4.55
b) For Tax Audit	0.30	0.35
c) For Limited Review	-	-
d) For other services (Certification Fees and Interim audit Fees)	1.23	0.92
e) For reimbursement of expenses	0.14	0.24
f) GST to the extent of ITC not availed	0.78	0.54
Total	9.40	6.60
To Subsidiaries Statutory Auditors		
a) For Statutory Audit	2.16	1.12
b) For Tax Audit	0.20	0.08
c) For Limited Review	-	-
d) For other services (Certification Fees and Interim audit Fees)	0.87	1.85
e) For reimbursement of expenses	-	0.01
f) GST to the extent of ITC not availed	-	-
Total	3.23	3.06

36.B Corporate Social Responsibility Expenses

Amount of CSR spent by Group during the year is for purposes other than construction / acquisition of any asset. Gross amount of

i) Amount required to be spent during the year	53.82	47.31
ii) Amount spent during the year	-	-
a) Construction/acquisition of any asset	-	-
b) On purposes other than (a) above	53.82	47.31
iii) Amount offset against CSR Liability	-	-
iv) Amount of shortfall at the end of the year, out of the amount required to be spent	-	-
v) Amount spent from unspent CSR A/c during the financial year	-	-
vi) Total of previous year shortfall	-	-
vii) Nature of CSR activities	Refer note below	Refer note below
viii) Details of related party transactions	-	-
Capri Foundation (Refer note no. 54 B)	-	0.40

Nature of CSR activities

Women Empowerment, Village Development and Sustainable Environment

There are no ongoing projects of CSR as on March 31, 2025



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

37. Earning per Share (Ind AS -33)

Particulars	For year ended March 31, 2025	For year ended March 31, 2024
A. Basic Earnings per Share		
a) Profit after tax attributable to equity shareholders	4,785.33	2,794.06
b) Weighted average number of equity shares outstanding during the year (Nos) (Refer note below)	824,998,926	824,893,735
c) Nominal value of equity shares (₹) (Refer Note No. 25.C)	1.00	1.00
d) Basic earnings per share (EPS) (₹)	5.80	3.39
B. Diluted Earnings per Share		
a) Profit after tax attributable to equity shareholders for basic EPS	4,785.33	2,794.06
b) Change due to potential equity share options/right issue	-	-
c) Profit after tax attributable to equity shareholders for diluted EPS	4,785.33	2,794.06
d) Weighted average number of equity shares for calculating diluted EPS (Nos) (Refer note below)	829,608,262	830,935,245
e) Nominal value of equity shares (₹) (Refer Note No. 25.C)	1.00	1.00
f) Diluted earnings per share (EPS) (₹)	5.77	3.36
C. No. of equity shares for calculating diluted EPS		
Weighted average number of equity shares for calculating Basic EPS	824,998,926	824,893,735
Add : Equity shares for no consideration arising on grant of stock options under ESOP	4,609,336	6,041,510
Weighted average number of equity shares for calculating diluted EPS	829,608,262	830,935,245

38. Contingent liabilities

Particulars	As at March 31, 2025	2024
Income Tax matters under dispute	37.40	37.30
GST matters under dispute	34.72	13.47
Total	72.12	50.77

39. Capital and other commitments

	As at March 31, 2025	2024
i) Estimated amount of contracts remaining to be executed on capital account and not provided	54.32	69.84
ii) Amount payable towards acquisition of Property	33.51	76.89
iii) Other Commitments- Pending disbursements of sanctioned loans	26,039.95	19,049.25
Total	26,127.78	19,195.98

40. The Group has transferred amount ₹ 0.02 million to the Investor Education & Protection Fund during the year pertains to the unclaimed dividend within due time. (Previous year : Nil)

41. The Group have long term contracts including derivative contracts for which provision is made for the foreseeable losses.

42. Segment reporting (Ind AS 108)

The Group operates mainly in the business segment of fund based financing activity. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of IND AS 108 on 'Operating Segments'.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

43 Disclosure pursuant to Ind AS 12 "Income Taxes"

43.A Income Tax recognised in Statement of Profit and Loss

Particulars	For the year ended March 31,	
	2025	2024
Income-tax related to items recognised directly in the statement of profit and loss		
Current income tax:		
i) Current income tax expense	1,695.65	1,099.90
ii) (Excess) / Short provision for tax relating to prior years	(6.02)	(10.02)
Total	1,689.63	1,089.88
Deferred tax (benefit) / charge	(141.78)	(227.54)
Total Income tax expense recognised in the current year	1,547.85	862.34

43.B Reconciliation of income tax expense for the year:

A reconciliation of income-tax expense applicable to profit before income-tax at statutory rate to income-tax expense at the Group's effective income-tax rate for the year ended March 31 is as follows :

Particulars	For the year ended March 31,	
	2025	2024
Profit before tax	6,333.18	3,656.40
Total tax expense (As per Statement of Profit and loss)		
i) Current tax	1,695.65	1,099.90
ii) Deferred tax	(141.78)	(227.54)
Total Tax Expenses	1,553.87	872.36
Effective tax rate (%)	24.54	23.86
Adjustments of allowable and non-allowable income and expenses:		
Effect on Effective Tax rate due Permanent Difference		
a) Non allowability of Claim of CSR	(53.83)	47.31
b) Earlier years provision for ECL / Lease adjustments	(6.70)	-
b) STT & Brokerage	(10.23)	1.28
c) Asset write off, operational loss and other expenses not allowable	-	8.43
d) OCI on Gratuity	-	(24.83)
e) Deduction under Chapter VI A u/s 80M & 80JJA	184.86	(55.49)
f) Income considered separately and other allowable deductions	-	(125.07)
Total (A)	114.10	(148.37)
a) Difference due to Tax Rate of STCG	88.03	(132.29)
b) Capital Gain on sale of bonds	187.74	(13.57)
Total (B)	275.77	(145.86)
Total of items affecting tax rate (A+B)	389.87	(294.23)

43.C Reconciliation of income tax rate is as follows:

a) Normal Tax Rate	22.00	22.00
b) Surcharge (@ 10% of Normal Tax Rate)	2.20	2.20
c) Health and Education Cess	0.97	0.97
Total Tax Rate (%)	25.17	25.17
Effect in Tax rate due to permanent difference	0.45	(1.02)
Difference due to Tax Rate of STCG	0.18	(0.29)
Effective Tax Rate (%)	24.54	23.86



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

44 Movement in Deferred Taxes

A. Movement in deferred tax balances For the year ended March 31, 2025

Particulars	As at March 31, 2024	Recognised in profit or loss	Recognised in OCI	As at March 31, 2025
Deferred tax assets / (liabilities)				
a) Difference between WDV as per books and tax books	82.99	48.74	-	131.73
b) Impairment allowance for financial assets	593.56	152.16	-	745.72
c) Provision for Employee benefits	53.63	24.24	-	77.87
d) Amortised Fees Income	-	-	-	-
e) ECL on Interest on NPA	104.14	12.52	-	116.66
f) Others (net)	77.64	31.86	-	109.50
g) Amortised Finance Cost	(0.22)	(37.55)	-	(37.77)
h) Unrealised gain on Financial Instruments at FVTPL	(2.30)	(9.36)	-	(11.66)
i) Gain on derecognition of financial instruments*	(203.19)	(81.42)	-	(284.61)
Total	706.25	141.19	-	847.44

Particulars	As at April 01, 2023	Recognised in profit or loss	Recognised in OCI	As at March 31, 2024
Deferred tax assets / (liabilities)				
a) Difference between WDV as per books and tax books	39.16	43.83	-	82.99
b) Impairment allowance for financial assets	464.91	128.65	-	593.56
c) Provision for Employee benefits	29.73	23.90	-	53.63
d) Amortised Fees Income	1.55	(1.55)	-	-
e) ECL on Interest on NPA	66.56	37.58	-	104.14
f) Others (net)	32.46	45.18	-	77.64
g) Amortised Finance Cost	(0.69)	0.47	-	(0.22)
h) Unrealised gain on Financial Instruments at FVTPL	(1.04)	(1.26)	-	(2.30)
i) Gain on derecognition of financial instruments *	(156.55)	(46.64)	-	(203.19)
Total	476.09	230.18	-	706.25

Deferred Tax Assets / Liabilities are calculated at the applicable rate of 25.17% for the year ended March 31, 2024 and 2025

*As per Ind AS 109 'Financial Instruments', on derecognition of loans, the Group recognise difference between the carrying amount (measured at the date of derecognition) and consideration received (including new asset obtained less any new liability assumed) as gain in Statement of profit and loss account. Such gain recognised on derecognition of loans is not a real income as per Income tax Act, 1961, hence is offered to tax over the tenure of loans.

Accordingly, deferred tax liability has been created on the Spread receivable on assigned portfolio (Co-lending portfolio).

Deferred Tax assets created on account of past years tax adjustments has been shown and adjusted against tax expenses provided for earlier years.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

45. Employee benefits - Disclosure pursuant to Ind AS 19 'Employee Benefits'

45.A Defined contribution plans

The Group's state governed provident fund scheme are defined contribution plan for its employees. The contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from group or retirement whichever is earlier. The benefit vests immediately on rendering of services by the employee.

	For the year ended March 31,	
	2025	2024
i) Group's contribution to provident fund	347.17	278.66
ii) Group's contribution to National Pension Scheme	7.90	6.26

45.B Defined Benefit Plan

The Group has a defined benefit gratuity plan in India (funded). The Group's defined benefit gratuity plan is a final salary plan for its employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at separation/retirement. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

a) Principal assumptions used for the actuarial valuations are as follows:

Principal assumptions used for the actuarial valuations are as follows:	Capri Global Capital Limited (CGCL)	
	As at March 31,	
	2025	2024
Discount Rate	6.59 % p.a.	7.14 % p.a.
Rate of return on plan assets	6.59 % p.a.	7.14 % p.a.
Salary Escalation	9.50 % p.a.	10.20 % p.a.
Attrition Rate		
For service 1 years and below	50.00 % p.a.	29.6% (Attrition
For service 2 years and below	30.00 % p.a.	rate for all service
For service 3 years to 4 years	30.00 % p.a.	group)
For service 5 years and above	20.00 % p.a.	
Mortality Table	Indian Assured Lives Mortality 2012-14 (Urban)	
	Capri Global Housing Finance Limited (CGHFL)	
	As at March 31,	
	2025	2024
Discount Rate	6.59 % p.a.	7.14 % p.a.
Rate of return on plan assets	6.59 % p.a.	7.14 % p.a.
Salary Escalation	8.50 % p.a.	8.50 % p.a.
Attrition Rate		
For service 1 years and below	45.00%	-
For service 2 years	25.00%	-
For service 4 years and below	20.00%	35.00%
For service 5 years and above	20.00%	20.00%
Mortality Table	Indian Assured Lives Mortality 2012-14 (Urban)	
	Capri Loan Car Platform Private Limited (CLCPPL)	
	As at March 31,	
	2025	2024
Discount Rate	6.59 % p.a.	7.16 % p.a.
Rate of return on plan assets	NA	NA
Salary Escalation	9.00% p.a.	9.00% p.a.
Attrition Rate	25.00% p.a.	NIL
Mortality Table	Indian Assured Lives Mortality 2012-14 Ultimate (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency: Indian Rupees in millions)

- b) The following table sets out the status of the Defined Benefit Gratuity Plan as per the actuarial valuation by the independent Actuary appointed by the Group:-

	For the year ended March 31,	
	2025	2024
Change in defined benefit obligations:		
Defined benefit obligation, beginning of the year	130.05	78.86
Current service cost	55.05	28.26
Past service cost	31.29	-
Interest cost	9.29	5.68
Remeasurements (gains) / losses		
Actuarial (gains) / losses		
arising from changes in demographic assumptions	12.45	8.29
arising from changes in financial assumptions	0.81	4.35
arising from changes in experience adjustments	21.87	16.70
Benefits paid from plan assets	(10.84)	(12.09)
Net transfer in / (out) (and effect of any business combinations/ divestitures/transfers)	(0.06)	-
Defined benefit obligation, end of the year	249.91	130.05
Change in plan assets:		
Fair value of plan assets, beginning of the year	70.94	50.15
Interest income	5.05	3.61
Remeasurements gains / (losses)	-	-
Return on plan assets, (excluding amount included in net Interest expense)	1.29	0.56
Employer's contributions	52.19	28.71
Transfer in/(out) of assets	-	-
Net transfer in / (out) (and effect of any business combinations/ divestitures/transfers)	-	-
Benefits paid	(10.85)	(12.09)
Fair value of plan assets, end of the year	118.62	70.94

- c) Amount recognized in the balance sheet consists of:

	2025	As at March 31, 2024
Present value of defined benefit obligation	249.91	130.05
Fair value of plan assets	118.62	70.94
Net liability / (assets)	131.29	59.11

- d) The amounts recognised in the Statement of Profit and Loss are as follows:

	2025	2024
Service Cost		
Current service cost	55.05	28.26
Past service cost	31.29	-
Total Service cost	86.34	28.26
Net interest cost		
Interest expense on Defined Benefit Obligation (DBO)	9.29	5.68
Interest (income) on plan assets	(5.05)	(3.61)
Total Interest cost	4.24	2.07
Defined benefit cost included in Statement of Profit and Loss	90.58	30.33
Remeasurements recognised in other comprehensive income (OCI)		
Actuarial (gains) / losses on defined benefit obligation		
Due to changes in demographic assumptions	12.45	8.29
Due to changes in financial assumptions	0.81	4.35
Due to changes in experience adjustments	21.87	16.70
Return on plan assets (excl. interest income)	(1.29)	(0.56)
Total remeasurement in other comprehensive income (OCI)	33.84	28.78
Total Defined benefit cost included in Statement of P&L and OCI	124.42	59.11

- e) The fair value of the plan assets for India are as follows:

	2025	As at March 31, 2024
a) Insurer managed funds	118.62	70.94

- f) Maturity Analysis of benefit payments

Projected Benefits Payable in Future Years From the Date of Reporting	2025	As at March 31, 2024
1st following year	47.08	21.15
2nd following year	32.30	16.95
3rd following year	33.29	17.26
4th following year	33.43	21.24
5th following year	30.08	20.73
Sum of years 6 To 10	94.12	54.53
Sum of years 11 and above	75.80	25.34



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

The estimates of future salary growth, factored in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. Such estimates are very long term and are not based on limited past experience / immediate future. Empirical evidence also suggests that in very long term, consistent high salary growth rates are not possible. The said estimates and assumptions have been relied upon by the auditors.

g) Sensitivity analysis

Sensitivity Level	For the year ended March 31,			
	2025 1% increase	2024 1% increase	2025 1% decrease	2024 1% decrease
Impact on defined benefit obligation				
i) Discount Rate	(9.76)	(4.63)	10.71	5.00
ii) Future Salary Increases	10.48	4.62	(9.83)	(4.39)
iii) Employee Turnover	(4.59)	(2.45)	4.82	2.53

Note :

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

46. Leases

A. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

B. Group as a lessee

The Group's lease asset classes primarily consist of leases for premises. The Group assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

C. The details of Right to use Asset of the Group are as follows:

Asset Class

Leasehold Property As at March 31,

	2025	2024
Balance as at beginning of the year (net)	2,372.26	1,871.28
Reclassified on account of adoption of Ind AS 116	-	-
Add: Additions during the year	346.95	931.59
Less: Deductions during the year on account of modification / termination of leases	(52.26)	(29.68)
Less: Depreciation	(423.22)	(400.93)
Closing Balance as at March 31	2,243.73	2,372.26

D Following is the movement in lease liabilities for the period

Balance as at beginning of the year	2,591.66	1,928.86
Add: Additions / modification during the year	309.80	902.76
Less: Deductions / modification during the year	(29.84)	(13.09)
Add: Interest Expense	327.57	342.25
Less: Lease Payments	(610.16)	(569.12)
Closing Balance as at March 31	2,589.03	2,591.66

E. Contractual maturities of lease liabilities on an undiscounted basis

	As at March 31,	
Tenure	2025	2024
Less than 1 year	710.07	571.47
1-3 years	1,128.69	1,169.47
3-5 years	1,070.02	1,003.33
More than 5 years	804.56	1,282.47
Total	3,713.34	4,026.74

F. Right-of-use Assets and Lease liabilities related expenses booked in Statement of Profit and Loss

	For the year ended March 31,	
	2025	2024
a. Depreciation on Right-of-use Assets	423.22	400.91
b. Interest on Lease liabilities	327.57	342.25
Total	750.79	743.16

G. Short term Leases (in Statement of Profit and Loss)

	For the year ended March 31,	
	2025	2024
i) Office premises / Branch offices	63.16	24.62
Total	63.16	24.62

Notes:

The entity has adequate liquidity for payment of lease liabilities. The Group regularly monitor and pays lease rentals on timely manner as per the terms of respective leave and license agreement.

The Group has right to extend lease term as per mutually agreed terms laid down in respective leave and license agreement. The Group takes into account effect of extended lease term while recording the lease assets and lease liabilities accordingly.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

47. Credit Risk

47.A MSME Loans

47.A.1 Credit quality of assets

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	35,698.38	-	-	35,698.38
Standard grade	1,973.06	-	-	1,973.06
Sub-standard grade	-	2,757.83	-	2,757.83
Past due but not impaired	-	-	-	-
Restructured	-	646.85	-	646.85
Credit Impaired	-	-	-	-
Non Performing				
Individually impaired	-	-	1,715.96	1,715.96
Gross exposure (A)	37,671.44	3,404.68	1,715.96	42,792.08
Less: ECL (B)	211.02	408.41	838.66	1,458.09
Net exposure (C) = (A - B)	37,460.42	2,996.27	877.30	41,333.99

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	35,102.30	-	-	35,102.30
Standard grade	1,762.48	-	-	1,762.48
Sub-standard grade	-	1,206.54	-	1,206.54
Past due but not impaired	-	1,209.80	-	1,209.80
Restructured	-	821.87	-	821.87
Credit Impaired	-	-	-	-
Non Performing				
Individually impaired	-	-	1,678.84	1,678.84
Gross exposure (A)	36,864.78	3,238.21	1,678.84	41,781.83
Less: ECL (B)	197.27	507.34	766.94	1,471.55
Net exposure (C) = (A - B)	36,667.51	2,730.87	911.90	40,310.28

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.A.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	36,864.78	3,238.21	1,678.84	41,781.83
New Assets Originated or Purchased	13,130.08	100.21	133.61	13,363.90
Assets derecognised or repaid (excluding write offs)	(10,623.69)	(733.17)	(887.92)	(12,244.78)
Transfer to Stage 1	623.99	(495.56)	(128.43)	-
Transfer to Stage 2	(1,623.69)	1,735.82	(112.13)	(0.00)
Transfer to Stage 3	(689.04)	(430.10)	1,119.14	-
Amounts written off *	(10.99)	(10.73)	(87.15)	(108.87)
Gross carrying amount closing balance	37,671.44	3,404.68	1,715.96	42,792.08

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	34,031.72	3,281.60	1,305.84	38,619.16
New Assets Originated or Purchased	12,522.57	198.23	104.75	12,825.55
Assets derecognised or repaid (excluding write offs)	(8,611.97)	(512.48)	(312.31)	(9,436.76)
Transfer to Stage 1	624.39	(489.83)	(134.56)	-
Transfer to Stage 2	(1,255.72)	1,377.91	(122.19)	-
Transfer to Stage 3	(426.60)	(576.96)	1,003.56	-
Amounts written off *	(19.61)	(40.26)	(166.25)	(226.12)
Gross carrying amount closing balance	36,864.78	3,238.21	1,678.84	41,781.83

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

47. Credit Risk

47.A MSME Loans

47.A.3 Reconciliation of ECL balance is given below

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	197.27	507.34	766.94	1,471.55
New Assets Originated or Purchased	94.59	13.46	162.78	270.83
Assets derecognised or repaid (excluding write offs)	(54.35)	(139.98)	(295.68)	(490.01)
Transfer to Stage 1	8.19	(74.95)	(48.85)	(115.61)
Transfer to Stage 2	(19.83)	185.91	(45.21)	120.87
Transfer to Stage 3	(14.44)	(73.26)	416.90	329.20
Amounts written off	(0.41)	(10.11)	(118.22)	(128.74)
ECL Allowance - Closing Balance	211.02	408.41	838.66	1,458.09

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	164.58	638.22	338.34	1,141.14
New Assets Originated or Purchased	84.65	24.12	243.51	352.28
Assets derecognised or repaid (excluding write offs)	(44.69)	(140.30)	(28.47)	(213.46)
Transfer to Stage 1	15.91	(94.92)	(33.26)	(112.27)
Transfer to Stage 2	(14.60)	208.31	(34.12)	159.59
Transfer to Stage 3	(7.82)	(100.93)	362.21	253.46
Amounts written off	(0.76)	(27.16)	(81.27)	(109.19)
ECL Allowance - Closing Balance	197.27	507.34	766.94	1,471.55

Note: The movement of ECL balance is due to transfer among the stages

47.A.4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties.

47.A.5 Reconciliation with Note No.7 :

	As at March 31, 2025	As at March 31, 2024
Gross advances as per Note No. 47.A.1	42,792.08	41,781.83
Reconciliation		
Co lending adjustment	(16.66)	(17.11)
Interest accrued and overdue on NPA	-	359.47
Provision for ECL on Interest income on NPA Loan	-	(354.22)
Unamortised fees	(286.71)	(282.57)
Others	(30.95)	(23.99)
Gross advances as per Note No. 7	42,457.76	41,463.41



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

47. Credit Risk
47.B Construction Finance Loans
47.B.1 Credit quality of assets

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	38,673.38	-	-	38,673.38
Standard grade	2,527.33	-	-	2,527.33
Sub-standard grade	-	862.43	-	862.43
Past due but not impaired	-	-	-	-
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	76.33	76.33
Gross exposure (A)	41,200.71	862.43	76.33	42,139.47
Less: ECL (B)	124.01	111.81	38.20	274.02
Net exposure (C) = (A - B)	41,076.70	750.62	38.13	41,865.45

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	25,459.85	-	-	25,459.85
Standard grade	-	-	-	-
Sub-standard grade	-	503.45	-	503.45
Past due but not impaired	-	-	-	-
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	249.49	249.49
Gross exposure (A)	25,459.85	503.45	249.49	26,212.79
Less: ECL (B)	150.92	48.87	200.85	400.64
Net exposure (C) = (A - B)	25,308.93	454.58	48.64	25,812.15

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.B.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	25,459.85	503.45	249.49	26,212.79
New Assets Originated or Purchased	26,547.20	107.73	-	26,654.93
Assets derecognised or repaid (excluding write offs)	(10,070.06)	(222.78)	(70.44)	(10,363.28)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(607.05)	607.05	-	-
Transfer to Stage 3	(129.23)	-	129.23	-
Amounts written off *	-	(133.02)	(231.95)	(364.97)
Gross carrying amount closing balance	41,200.71	862.43	76.33	42,139.47

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

47. Credit Risk

47.B Construction Finance Loans

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	18,085.71	170.38	44.98	18,301.07
New Assets Originated or Purchased	15,697.67	148.61	0.26	15,846.54
Assets derecognised or repaid (excluding write offs)	(7,630.83)	(233.48)	(25.53)	(7,889.84)
Transfer to Stage 1	54.35	(54.35)	-	-
Transfer to Stage 2	(472.29)	472.29	-	-
Transfer to Stage 3	(274.76)	-	274.76	-
Amounts written off *	-	-	(44.98)	(44.98)
Gross carrying amount closing balance	25,459.85	503.45	249.49	26,212.79

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

47.B.3 Reconciliation of ECL balance is given below

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	150.92	48.87	200.85	400.64
New Assets Originated or Purchased	69.69	1.21	-	70.90
Assets derecognised or repaid (excluding write offs)	(92.19)	(2.72)	(9.72)	(104.63)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(3.78)	94.81	-	91.03
Transfer to Stage 3	(0.63)	-	38.20	37.57
Other movements (on account of change in EAD)	-	-	-	-
Amounts written off	-	(30.36)	(191.13)	(221.49)
ECL Allowance - Closing Balance	124.01	111.81	38.20	274.02

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	150.46	9.70	44.98	205.14
New Assets Originated or Purchased	82.53	0.44	-	82.97
Assets derecognised or repaid (excluding write offs)	(64.81)	(7.54)	-	(72.35)
Transfer to Stage 1	0.26	(2.16)	-	(1.90)
Transfer to Stage 2	(9.46)	48.43	-	38.97
Transfer to Stage 3	(8.06)	-	200.85	192.79
Other movements (on account of change in EAD)	-	-	-	-
Amounts written off	-	-	(44.98)	(44.98)
ECL Allowance - Closing Balance	150.92	48.87	200.85	400.64

Note: The movement of ECL balance is due to transfer among the stages

47.B.4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties

47.B.5 Reconciliation with Note No.7 :

	As at March 31, 2025	As at March 31, 2024
Gross advances as per Note No. 47.B.1	42,139.47	26,212.79
Reconciliation		
Unamortised fees	(805.27)	(438.01)
Others	-	-
Gross advances as per Note No. 7	41,334.20	25,774.78



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

47. Credit Risk
47.C Gold Loans
47.C.1 Credit quality of assets

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	48,001.55	-	-	48,001.55
Standard grade	3,738.01	-	-	3,738.01
Sub-standard grade	-	2,323.08	-	2,323.08
Past due but not impaired	-	1,098.21	-	1,098.21
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	451.81	451.81
Gross exposure (A)	51,739.56	3,421.29	451.81	55,612.66
Less: ECL (B)	282.27	21.30	71.09	374.66
Net exposure (C) = (A - B)	51,457.29	3,399.99	380.72	55,238.00

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	25,782.12	-	-	25,782.12
Standard grade	1,091.97	-	-	1,091.97
Sub-standard grade	-	724.36	-	724.36
Past due but not impaired	-	369.04	-	369.04
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	268.19	268.19
Gross exposure (A)	26,874.09	1,093.40	268.19	28,235.68
Less: ECL (B)	148.65	4.17	30.21	183.03
Net exposure (C) = (A - B)	26,725.44	1,089.23	237.98	28,052.65

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.C.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	26,874.09	1,093.40	268.19	28,235.68
New Assets Originated or Purchased	51,546.75	3,189.69	375.56	55,112.00
Assets derecognised or repaid (excluding write off's)	(26,329.74)	(1,114.62)	(266.04)	(27,710.40)
Transfer to Stage 1	1.31	(1.19)	(0.12)	0.00
Transfer to Stage 2	(265.79)	266.00	(0.21)	(0.00)
Transfer to Stage 3	(80.76)	(6.78)	87.54	-
Amounts written off *	(6.30)	(5.21)	(13.11)	(24.62)
Gross carrying amount closing balance	51,739.56	3,421.29	451.81	55,612.66



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

47. Credit Risk

47.C Gold Loans

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	10,533.39	709.54	12.78	11,255.71
New Assets Originated or Purchased	26,873.00	1,085.87	257.51	28,216.38
Assets derecognised or repaid (excluding write offs)	(10,512.25)	(708.53)	(13.32)	(11,234.10)
Transfer to Stage 1	0.16	(0.16)	-	-
Transfer to Stage 2	(7.66)	7.66	-	-
Transfer to Stage 3	(12.42)	(0.70)	13.12	-
Amounts written off *	(0.13)	(0.28)	(1.90)	(2.31)
Gross carrying amount closing balance	26,874.09	1,093.40	268.19	28,235.68

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

47.C.3 Reconciliation of ECL balance is given below

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	148.65	4.17	30.21	183.03
New Assets Originated or Purchased	281.30	19.12	52.74	353.16
Assets derecognised or repaid (excluding write offs)	(145.55)	(4.07)	(24.45)	(174.07)
Transfer to Stage 1	-	(0.01)	(0.01)	(0.02)
Transfer to Stage 2	(1.63)	2.16	(0.01)	0.52
Transfer to Stage 3	(0.45)	(0.03)	17.90	17.42
Amounts written off	(0.05)	(0.04)	(5.29)	(5.38)
ECL Allowance - Closing Balance	282.27	21.30	71.09	374.66

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	57.01	3.51	0.67	61.19
New Assets Originated or Purchased	148.65	4.14	29.12	181.91
Assets derecognised or repaid (excluding write offs)	(56.89)	(3.49)	(0.66)	(61.04)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(0.05)	0.01	-	(0.04)
Transfer to Stage 3	(0.07)	-	1.08	1.01
Other movements (on account of change in EAD)	-	-	-	-
Amounts written off	-	-	-	-
ECL Allowance - Closing Balance	148.65	4.17	30.21	183.03

Note: The movement of ECL balance is due to transfer among the stages

47.C.4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying for the term loans secured by tangible assets are Gold Jewelleries

47.C.5 Reconciliation with Note No.7 :

	As at March 31, 2025	As at March 31, 2024
Gross advances as per Note No. 47.C.1	55,612.66	28,235.68
Reconciliation		
Co lending adjustment	1.02	0.17
Unamortised fees	(40.85)	(5.21)
Others	(569.23)	(267.10)
Gross advances as per Note No. 7	55,003.60	27,963.54



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

47. Credit Risk
47.D Indirect Retail Lending (IRL)
47.D.1 Credit quality of assets

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	1,766.97	-	-	1,766.97
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	-	-
Gross exposure (A)	1,766.97	-	-	1,766.97
Less: ECL (B)	0.73	-	-	0.73
Net exposure (C) = (A - B)	1,766.24	-	-	1,766.24

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	4,027.05	-	-	4,027.05
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	-	-
Gross exposure (A)	4,027.05	-	-	4,027.05
Less: ECL (B)	11.93	-	-	11.93
Net exposure (C) = (A - B)	4,015.12	-	-	4,015.12

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.D.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	4,027.05	-	-	4,027.05
New Assets Originated or Purchased	1,279.70	-	-	1,279.70
Assets derecognized or repaid (excluding write offs)	(3,539.78)	-	-	(3,539.78)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off*	-	-	-	-
Gross carrying amount closing balance	1,766.97	-	-	1,766.97

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

47. Credit Risk

47.D Indirect Retail Lending (IRL)

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	3,392.28	-	15.90	3,408.18
New Assets Originated or Purchased	3,335.74	-	-	3,335.74
Assets derecognised or repaid (excluding write offs)	(2,700.97)	-	(1.79)	(2,702.76)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off *	-	-	(14.11)	(14.11)
Gross carrying amount closing balance	4,027.05	-	-	4,027.05

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

47.D.3 Reconciliation of ECL balance is given below

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	11.93	-	-	11.93
New Assets Originated or Purchased	0.40	-	-	0.40
Assets derecognised or repaid (excluding write offs)	(11.60)	-	-	(11.60)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
ECL Allowance - Closing Balance	0.73	-	-	0.73

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	5.61	-	15.90	21.51
New Assets Originated or Purchased	10.31	-	-	10.31
Assets derecognised or repaid (excluding write offs)	(3.99)	-	-	(3.99)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off	-	-	(15.90)	(15.90)
ECL Allowance - Closing Balance	11.93	-	-	11.93

Note: The movement of ECL balance is due to transfer among the stages

47.D.4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by book debts.

47.D.5 Reconciliation with Note No.7 :

	As at March 31, 2025	As at March 31, 2024
Gross advances as per Note No. 47.D.1	1,766.97	4,027.05
Reconciliation		
Unamortised fees	(2.64)	(9.19)
Others	0.31	-
Gross advances as per Note No. 7	1,764.64	4,017.86



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

47. Credit Risk

47.E Unsecured Business Loan

47.E.1 Credit quality of assets

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	134.58	-	-	134.58
Standard grade	61.21	-	-	61.21
Sub-standard grade	-	58.10	-	58.10
Past due but not impaired	-	0.71	-	0.71
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	-	-
Gross exposure (A)	195.79	58.81	-	254.60
Less: ECL (B)	2.19	2.58	-	4.77
Net exposure (C) = (A - B)	193.60	56.23	-	249.83

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	478.74	-	-	478.74
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	-	-
Gross exposure (A)	478.74	-	-	478.74
Less: ECL (B)	4.75	-	-	4.75
Net exposure (C) = (A - B)	473.99	-	-	473.99

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.E.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	478.74	-	-	478.74
New Assets Originated or Purchased	101.79	25.26	-	127.05
Assets derecognised or repaid (excluding write offs)	(299.56)	(51.63)	-	(351.19)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(85.18)	85.18	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off *	-	-	-	-
Gross carrying amount closing balance	195.79	58.81	-	254.60

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

47.E.2

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	478.74	-	-	478.74
New Assets Originated or Purchased	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off *	-	-	-	-
Gross carrying amount closing balance	478.74	-	-	478.74

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

47. Credit Risk

47.E Unsecured Business Loan

47.E.3 Reconciliation of ECL balance is given below

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	4.75	-	-	4.75
New Assets Originated or Purchased	1.69	1.44	-	3.13
Assets derecognised or repaid (excluding write offs)	(3.40)	-	-	(3.40)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(0.85)	1.14	-	0.29
Transfer to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
ECL Allowance - Closing Balance	2.19	2.58	-	4.77

As at March 31, 2024

	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	-	-	-	-
New Assets Originated or Purchased	4.75	-	-	4.75
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Other movements (on account of change in EAD)	-	-	-	-
Amounts written off	-	-	-	-
ECL Allowance - Closing Balance	4.75	-	-	4.75

Note: The movement of ECL balance is due to transfer among the stages

47.E.4 #Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.E.4 Details of collateral received against loan portfolio :

Nature of security against advances : Unsecured advances

47.E.5 Reconciliation with Note No. 7 :

	As at March 31, 2025	As at March 31, 2024
Gross advances as per Note No. 47.E.1	254.60	478.74
Reconciliation		
Unamortised fees	(0.14)	(3.46)
Others	-	(1.89)
Gross advances as per Note No. 7	254.46	473.39



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

47. Credit Risk
47.F Home Loans
47.F.1 Credit quality of assets

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	42,130.22	-	-	42,130.22
Standard grade	1,092.44	-	-	1,092.44
Sub-standard grade	-	1,324.50	-	1,324.50
Past due but not impaired	-	-	-	-
Restructured	-	48.37	-	48.37
Credit Impaired	-	-	-	-
Non Performing				
Individually impaired	-	-	622.88	622.88
Gross exposure (A)	43,222.66	1,372.87	622.88	45,218.41
Less: ECL (B)	158.38	158.52	248.79	565.69
Net exposure (C) = (A - B)	43,064.28	1,214.35	374.09	44,652.72

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	35,025.50	-	-	35,025.50
Standard grade	849.73	-	-	849.73
Sub-standard grade	-	569.80	-	569.80
Past due but not impaired	-	489.15	-	489.15
Restructured	-	92.84	-	92.84
Credit Impaired	-	-	-	-
Non Performing				
Individually impaired	-	-	464.29	464.29
Gross exposure (A)	35,875.23	1,151.79	464.29	37,491.31
Less: ECL (B)	105.05	185.45	204.44	494.94
Net exposure (C) = (A - B)	35,770.18	966.34	259.85	36,996.37

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.F.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	35,875.23	1,151.79	464.29	37,491.31
New Assets Originated or Purchased	17,099.36	48.20	14.76	17,162.32
Assets derecognised or repaid (excluding write offs)	(9,009.41)	(154.60)	(188.64)	(9,352.65)
Transfer to Stage 1	315.51	(257.90)	(57.61)	-
Transfer to Stage 2	(772.97)	792.06	(19.09)	(0.00)
Transfer to Stage 3	(379.84)	(139.21)	469.05	-
Amounts written off *	(5.22)	(17.47)	(59.88)	(82.57)
Gross carrying amount closing balance	43,222.66	1,372.87	622.88	45,218.41

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

47. Credit Risk
47.F Home Loans

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	24,876.92	946.87	324.46	26,148.25
New Assets Originated or Purchased	15,948.67	26.72	1.21	15,976.60
Assets derecognised or repaid (excluding write offs)	(4,342.21)	(99.11)	(81.46)	(4,522.78)
Transfer to Stage I	230.25	(198.08)	(32.17)	-
Transfer to Stage 2	(620.80)	629.21	(8.41)	0.00
Transfer to Stage 3	(202.82)	(135.59)	338.41	-
Amounts written off *	(14.78)	(18.23)	(77.75)	(110.76)
Gross carrying amount closing balance	35,875.23	1,151.79	464.29	37,491.31

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group

47.F.3 Reconciliation of ECL balance is given below

As at March 31, 2025

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	105.05	185.45	204.44	494.94
New Assets Originated or Purchased	85.25	3.34	8.81	97.40
Assets derecognised or repaid (excluding write offs)	(27.26)	(37.26)	(25.15)	(89.67)
Transfer to Stage I	4.47	(40.81)	(23.13)	(59.47)
Transfer to Stage 2	(6.97)	85.27	(7.72)	70.58
Transfer to Stage 3	(1.95)	(28.36)	175.05	144.74
Amounts written off	(0.21)	(9.11)	(83.51)	(92.83)
ECL Allowance - Closing Balance	158.38	158.52	248.79	565.69

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	82.97	155.97	126.54	365.48
New Assets Originated or Purchased	35.98	3.30	0.42	39.70
Assets derecognised or repaid (excluding write offs)	(7.33)	(1.67)	15.02	6.02
Transfer to Stage I	2.40	(31.51)	(12.39)	(41.50)
Transfer to Stage 2	(6.27)	87.87	(3.28)	78.32
Transfer to Stage 3	(2.34)	(20.36)	132.77	110.07
Amounts written off	(0.36)	(8.15)	(54.64)	(63.15)
ECL Allowance - Closing Balance	105.05	185.45	204.44	494.94

Note: The movement of ECL balance is due to transfer among the stages

47.F.4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties

47.F.5 Reconciliation with Note No.7 :

	As at March 31, 2025	As at March 31, 2024
Gross advances as per Note No. 47.F.1	45,218.41	37,491.31
Reconciliation		
Co lending adjustment	(0.06)	(2.02)
Interest accrued and overdue on NPA	105.79	91.20
Provision for ECL on Interest income on NPA Loan	(105.79)	(85.64)
Unamortised fees	(235.51)	(295.21)
Others	(624.67)	(124.96)
Gross advances as per Note No. 7	44,358.17	37,074.68



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2025
(Currency - Indian Rupees in millions)

48. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. They have been classified to mature and/or be repaid within 12 months. With regards to loans and advances to customers, the Group uses the same basis of expected repayment as used for estimating the EIR.

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	15,065.48	-	15,065.48	6,396.49	-	6,396.49
Bank Balances other than cash and cash equivalents	113.13	133.44	246.57	135.76	213.96	349.72
Derivative financial instruments	-	-	-	41.05	-	41.05
Trade receivables	587.81	-	587.81	1,366.85	-	1,366.85
Other receivables	276.20	-	276.20	52.78	-	52.78
Loans	65,170.54	117,344.48	182,515.02	37,387.21	96,824.62	134,211.83
Investments	1,391.86	210.31	1,604.17	1,659.58	502.71	2,162.29
Other financial assets	869.79	463.28	1,333.07	528.62	479.08	1,007.70
Total financial assets	83,476.81	118,151.51	201,628.32	47,568.34	98,020.37	145,588.71
Non-Financial assets						
Current tax assets (net)	441.47	-	441.47	279.24	-	279.24
Deferred tax assets (net)	-	847.44	847.44	(0.00)	706.25	706.25
Property, plant and equipment	-	2,978.65	2,978.65	-	3,210.06	3,210.06
Capital work-in-progress	1.15	-	1.15	0.79	-	0.79
Intangible assets under development	29.53	-	29.53	190.37	-	190.37
Other intangible assets	-	435.60	435.60	-	285.54	285.54
Other non-financial assets	1,663.79	287.16	1,950.95	771.12	469.61	1,240.73
Total non-financial assets	2,135.94	4,548.85	6,684.79	1,241.52	4,671.46	5,912.98
Total Assets	85,612.75	122,700.36	208,313.11	48,809.86	102,691.83	151,501.69
LIABILITIES						
Financial liabilities						
Derivative financial instruments						
Payables	556.84	-	556.84	-	-	-
-Trade payables	1,024.31	0.96	1,025.27	1,302.62	-	1,302.62
-Other payables	626.69	-	626.69	196.80	-	196.80
Debt securities	3,386.57	1,700.00	5,086.57	21.65	1,500.00	1,521.65
Borrowings (other than debt securities)	38,731.50	111,950.04	150,681.54	28,443.30	74,104.18	102,547.48
Other financial liabilities	4,256.27	1,944.70	6,200.97	2,864.21	4,130.19	6,994.40
Total financial liabilities	48,582.18	115,595.70	164,177.88	32,828.58	79,734.37	112,562.95
Non-financial liabilities						
Current tax liability	410.69	-	410.69	24.53	-	24.53
Provisions	303.51	154.39	457.90	115.98	158.93	274.91
Other non-financial liabilities	225.67	-	225.67	273.60	-	273.60
Total non-financial liabilities	939.87	154.39	1,094.26	414.11	158.93	573.04
Total liabilities	49,522.05	115,750.09	165,272.14	33,242.69	79,893.30	113,135.99
Net assets	36,090.70	6,950.27	43,040.97	15,567.17	22,798.53	38,365.70

Classification of assets and liabilities under the maturity buckets is based on the same estimates and assumptions as used by the Group for compiling the return submitted to the RBI. The above is based on the information available with the Group which has been relied upon by the auditor.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

49. Capital Management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group. The Group determines the amount of capital required on the basis of annual operating plans and other strategic investment plans. The funding requirements if any will be met through bank borrowings and equity if the need arise.

The primary objectives of the Group's capital management are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholders value. The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. Capital Management, objectives and processes are under constant review by the Board.

50. Change in liabilities arising from financing activities

FY 2024-25	As at April 01, 2024	Cash flows	Other -non cash*	As at March 31, 2025
Debt Securities	1,521.65	3,650.00	(85.08)	5,086.57
Borrowings other than debt securities	102,547.48	48,267.42	(133.36)	150,681.54
Total liabilities from financing activities	104,069.13	51,917.42	(218.44)	155,768.11
FY 2023-24	As at April 01, 2023	Cash flows	Other -non cash*	As at March 31, 2024
Debt Securities	4,386.14	(2,666.67)	(197.82)	1,521.65
Borrowings other than debt securities	70,726.87	32,043.79	(223.18)	102,547.48
Total liabilities from financing activities	75,113.01	29,377.12	(421.00)	104,069.13

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, conversion factor of derivative instruments.

51. Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

51.A Financial instruments by category

51.A.1 As at March 31, 2025

Particulars	FVTPL	Amortised cost	FVTOCI	Total Carrying Value	Fair Value
Financial assets					
Investments					
- Mutual funds	500.75	-	-	500.75	500.75
- Equity instruments	599.30	-	-	599.30	599.30
- Debt Instrument	293.81	-	-	293.81	293.81
- Pass Through Certificates	-	-	-	-	-
- Security Receipt	210.31	-	-	210.31	-
Trade receivables	-	587.81	-	587.81	-
Other receivables	-	276.20	-	276.20	-
Loans	-	180,097.47	2,417.55	182,515.02	-
Cash and cash equivalents	-	15,065.48	-	15,065.48	-
Bank Balances other than above	-	246.57	-	246.57	-
Derivative financial instruments	-	-	-	-	-
Other financial Assets	-	1,333.07	-	1,333.07	-
Total financial assets	1,604.17	197,606.60	2,417.55	201,628.32	1,393.86
Financial liabilities					
Derivative financial instruments	-	-	556.84	556.84	556.84
Borrowings (including Debt Securities)	-	155,768.11	-	155,768.11	-
Trade payables	-	1,651.96	-	1,651.96	-
Other financial liabilities	-	6,200.97	-	6,200.97	-
Total financial liabilities	-	163,621.04	556.84	164,177.88	556.84



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

51.A.2 As at March 31, 2024

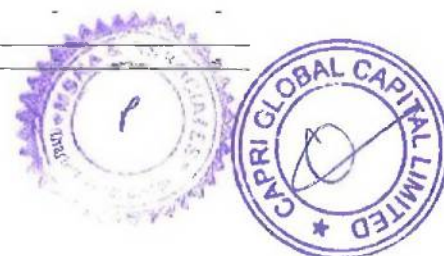
Particulars	FVTPL	Amortised cost	FVTOCI	Total Carrying Value	Fair Value
Financial assets					
Investments					
- Mutual funds	1,553.35	-	-	1,553.35	1,553.35
- Commercial Paper	-	-	-	-	-
- Equity instruments	24.32	-	-	24.32	24.32
- Debt Instrument	-	-	-	-	-
- Pass Through Certificates	-	584.62	-	584.62	-
Derivative financial instruments	-	-	41.05	41.05	-
Trade receivables	-	1,366.85	-	1,366.85	-
Other receivables	-	52.78	-	52.78	-
Loans	-	134,211.83	-	134,211.83	-
Cash and cash equivalents	-	6,396.49	-	6,396.49	-
Bank Balances other than above	-	349.72	-	349.72	-
Other financial Assets	-	1,007.70	-	1,007.70	-
Total financial assets	1,577.67	143,969.99	41.05	145,588.71	1,577.67
Financial liabilities					
Derivative financial instruments	-	-	-	-	-
Borrowings (including Debt Securities)	-	104,069.13	-	104,069.13	-
Trade payables	-	1,499.42	-	1,499.42	-
Other financial liabilities	-	6,994.40	-	6,994.40	-
Total financial liabilities	-	112,562.95	-	112,562.95	-

51.B Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

51.B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2025	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Financial Investments at FVTPL					
Listed equity investments	599.30	599.30	-	-	599.30
Mutual funds	500.75	500.75	-	-	500.75
Debt Instrument	293.81	293.81	-	-	293.81
Derivative financial instruments	-	-	-	-	-
Security Receipt	210.31	210.31	-	-	210.31
Loans at FVTOCI					
Loans	2,417.55	-	2,417.55	-	2,417.55
Total financial assets	4,021.72	1,604.17	2,417.55	-	4,021.72
Financial liabilities					
Derivative financial instruments	556.84	-	556.84	-	556.84
Total financial liabilities	556.84	-	556.84	-	556.84
As at March 31, 2024	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Financial Investments at FVTPL					
Listed equity investments	24.32	24.32	-	-	24.32
Mutual funds	1,553.35	1,553.35	-	-	1,553.35
Total financial assets	1,577.67	1,577.67	-	-	1,577.67
Financial liabilities					
Derivative financial instruments	-	-	-	-	-
Total financial liabilities	-	-	-	-	-



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

51.B.2 Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2025	Carrying Amount	Fair Value			Total Fair Value
		Level 1	Level 2	Level 3	
Financial assets					
Cash and cash equivalents	15,065.48	-	-	-	15,065.48
Bank Balance other than above	246.57	-	-	-	246.57
Trade Receivable	587.81	-	-	-	587.81
Other Receivable	276.20	-	-	-	276.20
Loans					
Loans to employees	20.15	-	-	-	20.15
Loans - SME,CF,IRL,HL,GL&UBL etc.	182,755.28	-	-	44,343.57	44,343.57
Investments					
Commercial Paper	-	-	-	-	-
Debt Instrument	-	-	-	-	-
Pass Through Certificates	-	-	-	-	-
Security Receipt	-	-	-	-	-
Other financial assets	1,333.07	-	-	-	1,333.07
Total financial assets	200,284.56	-	-	44,343.57	61,872.85
Financial Liabilities					
Trade Payable	1,651.96	-	-	1,651.96	1,651.96
Debt Securities	5,086.57	-	5,086.57	-	5,086.57
Borrowings other than Debt Securities	150,681.54	-	-	150,681.54	150,681.54
Other Financial Liabilities	6,200.97	-	-	-	6,200.97
Total financial liabilities	163,621.04	-	5,086.57	152,333.50	163,621.04
As at March 31, 2024	Carrying Amount	Fair Value			Total Fair Value
		Level 1	Level 2	Level 3	
Financial assets					
Cash and cash equivalents	6,396.49	-	-	-	6,396.49
Bank Balance other than above	349.72	-	-	-	349.72
Trade Receivable	1,366.85	-	-	-	1,366.85
Other Receivable	52.78	-	-	-	52.78
Loans					
Loans to employees	11.00	-	-	-	11.00
Loans - SME,CF,IRL,GL&HL	136,767.66	-	-	136,818.47	136,818.47
Investments					
Debt Instrument	-	-	-	-	-
Pass Through Certificates	584.62	-	-	584.62	584.62
Other financial assets	1,007.70	-	-	1,007.70	1,007.70
Total financial assets	146,536.82	-	-	138,410.79	146,587.63
Financial Liabilities					
Trade Payable	1,499.42	-	-	1,499.42	1,499.42
Debt Securities	1,521.65	-	1,521.65	-	1,521.65
Borrowings other than Debt Securities	102,547.48	-	-	102,547.48	102,547.48
Other Financial Liabilities	6,994.40	-	-	6,994.40	6,994.40
Total financial liabilities	112,562.95	-	1,521.65	111,041.30	112,562.95

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Short-term financial assets and liabilities For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

52. Risk Disclosures

Group's risk is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and interest rate risk. It is the Group's policy to ensure that a robust risk awareness is embedded in its organizational risk culture.

52.A Credit risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties.

52.A.1 Impairment assessment

a) Exposure at Default

The Exposure at Default is an estimate of the exposure at a future default date including the undrawn commitments. EAD is taken as the gross exposure under a facility upon default of an obligor. The principal outstanding, overdue principal, accrued interest, overdue interest is considered as EAD for the purpose of ECL computation.

The advances have been bifurcated into following three stages:

Stage 1- All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances (past due for 0 to 30 days) under this category. Stage 1 loans also include facilities where the credit risk has reduced and the loan has been reclassified from Stage 2 or Stage 3

Stage 2 – All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets with days past due for 31 to 90 days are classified under this stage and lifetime ECL is recognised on such financial assets. Stage 2 loans also include facilities where the credit risk has reduced, and the loan has been reclassified from Stage 3.

Stage 3 – All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. More than 90 days Past Due is considered as default for classifying a financial instrument as credit impaired.

b) Significant increase in credit risk

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or lifetime ECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. The Group considers an exposure to have significantly increased in credit risk if contractual payments are more than 30 days past due.

c) Definition of default and cure

The Group considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes more than 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate inability to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganization



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

52. Risk Disclosures

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the borrower makes necessary payments & the borrower is not 90 days past due after such payments. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

d) Probability of Default ("PD") estimation process

Probability of default ("PD") is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors.

a) The Group has applied 12 months PD to stage 1 advances

b) The Lifetime PD is computed using basic exponentiation technique after considering the residual maturity of the respective loan.

c) PD of 100% is considered for Stage 3 assets.

Days past due are a primary input for the determination of the PD for exposures. The Group collects performance and default information about its credit risk exposures analyzed by portfolio. For some portfolios, rating based published information is used.

The Group employs statistical models to analyze the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time. Such statistical models are selected considering the availability of information related to the probability of default for each product. This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors.

For the purpose of determination of impact of forward looking information, the Group applies various macro economic (ME) variables as stated above to each portfolio and assess the trend of the historical probability of defaults as compared to the forecasted probability of default. Based on the directional trend of output, management applies an overlay if required. Overtime, new ME variable may emerge to have a better correlation and may replace ME being used now.

The loans are segmented into homogenous product categories to determine the historical PD/LGD as per similar risk profiles, this segmentation is subject to regular review. For portfolios in respect of which the Company has limited historical data, external benchmark information is used to supplement the internally available data.

The Group does not have any historic data of default in case of Gold Loan portfolio, so it has relied upon the published data of competitors. In case of Unsecured business loan, it has relied upon the public data of partners with their existing customers of the similar behavioral vintage.

e) Loss Given Default ("LGD")

Loss Given Default ("LGD") is defined as the loss rate on the exposure, given the borrower has defaulted. LGD is being calculated for all financial instruments under risk parameter approach by way of evaluation of historical data on defaults, recovery amounts, collateral liquidation, direct expenses, and opportunity cost for each default. LGD has been computed using the volatility-based model in case of Gold Loan portfolio. LGD has been computed by using the FIRB (Foundation Internal Rating Based) in case of Unsecured business loan.

f) Forward looking information

In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as. GDP growth, Consumer Price Index, Unemployment rate, Lending Interest Rate etc. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

52. Risk Disclosures

52.A.2 Collateral and other credit enhancements

The Group holds collateral and other credit enhancements against certain of its credit exposures. The loans are collateralized against equitable mortgage of property, pledge of shares, hypothecation of assets, physical gold jewellery, undertaking to create security.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement. In case of defaults by customers, where the Group is unable to recover the dues, the Group through a legal process enforces the security and recovers the dues.

52.B Liquidity risk and funding management

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets by monitoring future cash flows and liquidity on a daily basis.

Liquidity risk is managed in accordance with Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors of the NBFC's entity. The Asset Liability Management Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) of the Group formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

52. Risk Disclosures
52.B.1 The table below summarises the maturity profile of the undiscounted cash flow of the Group's financial liabilities:
As at March 31, 2025

	Debt Securities	Borrowings	Trade Payable	Lease liability	Other Financial Liability
1 upto 30/31 days	747.39	2,751.42	1,646.31	54.18	2,345.33
2 Over 1 month upto 2 months	454.69	3,024.00	2.14	54.11	-
3 Over 2 months upto 3 months	981.05	6,564.91	0.92	93.89	-
4 Over 3 months to 6 months	809.75	15,573.27	1.39	176.05	-
5 Over 6 months to 1 year	563.57	23,642.93	0.24	331.85	-
6 Over 1 year to 3 years	344.46	77,952.57	0.96	1,128.69	1,266.61
7 Over 3 year to 5 years	1,767.19	46,484.50	-	1,070.02	-
8 Over 5 years	294.00	9,538.55	-	804.55	-
Total	5,962.10	185,532.15	1,651.96	3,713.34	3,611.94

As at March 31, 2024

	Debt Securities	Borrowings	Trade Payable	Lease liability	Other Financial Liability
1 upto 30/31 days	-	2,169.47	1,504.48	47.66	4,343.96
2 Over 1 month upto 2 months	59.38	2,293.78	-	47.67	-
3 Over 2 months upto 3 months	-	4,138.04	-	47.66	58.78
4 Over 3 months to 6 months	38.57	11,785.88	-	143.05	-
5 Over 6 months to 1 year	77.19	16,434.79	-	285.44	-
6 Over 1 year to 3 years	306.90	51,544.09	-	1,169.45	-
7 Over 3 year to 5 years	306.90	28,719.47	-	1,003.34	-
8 Over 5 years	1,576.09	8,223.98	-	1,282.47	-
Total	2,365.03	125,309.50	1,504.48	4,026.74	4,402.74

52.C Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the Group is providing loans to MSME, Construction Finance, Indirect lending, Gold loan, Housing Loan and Unsecured business loan. The Group borrows through various financial instruments to finance its core lending activity. These activities expose the Group to interest rate risk.

Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioral maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Group's statement of profit and loss and equity.

52.C.1 FY 2024-25

Financial Instruments Type	Increase / (decrease) in basis points (bps)	Sensitivity of profit or loss	Sensitivity of equity
a. Loans	50 bps Up	649.77	487.51
	100 bps Up	1,299.55	975.03
	50 bps Down	(649.77)	(487.51)
	100 bps Down	(1,299.55)	(975.03)
b. Borrowings	50 bps Up	(714.47)	(536.22)
	100 bps Up	(1,428.93)	(1,072.44)
	50 bps Down	714.47	536.22
	100 bps Down	1,428.93	1,072.44

52.C.2 FY 2023-24

Financial Instruments Type	Increase / (decrease) in basis points (bps)	Sensitivity of profit or loss	Sensitivity of equity
a. Loans	50 bps Up	544.46	409.15
	100 bps Up	1,088.92	818.29
	50 bps Down	(544.46)	(409.15)
	100 bps Down	(1,088.92)	(818.29)
b. Borrowings	50 bps Up	(514.10)	(386.42)
	100 bps Up	(1,028.21)	(772.84)
	50 bps Down	514.10	386.42
	100 bps Down	1,028.21	772.84



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

52.D Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include maker-checker controls, effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

52.E Capital Management :

Group's capital management objective is primarily to safeguard business continuity. The Group's cashflows are regularly monitored in sync with annual operating plans and long-term and other strategic investment plans. The operational funding requirements are met through debt and operating cash flows generated. The Group believes this approach would create shareholder value in long run. Also, the Group has adopted a conservative approach for ALM management with primacy to adequate liquidity. At present a large portion of the Group's resource base is equity.

The Group maintains its capital structure in line with economic conditions and the risk characteristics of its activities and the board reviews the capital position on a regular basis

Gearing ratio :

The gearing ratio at each date were as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
a. Debt (I)*	158,357.14	106,660.79
b. Cash and bank balances (II)*	13,803.66	2,762.61
c. Net debt (I - II)	144,553.48	103,898.18
d. Total equity	43,040.97	38,365.70
e. Net debt to equity ratio	3.36	2.71

* Debt includes debt securities, borrowings and lease liabilities.

Cash and bank balances is net of bank overdraft.

53. Additional information pursuant to para 2 of general instructions for the preparations of Consolidated Financial Statements

	Net Assets #		Share in Profit or Loss		Share in Other Comprehensive		Share in total Comprehensive	
	As % of consolidated net assets	Amount *	As % of Consolidated Profit or Loss	Amount *	As % of Consolidated other comprehensive income	Amount *	As % of total Comprehensive income	Amount *
Holding								
1. Capri Global Capital Limited	78.78%	33,906.38	86.71%	4,149.42	96.78%	(76.75)	86.54%	4,072.67
Subsidiaries (Indian)								
1. Capri Global Housing Finance Limited	19.79%	8,519.94	12.93%	618.72	0.40%	(0.32)	13.14%	618.40
2. Capri Loans Car Platform Private Limited	1.43%	614.65	0.36%	17.19	2.81%	(2.23)	0.32%	14.96
Total	100.00%	43,040.97	100.00%	4,785.33	100.00%	(79.30)	100.00%	4,706.03

Net Assets = total assets minus total liability

* - Amounts net off elimination



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

54. Related Party Disclosure

54.A List of Related parties

List of related parties and relationship with related parties where control exists or transactions have taken place during the year:

No.	Name of the Related Party	Relationship
I	Holding Company Capri Global Holdings Private Limited	
II	Enterprises over which Management, Director and/or their relatives have control Parshwanath Buildcon Private Limited Carlelo Private Limited Infomerics Valuation And Rating Private Limited	
III	Key Management Personnel Mr. Rajesh Sharma Mr. Partha Chakraborti Mr. Yashesh Bhatt Mr. Amit Setia Mr. Ajit Mohan Sharan Mr. Desh Raj Dogra Mr. T.R. Bajalia Mr. L. V Prabhakar Ms. Nupur Sunil Mukherjee Mr. Subramanian Ranganathan Mr. Shishir Priyadarshi Mr. Skrinoban Yadav Mr. Murali Talasila	Managing Director Chief Financial Officer Company Secretary Whole Time Director (w.e.f. May 15, 2024) Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director
IV	Relative of Key Management Personnel Ms. Jinisha Sharma	Daughter of Rajesh Sharma
V	Trust under common control Capri Foundation CGCL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Financial Services Limited Employee Group Gratuity Assurance Scheme) CGHFL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Financial Services Limited Employee Group Gratuity Assurance Scheme)	

54.B Transactions with Related parties during the year

No.	Nature of Transaction	Relationship	Name of Party	For the year Ended March 31,	
				2025	2024
1.	EXPENSES				
I	Rent Paid	Enterprises over which Management, Director and/or their relatives have control	Parshwanath Buildcon Private Limited (Refer note no. 36) Capri Global Holding Private Limited (Refer note no. 36)	0.20 0.71	0.34 0.47
2	Commission Paid	Enterprises over which Management, Director and/or their relatives have control	Carlelo Private Ltd	1.09	0.08
3	Interest expenses	Enterprises over which Management, Director and/or their relatives have control	Capri Global Holding Private Limited (Refer note no. 33)	54.21	2.35
4	Salaries, Commission and other benefits	Key Management Personnel	Mr. Rajesh Sharma Mr. Partha Chakraborti Mr. Yashesh Bhatt Mr. Amit Setia	15.87 61.20 5.88 24.18	3.60 9.90 6.65 -
		Relative of Key Management Personnel	Mr. Pranay Rauke Ms. Jinisha Sharma	- 4.37	2.11 2.40
5	Re-imbursement of expenses	Enterprises over which Management, Director and/or their relatives have control	Carlelo Private Ltd	3.26	-
6	Rating & Surveillance charges	Enterprises over which Management, Director and/or their relatives have control	Infomerics Valuation And Rating Private Limited (Refer note no. 36)	22.28	-



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

54. Related Party Disclosure

No.	Nature of Transaction	Relationship	Name of Party	For the year Ended March 31,	
				2025	2024
7	Director Sitting Fees	Key Management Personnel	Mr. Beni Prasad Rauka*	0.11	2.93
			Ms. Bhagyam Ramani*	1.17	4.19
			Mr. Mukesh Kacker*	-	0.87
			Mr. Desh Raj Dogra	1.53	0.87
			Mr. Ajit Sharan	1.69	0.71
			Mr. L V Prabhakar	1.63	0.11
			Ms. Nupur Sunil Mukherjee	1.41	0.11
			Mr. S Ranganathan	3.35	0.38
			Mr. Shishir Priyadarshi	1.53	0.11
			Mr. T.R. Bajalis	0.90	0.87
			Mr. Murali Talasila	0.57	-
			Mr. Shrimohan Yadav	0.25	-
	Director Commission	Key Management Personnel	Mr. Desh Raj Dogra	1.64	-
			Mr. Ajit Sharan	1.64	-
			Mr. L V Prabhakar	2.73	-
			Ms. Nupur Sunil Mukherjee	1.64	-
			Mr. S Ranganathan	2.64	-
			Mr. Shishir Priyadarshi	1.64	-
			Mr. T.R. Bajalis	1.00	-
			Ms. Bhagyam Ramani*	1.00	-
			Mr. Murali Talasila	1.00	-
			Mr. Shrimohan Yadav	0.67	-
8	Employee Benefits	Trust under common control	Money Matters Financial Services Limited Employees Group Gratuity Assurance Scheme (Refer note no. 23)	42.49	28.73
9	Donation - Corporate Social Responsibility	Trust under common control	Capri Foundation	-	0.40

III. Balance Sheet Items (Transaction during year):

1	Borrowing through ICD	Enterprises over which Management, Director and/or their relatives have control	Capri Global Holdings Private Limited (Refer note no. 8)	730.00	330.00
2	Borrowing through ICD (Repayment)	Enterprises over which Management, Director and/or their relatives have control	Capri Global Holdings Private Limited (Refer note no. 8)	790.00	-

54.C Closing balances with Related parties as at year end

	Nature of Transaction	Relationship	Name of Party	As at March 31,	
				2025	2024
1	Borrowing through ICD	Enterprises over which Management, Director and/or their relatives have control	Capri Global Holdings Private Limited (Refer note no. 8)	270.00	330.00

* These were Independent Director upto March 31, 2024

Mr. Beni Prasad Rauka
Ms. Bhagyam Ramani
Mr. Mukesh Kacker

55. Fraud Reporting

Particulars	For the year ended March 31,	
	2025	2024
Fraud reported by Holding Company to Reserve Bank of India (RBI) through prescribed returns.	82.36	22.08
Fraud reported by a subsidiary Company to National Housing Bank (NHB) through prescribed returns.	27.90	-

56. Details of all collateral used as security for liabilities

Particulars	Carrying amount of financial assets pledged as at March 31,	
	2025	2024
Assets type		
a. Loans receivable as collateral under lending agreements	184,917.21	135,566.59
b. Loans receivable as collateral under PTC agreements	-	584.62
c. Receivables from investment in securities as collateral	1,393.86	1,577.67
d. Cash and other bank balance collateral under lending agreements	12,476.45	3,804.83



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

57. Employee Stock Option

The Holding company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2009 (ESOP 2009) to employees of the Holding and a subsidiary company (CGHFL) spread over a period 1 to 4 years.

Employee Stock Option Plans

A Summary of the general terms of grants under stock options plans are as under: -

Name of Plan	As at March 31, 2025		As at March 31, 2024	
	No. of options under the Plan	Range of Exercise Price	No. of options under the Plan	Range of Exercise Price
Employee Stock Option Plan	7,181,600	₹ 0.50 to ₹ 187.50	8,849,194	₹ 0.50 to ₹ 187.50

The activity of the Stock Plans is summarised below: no. of shares & price reclassified based on ₹ 1 after split of shares and issue of bonus shares

Particulars	Year ended			
	As at March 31, 2025		As at March 31, 2024	
	Numbers	Exercise Price/ Vesting Price (₹)	Numbers	Exercise Price/ Vesting Price (₹)
Outstanding at the beginning of the year	1,590,794	0.50	2,098,400	0.50
	96,000	17.50	168,000	17.50
	330,400	25.00	1,039,200	25.00
	32,000	32.50	56,000	32.50
	140,000	43.50	200,000	43.50
	80,000	48.73	80,000	48.73
	280,000	56.25	280,000	56.25
	3,340,000	62.50	3,400,000	62.50
	1,600,000	75.00	4,000,000	75.00
	300,000	106.25	300,000	106.25
	400,000	112.50	400,000	112.50
	100,000	125.00	100,000	125.00
	80,000	127.50	80,000	127.50
	40,000	130.00	40,000	130.00
	240,000	185.00	-	-
	200,000	187.50	-	-
Granted	544,000	1.00	320,000	185.00
	240,000	163.00	200,000	187.50
Exercised	137,980	0.50	161,136	0.50
	-	-	36,000	17.50
	24,000	25.00	110,460	25.00
	4,800	32.50	12,000	32.50
	-	-	9,000	43.50
	3,600	48.73	-	-
	6,000	56.25	-	-
Forfeited, expired and cancelled	812,414	0.50	346,470	0.50
	96,000	17.50	36,000	17.50
	306,400	25.00	598,340	25.00
	-	-	12,000	32.50
	140,000	43.50	51,000	43.50
	20,400	48.73	-	-
	218,000	56.25	-	-
	482,000	62.50	60,000	62.50
Outstanding at the end of the year	200,000	75.00	2,400,000	75.00
	-	-	80,000	185.00
	635,600	0.50	1,590,794	0.50
	544,000	1.00	96,000	17.50
	32,000	32.50	330,400	25.00
	56,000	48.73	32,000	32.50
	56,000	56.25	140,000	43.50
	2,858,000	62.50	80,000	48.73
	1,400,000	75.00	280,000	56.25
	300,000	106.25	3,340,000	62.50
	400,000	112.50	1,600,000	75.00
	100,000	125.00	300,000	106.25
	80,000	127.50	400,000	112.50
	40,000	130.00	100,000	125.00
	240,000	163.00	80,000	127.50
	240,000	185.00	40,000	130.00
	200,000	187.50	240,000	185.00
Of the above, Options exercisable	-	-	200,000	187.50
	32,000	32.50	823,594	0.50
	258,000	0.50	96,000	17.50
	24,000	48.73	330,400	25.00
	24,000	56.25	60,000	43.50
	24,000	62.50	240,000	48.73
	804,000	62.50	24,000	56.25



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency - Indian Rupees in millions)

57. Employee Stock Option

For the year Ended March 31,

2025 2024

The weighted average fair value of the new ESOPs granted during the year ₹ 178.43 per share ₹ 178.43 per share

The following table summarises information about stock option plans

Exercise Price (₹)	As at March 31, 2025		As at March 31, 2024	
	Numbers	Weighted Average Remaining Life (Months)	Numbers	Weighted Average Remaining Life (Months)
0.50	635,600.00	2.19	1,590,794.00	5.14
1.00	544,000.00	31.73	-	-
17.50	-	-	96,000.00	0.03
25.00	-	-	330,400.00	0.03
32.50	32,000.00	0.03	32,000.00	5.67
43.50	-	-	140,000.00	3.25
48.73	56,000.00	5.63	80,000.00	11.76
56.25	56,000.00	6.41	280,000.00	19.38
62.50	2,858,000.00	10.69	3,340,000.00	21.49
75.00	1,400,000.00	15.88	1,600,000.00	27.30
106.25	300,000.00	15.38	300,000.00	27.55
112.50	400,000.00	15.58	400,000.00	27.75
125.00	100,000.00	15.48	100,000.00	27.65
127.50	80,000.00	16.78	80,000.00	28.95
130.00	40,000.00	17.15	40,000.00	29.32
163.00	240,000.00	35.83	-	-
185.00	240,000.00	38.20	240,000.00	50.37
187.50	200,000.00	27.23	200,000.00	39.40

Fair value methodology

The fair value of ESOP are measured using Black-scholes-merton formula. Measurement input includes share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, expected dividend yield, expected volatility.

The following table summarizes the assumptions used in calculating the grant date fair value.

Particulars	As at March 31, 2025	As at March 31, 2024
Expected life of the options	3 to 5 Years	3 to 5 Years
Expected volatility	40%	40%
Expected dividend yield	0.09% to 0.12% p.a	0.18% p.a
Risk-free interest rate	6.78% to 7.19% p.a	7.00% to 7.08%

Expected life of the options: Expected life of the options is the period for which the company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised, and the maximum life is the period after which the options cannot be exercised.

Expected volatility: The measure of volatility used in ESOP pricing model is the annualised standard deviation of the continuously compounded rates of return (calculated by log function) on the share over a period prior to the date of grant corresponding to the expected life of the option.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields of six financial years preceding the date of grant. The expected dividend yield for the year is derived by dividing the dividend per share by the share price as on dividend effective date.

Risk-free interest rate: The rate used to discount employee benefit obligations reflects the estimated timing of benefit payments and the currency in which the benefits are to be paid. We have used the Discount Rate which relates to the par-yield rate available on ZYC Government Securities (G. Sec.) for the tenure of the expected life of options. (Ref: G Sec. rates available through www.fbil.org.in with prices/yields published by FBIL).

	For the year Ended March 31,	
	2025	2024
a. Weighted average market price of the ESOPs exercised	₹ 205.90 per share	₹ 186.73 per share
b. ESOP cost recognised in the Statement of Profit and Loss (₹ in millions)	100.74	70.63
	As at March 31, 2025	As at March 31, 2024
Receivable from the subsidiary company (CGHFL) with which employees are employed (Amount receivable is difference between the exercise price and fair value of the options)	-	1.47
	As at March 31, 2025	As at March 31, 2024

Reimbursement of cost incurred by the holding company



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

58. Expenditure in Foreign Currency

	FY 2024-25	FY 2023-24
a. Software expenses	5.70	5.22
b. Professional expenses	13.74	7.69

59. Disclosure for insurance commission as required under Insurance Regulatory and Development Authority (IRDA) Regulation

Name of the Insurance Company	FY 2024-25	FY 2023-24
i) Care Health Insurance Limited	135.68	22.75
ii) ICICI Lombard General Insurance Company Limited	56.17	12.90
iii) Niva Bupa Health Insurance Company Limited	21.12	3.10
iv) ICICI Prudential Life Insurance Company Limited	164.68	2.43
v) Hdfc Life Insurance Company Limited	111.12	-
vi) Pnb Metlife India Insurance Company Limited	105.01	-
vii) Go Digit General Insurance Limited	6.04	-
viii) Bajaj Allianz Life Insurance Company Limited	14.72	-
ix) Go Digit Life Insurance Limited	11.16	-
x) Reliance General Insurance Company Limited	2.42	-
Total	628.12	41.18

60. Other Statutory Information:

- 60.1 The Group had not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
- 60.2 The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

- 60.3 The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

- 60.4 The Group did not have transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year March 31, 2025.

Details of transaction with Struck off company during the year March 31, 2024 as below:

No.	Name of the struck off company	Nature of Transactions	FY 2023-24	
			Balance outstanding Amount in ₹	Relationship with Struck off Company
1	Kothari Intergroup Limited	Equity shares investor	40.00	Shareholder of the company

- 60.5 The Group did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.
- 60.6 The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries), with the understanding that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 60.7 The Group has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 60.8 The Group did not have any transaction which had not been recorded in the books of account that had been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 60.9 The Group has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

- 60.10 The Group has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- 60.11 The Group has not revalued Intangible assets during the year.
- 60.12 Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts
- 60.13 Compliance with approved Scheme(s) of Arrangements : Not applicable
- 60.14 Borrowed funds have been utilised for the purpose they have been sanctioned and share premium has been utilised in working capital
- 60.15 The title deeds of immovable properties are held in the name of the Holding Company.
- 60.16 The Group has not traded or invested in crypto currency or virtual currency during the financial year.
- 60.17 The Holding Company has registered with Insurance Regulatory and Development Authority of India (IRDAI) as Corporate agent vide CA0881 dated December 07, 2023.

61. **Accounting Software Used for maintenance of Books of Accounts**

The Group has used certain accounting softwares (including one new ERP implemented w.e.f December 1, 2024) for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that no audit trail feature was enabled at database level in respect of one accounting software (the old ERP discontinued on November 30, 2024) for the Group and was not enabled at the database level from April 1, 2024 to July 07, 2024 in respect of another accounting software for the holding company. Further the audit trail feature was not enabled at the application level in respect of one accounting software to log any direct data changes for holding company.

Further, to the extent enabled, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting softwares. Further, we did not come across any instance of audit trail feature being tampered. Additionally, where enabled, the audit trail has been preserved by the holding company and its subsidiary companies as per the statutory requirements for record retention to the extent it was enabled and recorded except for one application the audit trail is not preserved where audit trail feature was enabled on July 08, 2024 at database level for holding company.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(Currency : Indian Rupees in millions)

62. Figures for the previous years have been regrouped/rearranged wherever considered necessary to conform to the figures presented in the current year.

In terms of our report attached

For M S K A & Associates

Chartered Accountants

Firm's Registration Number: 105047W

Prateek Khandelwal

Prateek Khandelwal

Partner

Membership Number: 139144

Place : Mumbai

May 05, 2025



For and on behalf of the Board of Directors of

Capri Global Capital Limited

CIN: U65990MH2006PLC161153

Rajesh Sharma

Rajesh Sharma

Managing Director

DIN 00020037

Place : Mumbai

May 05, 2025

Yashesh Bhatt

Yashesh Bhatt

Company Secretary

ACS-20491

Place: Mumbai

May 05, 2025

Subramanian Ranganathan

Subramanian Ranganathan

Independent Director

DIN 00125493

Place : Mumbai

May 05, 2025

Partha Chakrabarti

Partha Chakrabarti

Chief Financial Officer

Place : Mumbai

May 05, 2025



Independent Auditor's Report**To the Members of Capri Global Capital Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

1. We have audited the accompanying consolidated financial statements of Capri Global Capital Limited ('the Holding Company') and its subsidiaries, i.e., Capri Global Housing Finance Limited & Capri Loans Car Platform Private Limited (the Holding Company and its subsidiaries together referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year/period then ended, and notes to the consolidated financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the 'consolidated financial statements').
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements of a subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in the 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment of loans and advances to customers (Refer Note 2.06G for material accounting policies and Note 52.A for credit risk disclosures)	
As at 31 March 2024, the Group has reported gross loan assets of ₹ 1,36,778.66 millions against which an impairment loss of ₹ 2,566.83 millions has been recorded. The Group recognized impairment provision for loan assets based on the Expected Credit Loss ("ECL") approach laid down under 'Ind AS 109 - Financial Instruments'. The estimation of ECL on financial instruments involves significant management judgement and estimates and the use of different modelling techniques and assumptions which could have a material impact on reported profits. Significant management judgement and assumptions involved in measuring ECL is required with respect to: ➤ ensuring completeness and accuracy of the data considered for assumptions used in the model. ➤ determining the criteria for a significant increase in credit risk. ➤ factoring of future economic variables ➤ techniques used to determine probability of default, loss given default and exposure at default. These parameters are derived from the Group's internally developed statistical models and other historical data.	Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through procedures that included, but were not limited to, the following: • Obtained an understanding of the modelling techniques adopted by the Group including the key inputs and assumptions; • Considered the Group's accounting policies for estimation of expected credit loss on loans and assessing compliance with the policies in terms of Ind AS 109; • Understanding management's updated processes, systems and controls implemented in relation to impairment allowance process. • Accuracy of the computation of the ECL estimate including reasonableness of the methodology and assumption used to determine macro-economic overlays; • Tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording, monitoring of the impairment loss recognized and staging of assets. Also evaluated the controls over the modelling process, validation of data and related approvals;



On the basis of an estimate made by the management, an overlay of ₹ 208.12 millions has been recognized by the Holding Company as at 31 March 2024 on loans basis their performance and outstanding position. The basis of estimates and assumptions involved in arriving at the overlay are monitored by the Holding Company periodically and significantly depend on future developments in the economy. Disclosure The disclosures regarding the Group's application of Ind AS 109 are key to explaining the key judgements and material inputs to the ECL results. Further, disclosures to be provided as per RBI circulars with regards to non-performing assets and provisions is also an area of focus. Considering the significance of the above matter to the overall financial statements, and extent of management's estimates and judgements involved, it required auditor's significant attention. Accordingly, we have identified this as a key audit matter.	• Assessed the critical assumptions and input data used in the estimation of expected credit loss models for specific key credit risk parameters, such as the movement logic between stages, Exposure at default (EAD), probability of default (PD) or loss given default (LGD); • Performed test of details over calculation of ECL, in relation to the completeness and accuracy of the data; • Obtained written representations from management on whether they believe significant assumptions used in calculation of expected credit losses are reasonable; and • Assessed the appropriateness and adequacy of the related presentation and disclosures of Note 39 "Financial risk management" disclosed in the accompanying financial statements in accordance with the applicable accounting standards and related RBI circulars and Resolution Framework.
--	--

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's management & the Board of Directors are responsible for the other information. The other information comprises the information to be included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Board of Director's Responsibilities for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, RBI Guidelines and other accounting principles generally accepted in India. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.
8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of respective Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on the internal financial controls system with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and the Board of Directors;
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



12. We communicate with those charged with governance of the Holding Company, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The consolidated financial statements include the audited financial statements of a subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 44,820.20 million as at 31 March 2024, total revenue (before consolidation adjustments) of ₹ 4,871.90 million and net profit after tax (before consolidation adjustments) of ₹ 716.99 million and net cash inflows of ₹ 3,909.20 million for the year ended on that date, as considered in the consolidated financial statements, which has been audited by its independent auditor. The independent auditor's report on the financial statements of this entity has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and the report of the statutory auditor of a subsidiary company incorporated in India which was not audited by us, we report that the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.



17. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and a subsidiary included in the consolidated financial statements of the Company, we report that there are no qualifications or adverse remarks in these CARO reports.
18. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of a subsidiary, as noted in 'other matters paragraph', we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books and the report of the other auditor, except for the matters stated in paragraph 18(g)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules");
 - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
 - e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company and reports of the statutory auditor of its subsidiary companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I' wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on the separate financial statements of the subsidiaries as noted in other matter paragraph:



- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 38 to the consolidated financial statements;
- ii. The Group has made provision as at 31 March 2024, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024;
- iv.
 - a. The management has represented that, to the best of its knowledge and belief as disclosed in note 60.6 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The management, as disclosed in the note 60.7 to the accompanying consolidated financial statements has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed, as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement;
- v. The dividend declared during the year ended 31 March 2024 by the Holding Company is in compliance with section 123 of the Act; and
- vi. Based on our examination, which included test checks, the Group has used various accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software, except in the case of the Holding Company in respect of customer masters in two accounting software and databases maintained in accounting software where the audit trail feature was not enabled throughout the year and non-availability of sufficient appropriate audit evidence regarding recording of audit trail in respect of two sunset software which were



discontinued during the year. Based on our procedures performed, we did not notice any instance of the audit trail feature being tampered with except in respect of one accounting software where the Holding Company could not provide sufficient appropriate audit evidence that audit trail feature has not been tempered anytime during the year. In respect of the aforesaid masters, databases and software, in the absence of audit trail for the said period, the question of our commenting on whether the audit trail was tampered with, does not arise. Refer note 62 to the consolidated financial statements.

For M M Nissim & Co LLP

Chartered Accountants

Firm's Registration No: 107122W/W100672

Manish

Manish Singhania

Partner

Membership No. 155411

UDIN: 24155411BKGYBW5134

Mumbai

08 May 2024



Annexure I

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 18 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In conjunction with our audit of the consolidated financial statements of Capri Global Capital Limited ('the Holding Company') and its subsidiary (collectively referred as 'Group') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to the consolidated financial statements of Group, as at that date.

Board of Director's Responsibilities for Internal Financial Controls

2. The respective Board of Directors of the companies included in the Group, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.



Annexure I to the Independent Auditor's Report of even date to the members of Capri Global Capital Limited on the consolidated financial statements for the year ended 31 March 2024

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in the subsidiary company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to the consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the consolidated financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to the consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to the consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Annexure I to the Independent Auditor's Report of even date to the members of Capri Global Capital Limited on the consolidated financial statements for the year ended 31 March 2024

Opinion

8. In our opinion, the Group, have in all material respects, adequate internal financial controls with reference to the consolidated financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to the consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the consolidated financial statements insofar as it relates to a subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For M M Nissim & Co LLP
Chartered Accountants
Firm's Registration No: 107122W/W100672



Manish Singhania
Partner
Membership No. 155411
UDIN: 24155411BKGYBW5134



Mumbai
08 May 2024

Capri Global Capital Limited

Consolidated Balance Sheet as at March 31, 2024

(Currency - Indian Rupees in millions)

	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(I) Financial Assets			
(a) Cash and cash equivalents	3	6,396.49	14,765.14
(b) Bank balances other than cash and cash equivalents	4	349.72	335.07
(c) Derivative financial instruments	17	41.05	-
(d) Receivables			
(i) Trade receivables	5	1,366.85	332.34
(ii) Other receivables	6	52.78	6.92
(e) Loans	7	1,34,211.83	94,816.23
(f) Investments	8	2,162.29	2,155.15
(g) Other financial assets	9	948.51	778.91
		1,45,529.52	1,13,179.76
(II) Non Financial Assets			
(a) Current tax assets (net)	10	279.24	195.04
(b) Deferred tax assets (net)	11	706.25	476.09
(c) Property, plant and equipment	12	3,210.08	2,839.92
(d) Capital work-in-progress	13	0.79	25.22
(e) Intangible assets under development	14	190.37	148.05
(f) Intangible assets	15	285.55	69.67
(g) Other non financial assets	16	1,295.17	1,079.44
		5,967.45	4,833.43
Total Assets		1,51,496.97	1,18,013.19
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Derivative financial instruments	17	-	75.72
(b) Payables	18		
i) Trade payables			
Total outstanding dues of micro and small enterprises		5.44	6.52
Total outstanding dues of creditors other than micro and small enterprises		1,305.32	960.95
ii) Other Payables	19		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		211.32	144.99
(c) Debt securities	20	1,521.65	4,386.14
(d) Borrowings (other than debt securities)	21	1,02,547.48	70,726.87
(e) Other financial liabilities	22	6,994.44	5,696.67
		1,12,585.65	81,997.86
(II) Non-Financial Liabilities			
(a) Current tax liabilities (net)	10	24.53	12.92
(b) Provisions	23	274.90	214.96
(c) Other non-financial liabilities	24	346.18	132.79
		545.61	360.67
EQUITY			
(a) Equity share capital	25	824.94	412.31
(b) Other equity	26	37,540.77	35,242.35
		38,365.71	35,654.66
Total Liabilities and Equity		1,51,496.97	1,18,013.19

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For M M Nissim & Co LLP

Chartered Accountants

(Firm's Registration No. 107122W W100672)



Manish Singhania

Partner

Membership No. - 155411

Place - Mumbai

May 08, 2024



For and on behalf of the Board of Directors of

Capri Global Capital Limited

CIN: U65990MH2006PLC161153



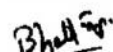
Rajesh Sharma

Managing Director

DIN: 00020037

Place - Mumbai

May 08, 2024



Yashesh Bhatt

Company Secretary

ACS-20491

Place - Mumbai

May 08, 2024



Subramanian Ranganathan

Independent Director

DIN: 00125493

Place - Mumbai

May 08, 2024



Partha Chakraborti

Chief Financial Officer

Place - Mumbai

May 08, 2024



Capri Global Capital Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

Particulars	Note No.	For year ended March 31, 2024	For year ended March 31, 2023
(I) Revenue from operations			
a) Interest income	27	18,227.83	11,681.95
b) Fee and commission income	28	2,306.35	1,540.97
c) Net gain on fair value change	29	412.61	213.41
d) Net gain on derecognition of financial instruments under amortised cost	30	1,018.10	557.90
e) Sale of services		630.99	265.07
f) Other operating income	31	532.69	383.18
Total revenue from operations		23,128.57	14,642.48
(II) Other income	32	13.40	16.53
Total income		23,141.97	14,659.01
(III) Expenses			
(a) Finance costs	33	8,359.01	5,330.37
(b) Fees and commission expense		1,093.48	257.76
(c) Impairment on financial instruments	34	912.78	650.87
(d) Employee Benefits Expenses	35	6,236.92	4,060.77
(e) Depreciation, amortization and impairment	12 & 15	878.70	439.13
(f) Others expenses	36	2,004.68	1,232.27
Total expenses		19,485.57	11,976.17
(IV) Profit before tax for the year (I + II - III)		3,656.40	2,682.84
(V) Tax Expense :			
(a) Current tax		1,099.90	653.96
(b) Deferred tax		(227.54)	(6.41)
(c) Short / (Excess) provision for earlier years		(10.02)	(11.25)
		862.34	636.30
(VI) Net profit after tax for the year (IV - V)		2,794.06	2,046.54
(VII) Other Comprehensive Income			
(a) Items that will not be reclassified to profit and loss			
(i) Remeasurement on defined benefit plans		(28.77)	(12.50)
(ii) Income Tax impact on above		7.24	3.15
Total (a)		(21.53)	(9.35)
(b) Items that will be reclassified to profit and loss			
(i) Fair Value Gain on time value of forward element of forward contract in hedging relationship		(39.46)	(29.53)
(ii) Fair Value Gain on loans measured at Fair value through OCI		-	-
Income Tax impact on above (i & ii)		9.93	7.43
Total (b)		(29.53)	(22.10)
Other Comprehensive income (a+b)		(51.06)	(31.45)
(VIII) Total Comprehensive Income for the year (VI + VII)		2,743.00	2,015.09
(IX) Earnings per equity share in Rupees (Face value ₹ 1 each)			
Basic	37	3.39	2.55
Diluted	37	3.36	2.54

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For M M Nissim & Co LLP

Chartered Accountants

(Firm's Registration No. 107122W W100672)

Danish
Manish Singhania
Partner

Membership No. - 155411
Place - Mumbai
May 08, 2024



For and on behalf of the Board of Directors of

Capri Global Capital Limited

CIN: U65990MH2006PLC161153

Rajesh

Rajesh Sharma
Managing Director
DIN 00020037
Place - Mumbai
May 08, 2024

Subramanian

Subramanian Ranganathan
Independent Director
DIN 00125493
Place - Mumbai
May 08, 2024

Bhattacharya
Yashesh Bhatt
Company Secretary
ACS-20491
Place - Mumbai
May 08, 2024

Partha Chakraborti

Partha Chakraborti
Chief Financial Officer
Place - Mumbai
May 08, 2024



Capri Global Capital Limited

Consolidated Statement of cash flow for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Particulars	For year ended Mar-24	For year ended Mar-23
A Cash flow from operating activities		
Profit before tax	3,656.40	2,682.84
Adjustments for		
Depreciation & amortisation	878.70	439.13
Impairment on financial instruments	896.32	640.39
Net Gain on Fair Valuation of Financial Instruments	(412.61)	(213.40)
Net Gain on Derecognition of Financial Instruments	(1,009.98)	(546.63)
Loss/(Gain) on sale of Fixed Assets	(2.89)	1.07
Write off - Fixed Assets	2.55	1.75
Gain on early termination of Lease	(0.90)	(0.37)
Gain on sale of Investment Property	(1.35)	(12.56)
Gain on sale of Investments	(2.91)	-
Share Based Payments to employees	70.63	141.75
Interest on Lease liability	342.25	147.62
Interest income	(18,220.90)	(11,670.64)
Finance cost	8,016.76	5,182.75
Interest received	17,541.17	11,495.92
Interest Paid	(8,437.73)	(5,377.49)
Operating cash flow before working capital changes	3,315.51	2,912.13
<i>Add / (Less): Adjustments for working capital changes</i>		
(Increase)/Decrease in		
Loans	(39,797.56)	(32,672.70)
Trade receivables	(67.45)	295.85
Other Financial Assets	(171.29)	(531.25)
Other Non-financial Assets	(212.82)	(737.32)
Increase/(Decrease) in		
Trade payables	412.48	699.35
Other financial liability	633.37	673.47
Derivative instrument	(156.23)	33.76
Other Non-financial liability	113.39	42.07
Provision	77.86	59.95
Cash used in operations	(35,852.74)	(29,224.69)
Income taxes paid (Net of Refunds Received)	(1,147.92)	(844.63)
Net cash used in operating activities - A	(37,000.66)	(30,069.32)
B Cash flow from investing activities		
Increase/(decrease) in Fixed deposits not considered as cash and cash equivalent	(7.23)	(23.56)
Purchase of property, plant and equipment and intangible assets	(635.74)	(1,160.75)
Intangible Assets Under Development	(42.33)	(124.83)
Capital work-in-progress	24.43	(25.22)
Proceeds from sale of property and equipment	73.32	1.41
Purchase of Mutual Fund units	(410.43)	(17,194.60)
Proceed from sale of mutual fund units	497.58	18,332.29
Purchase of shares/bonds	112.51	311.20
Investment in shares of subsidiaries	-	207.77
Proceeds from Sale of investment (PTC)	807.65	181.18
Purchase of Investment (PTC)	(602.37)	-
Interest received on PTC	112.10	138.37
Proceeds from sale of Investment Properties	-	10.76
Net cash generated from / (used in) investing activities - B	(70.51)	654.02
C Cash flow from financing activities		
Debt securities Issued	-	-
Debt securities Redeemed (Net)	(2,666.67)	(176.79)
Proceed from Borrowings other than debt securities	57,086.81	40,517.96
Repayment of Borrowings other than debt securities Repaid	(28,194.44)	(13,297.40)
Other short term loan (net)	3,151.37	(58.05)
Payments for the principal portion of the lease liability	(226.88)	(156.08)
Payments for the interest portion of the lease liability	(342.25)	(147.62)
Dividends paid	(103.08)	(79.83)
Proceed from issue of equity Shares	11.75	14,347.89
Right issue expenses	(18.81)	-
Proceeds from ESOP	4.72	5.09
Net cash generated from financing activities - C	28,702.52	40,955.17



Capri Global Capital Limited**Consolidated Statement of cash flow for the year ended March 31, 2024**

(Currency : Indian Rupees in millions)

Particulars	For year ended Mar-24	For year ended Mar-23
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	<u>(8,368.65)</u>	<u>11,539.87</u>
Cash and cash equivalent as at the beginning of the year	14,765.14	3,225.27
Cash and cash equivalent as at the end of the year	6,396.49	14,765.14
Components of cash and cash equivalents		
a) Cash on hand	97.81	164.66
b) Balances with Banks (of the nature of cash and cash equivalents)		
i) In current accounts	4,455.38	3,220.67
ii) Fixed deposits with original maturity of 3 Months or less	1,750.83	11,352.23
c) Cheques on hand	92.47	27.58
Total cash and cash equivalents	<u>6,396.49</u>	<u>14,765.14</u>

Notes:

1. Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities
2. Figures in brackets represent outflows

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For M M Nissim & Co LLP

Chartered Accountants

(Firm's Registration No. 107122W/W100672)

**Manish Singhania**

Partner

Membership No. - 155411

Place: Mumbai

May 08, 2024



For and on behalf of the Board of Directors of

Capri Global Capital Limited

CIN: U65990MH2006PLC161153

**Rajesh Sharma**

Managing Director

DIN: 00020037

Place: Mumbai

May 08, 2024

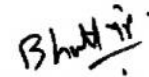
Subramanian Ranganathan

Independent Director

DIN: 00125493

Place: Mumbai

May 08, 2024

**Yashesh Bhatt**

Company Secretary

ACS-20491

Place: Mumbai

May 08, 2024

**Partha Chakraborti**

Chief Financial Officer

Place: Mumbai

May 08, 2024



Capri Global Capital Limited
Consolidated statement of changes in equity as at March 31, 2024
(Currency: Indian Rupees in millions)

A. Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Issued, subscribed and fully paid up equity shares outstanding				
As at the beginning of the year				
Changes in equity share capital due to prior period errors				
Restated balance as at the beginning of the year	20,61,52,844	412.31	17,56,54,055	351.31
Add: Shares issued during the year	20,61,52,844	412.31	17,56,54,055	351.31
Add: Shares issued for split of face value	82,149	0.16	3,04,98,789	61.00
Add: Bonus Shares issued during the year	20,62,34,993	-	-	-
Less: Shares bought back during the year	41,24,69,986	412.47	-	-
Balance as at March 31, 2024	82,49,39,972	824.94	20,61,52,844	412.31

B. Other Equity

Particulars	Reserves and Surplus		Statutory Reserves		Section 207 of the National Housing Bank Act, 1987	Total
	General Reserve	Securities Premium	Retained Earnings	Employee Share Option Outstanding		
Balance as at April 01, 2022	642.05	4,541.13	10,605.88	105.08	2,731.73	244.70
Changes in accounting policy, prior period errors						
Restated balance as at April 01, 2022	642.05	4,541.13	10,605.88	105.08	2,731.73	244.70
Profit for the year	-	-	2,046.54	-	-	-
Other comprehensive income: (losses) for the year	-	-	(87.91)	-	-	-
Dividends	-	-	-	-	-	-
Securities premium proceeds received on rights issue of equity shares	-	14,268.06	-	-	-	-
On account of ESOP exercised, lapsed	-	25.34	-	148.37	-	-
Transfer from: (to) retained earnings	-	-	(448.06)	-	283.08	164.98
Balance as at March 31, 2023	642.05	18,834.53	12,116.45	253.45	3,014.81	409.68
Changes in accounting policy, prior period errors						
Restated balance as at March 31, 2023	642.05	18,834.53	12,116.45	253.45	3,014.81	409.68
Profit for the year	-	-	2,794.08	-	-	-
Other comprehensive income: (losses) for the year	-	-	(103.08)	-	-	-
Dividends	-	-	-	-	-	-
Securities premium proceeds received on rights issue of equity shares	-	-	-	-	-	-
On account of ESOP exercised, lapsed	17.29	11.58	-	60.91	-	-
Transfer from: (to) retained earnings	-	-	(459.52)	-	396.12	143.40
Utilised for issue of Bonus shares	-	(412.47)	-	-	-	-
Unamortised right issue expenses amortised	-	(18.81)	-	-	-	-
Balance as at March 31, 2024	659.34	18,414.83	14,267.91	314.36	3,410.93	553.08

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For M M Nissim & Co LLP
Chartered Accountants
(Firm's Registration No. 107122W-W100672)

(Signature)
Manish Singhania
Partner
Membership No. - 155411
Place: Mumbai
May 08, 2024



For and on behalf of the Board of Directors of

Capri Global Capital Limited
CIN: U65900MH2006PLC161153

(Signature)

(Signature)
Rajesh Sharma
Managing Director
DIN: 00020937
Place: Mumbai
May 08, 2024

(Signature)
Vishesh Bhatt
Company Secretary
ACS-2(49)
Place: Mumbai
May 08, 2024

(Signature)
Subramanian Ranganathan
Independent Director
DIN: 00125493
Place: Mumbai
May 08, 2024

(Signature)
Partha Chakrabarti
Chief Financial Officer
Place: Mumbai
May 08, 2024



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

1 Corporate Information

Capri Global Capital Limited ("the Company/Holding Company") having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged in the business of providing loans to Micro, Small and Medium Enterprises (MSMEs) long term finance for construction of residential houses in India, Indirect Lending, Gold Loan and Unsecured Business Loan in India and in providing ancillary services related to the said business activities. The Holding Company is NBFC – Investment and Credit Company (NBFC-ICC), holding a Certificate of Registration No. B-13.01882 from the Reserve Bank of India ("RBI") dated November 05, 2007, having CIN: L65921MH1994PLC173469.

Capri Global Housing Finance Limited (the Subsidiary Company) having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged in the business of providing loans primarily to customers for purchase / construction / repair and renovation of residential property. The Company holds registration certificate No. 07.0139.16 with National Housing Bank under section 29A of the National Housing Bank Act, 1987 dated July 18, 2016.

Capri Loans Car Platform Private Limited (the Subsidiary Company) having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged primarily in the business of car loan distribution. The Company holds certificate of incorporation vide No. U66190MH2023PTC412270 in pursuant to sub-section (2) of section 7 and sub-section (1) of section 8 of the Companies Act, 2013 (18 of 2013) and rule 18 of the Companies (Incorporation) Rules, 2014 with effect from October 16, 2023.

The consolidated financial statements relate to the Holding Company and its subsidiary companies (together referred as the "Group").

The consolidated financial statements as at and for the year ended March 31, 2024 were authorised for issue in accordance with a resolution of the Board of Directors on May 08, 2024.

2 Material accounting policies

2.01 Basis of Consolidation

2.01.A The following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Capri Global Housing Finance Limited - 100% wholly owned subsidiary (CGHFL)

Capri Loans Car Platform Private Limited – 100% wholly owned subsidiary incorporated on October 16, 2023 (CLCPPL)

For details of the subsidiary companies considered for consolidation refer note 53

2.01.B Principles of Consolidation:

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) 110 - "Consolidated Financial Statements" notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The consolidated financial statements have been prepared on the following basis:

a) The financial statements of Group have been combined on a line by line basis of like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries.

For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the consolidated financial statements as at March 31, 2024

b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Holding Company's separate financial statements. Appropriate adjustments have been made in the financial statements of the subsidiaries with respect to different accounting policies for like transaction and events in similar circumstances for the purpose of preparation of consolidated financial statements.

c) Elimination of the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.

d) The financial statements of the subsidiaries used in consolidation are drawn up to the same reporting date as that of the Holding Company i.e. as at / for the year ended March 31, 2024.



①

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

2.02 Statement of compliance and basis of preparation and presentation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, Master Direction – Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 with the circular No. RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/2023-24 Dated October 19, 2023 and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI. (Previously Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as amended ('the RBI Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.) The Group uses accrual basis of accounting except in case of significant uncertainties [Refer note 2.04 (A),(C),(D),(E)]. Accounting policies have been consistently applied to all periods presented unless otherwise stated.

Any application of guidance / clarification / directions issued by RBI / NIIB or other regulations are implemented prospectively when they become applicable.

The consolidated financial statement has been prepared in accordance with and comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The preparation of consolidated financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Group are discussed in Note 2.13 Significant accounting judgements, estimates and assumptions.

The consolidated financial statements are presented in Indian Rupees (₹) millions and all values are rounded to two decimal, except when otherwise indicated.

2.03 Presentation of financial statement

The Group presents its balance sheet in the order of liquidity.

The Group prepares and present its Consolidated Financial Statements in the format prescribed by Division III of Schedule III to the Act as amended from time to time.

Financial assets and financial liabilities are generally reported on a gross basis except when there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

2.04 Revenue from operations

2.04.A Interest Income

Interest income is recognised by applying Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at Fair Value Through Profit and Loss (FVTPL) taking into account the amount outstanding and the applicable interest rate. In case of credit-impaired financial assets (as set out in note no. 2.06 (G) regarded as 'Stage 3'), the Group recognises interest income on the amortised cost net of impairment loss of the financial asset. If the financial asset is no longer credit impaired, the Group reverts to calculating interest income on a gross basis.

The EIR is computed

- As the rate that exactly discounts estimated future cash payments or receipts through the weighted average behavioral life of the financial asset to the gross carrying amount of a financial asset.
- By considering all the contractual terms of the financial instrument (for example prepayment, extension, call and similar options) in estimating the cash flows.
- Including all fees paid or received between parties to the contract that are an integral part of the effective interest rate transaction cost, and all other premiums or discounts.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Loan processing fees on loans is collected towards processing of loan. These are amortised on EIR basis over the weighted average behavioral life of the loan for MSME, Gold loan, Home Loan and Unsecured business loan and over the contractual tenure for Construction Finance and Indirect Lending.

2.04.B Fees & Commission Income

The Group recognises the fee and commission income not integral to EIR under Ind AS 109 in accordance with the terms of the relevant customer contracts / agreement and when it is probable that the Group will collect.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation. Fees for sale of services are accounted as and when the service is rendered, provided there is reasonable certainty of its ultimate realisation.

Bounce/ penal charges levied on customers for non-payment/delayed in payment of instalment on the contractual date & Foreclosure charges collected from loan customers for early payment / closure of loan are recognised on a point in time basis and are recorded when realised.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery.

Commission on Insurance Policies sold is recognised on accrual basis when the Holding Company under its agency code sells the insurance policies.

2.04.C Sale of service

Sale of services includes advertising income, representing income earned from the activities incidental to the business and is recognised when the service is performed. Revenue is net of applicable indirect taxes as per the terms of the contract.

2.04.D Net gain on Fair value changes

Any differences between the fair values of financial assets classified as FVTPL held by the Group on the balance sheet date is recognised as an unrealised gain / loss. In case there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss, the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

However, Net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

2.04.E Assignment transactions

In accordance with Ind AS 109, in case of assignment transactions with significant transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognized from the Balance Sheet immediately upon execution of such transaction. Further, the transfer of financial assets qualifies for derecognition to the extent of portion transferred. The whole of the interest spread is at its present value (discounted over the life of the asset) is recognized on the date of derecognition itself as interest only strip receivable (interest strip on assignment) and correspondingly recognized as profit on derecognition of financial asset.

2.05 Expenses

2.05.A Finance costs

Finance costs on borrowings paid towards availing of loan is amortised on EIR basis over the contractual life of loan.

The EIR in case of a financial liability is computed

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

- b. By considering all the contractual terms of the financial instrument in estimating the cash flows
 - c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts
- Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the liability.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee, etc. provided these are incremental costs that are directly related to the issue of a financial liability.

2.05.B Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

The Group provides a defined contribution plan for all the eligible employees of the Group who have opted to receive benefits under the Provident Fund and Employees State Insurance Scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Group has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit schemes

The Group provides a defined benefit retirement plan for gratuity covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary at each Balance Sheet date using the Projected Unit Credit Method which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at half yearly intervals.

The Group fully contributes all ascertained liabilities to The Trustees – CGCL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Financial Services Limited Employee Group Gratuity Assurance Scheme) and CGHFL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Securities Private Limited Employee Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the Insurance Regulatory and Development Authority (IRDA) approved Insurance Companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

2.05.C Leases Rent

The Group leases most of its office facilities under operating lease agreements that are renewable on a periodic basis at the option of the lessor and the lessee. The lease agreements contain rent free periods and rent escalation clauses.

The Group assesses whether a contract contains a lease at the inception of the contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether (i) the contract involves the use of an identified asset, (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a Right-of-Use (ROU) assets and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. ROU assets represent the Group's right to use an underlying asset for the lease term and lease liabilities represent the Group's obligation to make lease payments arising from the lease. For short-term leases and low value leases, the Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

The lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the lease term.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. For leases under which the rate implicit in the lease is not readily determinable, the Group uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset, if the Group changes its assessment as to whether it will exercise an extension or a termination option.

At initial recognition the carrying value of the refundable deposits is taken at present value of all expected future principal repayments discounted using market rates prevailing at the time of inception. For Interest expenses, the difference between present market value and deposit made is recognised as prepayment and amortised in the Statement of Profit and Loss over the benefit period on systematic basis. Interest income is recognised at the prevailing market rates.

2.05.D Impairment of non-financial assets

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.05.E Taxes

Income Tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss, other comprehensive income or directly in equity when they relate to items that are recognized in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty if any related to income taxes. It is measured using tax rates (and tax law) enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity.

Goods and Services Tax /Service Tax/Value Added Taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/service tax/value added taxes paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

ii. When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from or payable to the taxation authority is included as part of receivables or payables in the balance sheet.

2.06 Financial instruments

Financial assets and financial liabilities are recognised in the Group's Balance Sheet on trade date, i.e. when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues of financial assets or financial liabilities carried at fair value through the profit or loss account are recognised immediately in the Statement of Profit or Loss. Trade Receivables are measured at transaction price.

2.06.A (i) Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost.

2. Financial assets to be measured at fair value through profit or loss account.

The classification depends on the contractual terms of the financial assets, cash flows and the Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

► How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.

► The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.

► How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

► The expected frequency, value and timing of sales are also important aspects of the Group's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

2.06.B Financial assets measured at amortised cost

These financial assets comprises of bank balances, receivables, investments and other financial assets.

Financial assets

Financial assets are measured at amortised cost where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding, and
- b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These Financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost.

2.06.C Items at Fair Value Through Profit or Loss (FVTPL)

Items at Fair Value Through Profit or Loss comprise:

- Investments (including equity shares) held for trading;
- debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at FVTPL are initially recognised at fair value with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments designated as measured at FVTPL

Upon initial recognition, financial instruments may be designated FVTPL. A financial asset may only be designated at FVTPL if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at FVTPL if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at FVTPL, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Group has not designated any financial instruments as measured at fair value through profit or loss.

2.06.D Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds and costs that are an integral part of the Effective Interest Rate (EIR).

2.06.E Reclassification

If the business model under which the Group holds financial assets undergoes changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described in subsequent paragraphs.

2.06.F Recognition and Derecognition of financial assets and liabilities

Recognition:

- a) Loans and Advances are initially recognised when the Financial Instruments are transferred to the customers.
- b) Investments are initially recognised on the settlement date.
- c) Debt securities and borrowings are initially recognised when funds are received by the Group.
- d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset such as a loan to a customer when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI). In case of an existing exposure to the borrower in the Group, the newly recognised loans are classified as per the staging of the existing exposure.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification

a) Financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if the Group has transferred its contractual rights to receive cash flows from the financial asset.

A transfer only qualifies for derecognition, if either:

- The Group has transferred substantially all the risks and rewards of the asset, or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the Statement of Profit or Loss.

2.06.G Impairment of financial assets

Overview of the ECL principles

The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, referred to in 'financial instruments' section. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss) unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group has grouped its loan portfolio into Micro, Small and Medium Enterprises (MSMEs), Construction Finance, Indirect Lending, Gold Loan, Home Loan and Unsecured business loan.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest Days Past Due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances (past due for 0 to 30 days) under this category. Stage 1 loans also include facilities where the credit risk has reduced and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets past due for 31 to 90 days are classified under this stage and lifetime ECL is recognised on such financial assets. Stage 2 loans also include facilities where the credit risk has reduced, and the loan has been reclassified from Stage 3.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. More than 90 days Past Due is considered as default for classifying a financial instrument as credit impaired.

Credit-impaired financial assets:

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- d) The disappearance of an active market for a security because of financial difficulties.

The mechanics of ECL:

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD)

Probability of Default (PD) is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors.

Loss Given Default (LGD)

Loss Given Default (LGD) is defined as the loss rate on the exposure, given the borrower has defaulted. LGD is being calculated for all financial instruments under risk parameter approach by way of evaluation of historical data on defaults, recovery amounts, collateral liquidation, direct expenses, and opportunity cost for each default.

Exposure at Default (EAD)

The Exposure at Default (EAD) is an estimate of the exposure at a future default date including the undrawn commitments. EAD is taken as the gross exposure under a facility upon default of an obligor. The principal outstanding, overdue principal, accrued interest, overdue interest less excess received from the customers is considered as EAD for the purpose of ECL computation.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD determined by the Group based on its internal data/external data. While the internal estimates of PD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Collateral repossessed

In its normal course of business, Group repossess assets under SARFAESI/ Arbitration Act, but do not transfer these assets in its book of accounts. The Group continues to show these loans account as Non-Performing Assets (NPA) in the books till the liquidation of the secured assets through public auction and realise actual payment against these loans.

2.06.11 Write-offs

The Group reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

2.06.I Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments (as explained in note) at fair value on each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation are significant and are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Difference between transaction price and fair value at initial recognition

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is not recognised at the initial recognition stage.

2.06.J Derivative Financial Instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its floating rate borrowings arising from changes in interest rates and exchange rates at inception of designated hedging relationships.

The Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item determined on a present value basis from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. Change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

2.07 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.08 Property, plant and equipment

Property, Plant and Equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, if any. The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation

Depreciation is calculated using the Written Down Value (WDV) method to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Act. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

2.09 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end.

Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years unless it has a shorter useful life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible under development"

2.10 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

2.11 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements

2.12 Earning Per Share

The Group reports basic and diluted Earnings Per Share (EPS) in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.13 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

2.13.A Defined employee benefit assets and liabilities - Refer 2.05.B

2.13.B Impairment of loans portfolio - Refer 2.06.G

2.13.C Effective Interest Rate (EIR) method - Refer 2.04.A and 2.05.A

2.13.D Lease accounting - Refer 2.05.C

2.13.E Impairment test of non-financial assets - Refer 2.05.D

2.13.F Useful life of property, plant, equipment and intangibles - Refer 2.08 and 2.09

2.13.G Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions - Refer 2.05.E

2.13.H Recognition and Measurement of Provision and Contingencies - Refer 2.10 and 2.11

2.13.I Determination of the fair value of financial instruments - Refer 2.06.I

2.13.J Business Model Assessment - Refer 2.06.A

2.14 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified new standards or amendments to the existing standards applicable to the Group for current reporting period.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
3. Cash and cash equivalents		
a) Cash on hand	97.81	164.66
b) Balances with Banks (of the nature of cash and cash equivalents)		
i) in current accounts	4,455.38	3,220.67
ii) in deposit accounts having original maturity less than 3 months	1,750.83	11,352.23
c) Cheques, drafts on hand	92.47	27.58
Total	6,396.49	14,765.14
Of the above, the balances that meet the definition of Cash and Cash equivalent as per Ind AS 7 "Statement of Cash Flows"	6,396.49	14,765.14
4. Bank balances other than cash and cash equivalents		
Other Bank balances		
a) In fixed deposit accounts		
i) Fixed deposit accounts with maturity more than 3 months	349.57	334.88
b) In earmarked accounts		
i) Unclaimed dividend account	0.15	0.19
Total	349.72	335.07

Notes :

- Out of the above ₹ 328.03 millions (as at March 31, 2023: ₹ 320.46 millions) balance in deposit accounts with banks are being earmarked towards overdraft facilities, bank guarantee and against customer advance
- Deposits are made for varying period from 7 days to 10 years and earn interest from 4.9% to 8.7% p.a.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
5. Trade receivables		
a) Trade receivables considered good - Secured	1,373.10	332.83
Trade receivables considered good - Unsecured	3.67	0.91
b) Trade receivables which have significant increase in credit risk		
i) Secured, considered doubtful	-	-
ii) Unsecured, considered doubtful	-	-
c) Trade receivables - Credit impaired	-	-
	<u>1,376.77</u>	<u>333.74</u>
Less: Impairment loss allowance	(9.92)	(11.40)
Total	<u>1,366.85</u>	<u>322.34</u>

Note :

1. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
2. No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

6. Other receivables

a) Other Receivables considered good - Secured	52.78	6.92
b) Other Receivables considered good - Unsecured	-	-
c) Other Receivables which have significant increase in credit risk	-	-
d) Other Receivables - Credit impaired	-	-
	<u>52.78</u>	<u>6.92</u>
Less: Allowance for expected credit losses	-	-
Total	<u>52.78</u>	<u>6.92</u>



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

5.A Trade receivables - Ageing Schedule

As at March 31, 2024

	Unbilled due	Current but Not due	Outstanding for the following period from due date of payments:				Total
			Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 Years more than 3 years	
a) Undisputed - Considered Good	-	461.08	914.66	0.93	0.10	-	1,376.77
b) Undisputed - considered credit impaired	-	-	-	-	-	-	-
c) Disputed - Considered Good	-	-	-	-	-	-	-
d) Disputed - considered credit impaired	-	-	-	-	-	-	-
Total (Gross)	-	461.08	914.66	0.93	0.10	-	1,376.77
Less: Loss allowance for doubtful debts	-	-	(8.89)	(0.93)	(0.10)	-	(9.92)
Total Trade Receivables (Net)	-	461.08	905.77	-	-	-	1,366.85

As at March 31, 2023

	Unbilled due	Current but Not due	Outstanding for the following period from due date of payments:				Total
			Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 Years more than 3 years	
Trade Receivables	-	-	-	-	-	-	-
a) Undisputed - Considered Good	-	0.87	332.87	-	-	-	333.74
b) Undisputed - considered credit impaired	-	-	-	-	-	-	-
c) Disputed - Considered Good	-	-	-	-	-	-	-
d) Disputed - considered credit impaired	-	-	-	-	-	-	-
Total (Gross)	-	0.87	332.87	-	-	-	333.74
Less: Loss allowance for doubtful debts	-	-	(11.40)	-	-	-	(11.40)
Total Trade Receivables (Net)	-	0.87	321.47	-	-	-	322.34

6.A Other receivables - Ageing Schedule

	Unbilled due	Current but Not due	Outstanding for the following period from due date of payments:				Total
			Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 Years more than 3 years	

As at March 31, 2024

a) Undisputed - Considered Good	-	-	52.78	-	-	-	52.78
---------------------------------	---	---	-------	---	---	---	-------

As at March 31, 2023

a) Undisputed - Considered Good	-	-	6.92	-	-	-	6.92
---------------------------------	---	---	------	---	---	---	------



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
7. Loans		
A. Category of loans wise details		
I. At amortised cost		
Term loans	1,36,714.04	96,563.72
Loan to employees	11.00	3.43
II. At Fair value through profit or loss		
Secured		
Term loans	-	-
III. At Fair value through OCI		
Secured		
Term loans	-	-
IV. Purchased or Originated as Credit Impaired (POCI)		
Secured		
Term loans	53.62	43.55
Total (i) - Gross	1,36,778.66	96,610.70
Less: Impairment loss allowance		
a at Amortised cost	(2,566.83)	(1,794.47)
b at Fair value through profit or loss	-	-
c at Fair value through OCI	-	-
Total (A) - Net	1,34,211.83	94,816.23
B. Nature of Security wise details		
I. At Amortised cost		
i) Secured by Tangible Assets	1,33,631.72	93,152.76
ii) Secured by Book Debts	2,662.55	3,410.96
iii) Unsecured	484.39	3.43
II. At Fair value through profit or loss		
i) Secured by Tangible Assets	-	-
ii) Secured by Book Debts	-	-
III. At Fair value through OCI		
i) Secured by Tangible Assets	-	-
ii) Secured by Book Debts	-	-
Total (B) - Gross	1,36,778.66	96,567.15
Less: Impairment loss allowance	(2,566.83)	(1,794.47)
Total (B) - Net	1,34,211.83	94,772.68
C. Location wise details		
i) Loans in India		
a Public Sector	-	-
b Others	1,36,778.66	96,589.55
Total	1,36,778.66	96,589.55
ii) Loans outside India	-	-
Total (C) - Gross	1,36,778.66	96,589.55
Less: Impairment loss allowance	(2,566.83)	(1,794.47)
Total (C) - Net	1,34,211.83	94,795.08

Notes:

- The Group business model is to hold contractual cash flows, being the payment of Principal and Interest till maturity and accordingly the loans are measured at amortised cost.
- Underlying for the term loans secured by tangible assets are properties and Gold Jewellery.
- The Group does not have any loans outside India.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023			
8. Investments					
A.					
Investments Carried at fair value through profit and loss					
a) Mutual Fund (Quoted / Unquoted)	1,553.35	1,364.72			
b) Equity Shares - Listed	24.32	-			
Investments Carried at amortised cost					
a) Investments in Debt Securities					
i) Pass Through Certificates	584.62	790.43			
	2,162.29	2,155.15			
B.					
i. Investments outside India	-	-			
ii. Investments in India	2,162.29	2,155.15			
	2,162.29	2,155.15			
C. Script wise details of investments					
	Face Value	As at March 31, 2024	As at March 31, 2023		
		Quantity	Amt.	Quantity	Amt.
A. Investment in Pass Through Certificates (Unquoted)					
i. Indian Receivable Trust 2019 Series 5 - Series A2 PTC 01 Mar 2019		2,318	584.62	2,318	790.43
B. Investment in Mutual Fund units (Quoted)					
1 DSP Liquidity Fund - Direct Plan - Growth		-		46,707	150.28
2 ICICI Pru Floating Interest Fund -Direct Growth		-		4,52,359	150.71
3 Aditya Birla Sunlife Liquid Fund		-		6,92,366	251.39
4 Axis Mutual Fund		37,312	100.13	80,395	201.06
5 Nippon India Money Market Fund		-		1,00,752	357.42
6 ICICI Prudential Ultra Short Fund		-		1,00,34,017	253.86
7 Aditya Birla Sunlife Money Manager Fund		5,90,305	201.17	-	-
8 Nippon Liquid Fund		16,945	100.13	-	-
9 DSP Liquid Fund		29,012	100.13	-	-
10 Tata Money Market Fund		34,442	150.43	-	-
11 SBI Savings Fund		74,30,107	300.48	-	-
12 SBI Liquid Fund		26,495	100.13	-	-
13 Mirae Liquid Fund		39,262	100.13	-	-
14 ICICI Prudential Liquid Fund		2,80,163	100.13	-	-
15 ICICI Prudential Money Market Fund		8,60,399	300.49	-	-
C. Investments in Equity shares (Quoted)					
i. Alpex Solar Limited	10	73,200	24.32		-
Total			2,162.29		2,155.15



(Handwritten signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
9. Other financial assets		
Unsecured, considered good		
a) Security Deposits	118.79	127.37
b) Spread receivable on assigned portfolio	807.33	622.01
c) Accrued Income	6.70	28.16
d) Others	15.69	1.37
	<u>948.51</u>	<u>778.91</u>
Less: Impairment loss allowance	-	-
Total	<u>948.51</u>	<u>778.91</u>
10. Current tax assets and Current tax liabilities		
A Current tax assets (net)	279.24	195.04
[Advance tax net of provision for tax ₹ 3,836.61 millions (March 31, 2023 : ₹ 3,843.80 millions)]		
Total	<u>279.24</u>	<u>195.04</u>
B Current tax liabilities (Net)	24.53	12.92
[Provision for tax net of Advance tax ₹ 1,394.56 millions (March 31, 2023 : ₹ 323.10 millions)]		
Total	<u>24.53</u>	<u>12.92</u>
11. Deferred tax assets (net)		
A. Deferred tax assets / (Deferred tax liabilities)		
a) Difference between WDV as per books and tax books	82.99	39.16
b) Provision for loans	593.57	464.90
c) Provision for compensated absences	53.63	29.73
d) Unamortised fees income	-	1.54
e) ECL on interest on NPA	104.14	66.56
f) Others (net)	77.64	32.47
Total Deferred Tax Assets	<u>911.97</u>	<u>634.36</u>
a) Amortised Finance Cost	(0.23)	(0.68)
b) Unrealised gain on financial instruments at FVTPL	(2.29)	(1.05)
c) Gain on derecognition of financial instruments	(203.19)	(156.54)
Total Deferred tax liabilities	<u>(205.72)</u>	<u>(158.27)</u>
Net Deferred tax assets / (Deferred tax liabilities)	<u>706.25</u>	<u>476.09</u>

B. For yearly movement in balances of deferred tax assets/(liabilities) refer Note no. - 44



(Handwritten signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

12. Property, plant and equipment

Particulars	Property, plant and equipment							Right-of-use assets
	Buildings (A)	Leasehold Premises (B)	Computer Hardware (C)	Furniture and Fixtures (D)	Office Equipments (E)	Vehicles (F)	Electrical Installation (G)	H = A+B+C+D+E+F+G Total
A. Gross carrying amount								
Balance as at April 01, 2022	2.70	22.85	128.81	49.36	33.43	62.70	9.82	309.67
Addition	-	164.29	173.76	367.03	220.77	14.78	140.85	1,081.48
Disposal	-	0.43	10.44	0.55	2.63	11.15	0.22	25.42
Balance as at March 31, 2023	2.70	186.71	292.13	415.84	251.57	66.33	150.45	1,365.73
Addition	-	124.16	81.48	83.79	110.18	11.60	(77.84)	333.37
Disposal	-	-	2.64	3.33	8.73	18.53	62.42	95.65
Balance as at March 31, 2024	2.70	310.87	370.97	496.30	353.02	59.40	10.19	1,603.45
B. Accumulated Depreciation / amortisation								
Balance as at April 01, 2022	0.60	17.65	82.28	36.50	27.42	42.65	7.67	214.77
Depreciation / Amortisation expense	0.10	19.59	79.94	40.23	41.28	7.68	14.70	203.52
Disposal	-	0.35	9.84	0.40	2.47	7.95	0.19	21.20
Balance as at March 31, 2023	0.70	36.89	152.38	76.33	66.23	42.38	22.18	397.09
Depreciation / Amortisation expense	0.10	68.64	127.81	88.92	111.98	7.78	(13.52)	391.71
Disposal	-	-	2.23	2.48	2.85	15.53	0.05	23.14
Balance as at March 31, 2024	0.80	105.53	277.96	162.77	175.36	34.63	8.61	765.66
C. Net carrying amount (A-B)								
As at March 31, 2022	2.10	5.20	46.53	12.86	6.01	20.05	2.15	94.90
As at March 31, 2023	2.00	149.82	139.75	339.51	185.34	23.95	128.27	968.64
As at March 31, 2024	1.90	205.34	93.01	333.53	177.66	24.77	1.58	837.79

13 Capital work-in-progress

Balance as at April 01, 2022	-	-	-	-	-	-	-	-
Addition	-	-	71.17	207.26	175.23	-	51.77	505.43
Disposal	-	-	65.84	192.20	170.40	-	51.77	480.21
Balance as at March 31, 2023	-	-	5.33	15.06	4.83	-	-	25.22
Addition	-	-	13.34	125.90	74.25	-	-	213.49
Disposal	-	-	18.66	140.58	78.68	-	-	237.92
Balance as at March 31, 2024	-	-	0.01	0.38	0.40	-	-	0.79



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

	As at March 31, 2024	As at March 31, 2023
14 Intangible assets under development		
Opening balance as at April 1	148.04	23.20
Addition	171.47	156.85
Deduction	(129.14)	(32.00)
Closing balance as at March 31	190.37	148.05

Aging of Capital work-in-progress & Intangible assets under development

As at March 31, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1 Intangible Assets under development	169.25	15.76	5.36	-	190.37
2 Capital work in progress	0.47	0.32	-	-	0.79

As at March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1 Intangible Assets under development	136.99	11.06	-	-	148.05
2 Capital work in progress	25.22	-	-	-	25.22

15. Intangible assets

Particulars	Computer Software (A)	Trade Mark (B)	Total C = (A+B)
A. Gross carrying amount			
Balance as at April 01, 2022	107.22	-	107.22
Addition	79.27	-	79.27
Disposal	-	-	-
Balance as at March 31, 2023	186.49	-	186.49
Addition	302.18	0.17	302.35
Disposal	16.22	-	16.22
Balance as at March 31, 2024	472.45	0.17	472.62
B. Accumulated Depreciation / amortisation			
Balance as at April 01, 2022	81.56	-	81.56
Depreciation / Amortisation expense	35.26	-	35.26
Disposal	-	-	-
Balance as at March 31, 2023	116.82	-	116.82
Depreciation / Amortisation expense	86.05	-	86.05
Disposal	15.80	-	15.80
Balance as at March 31, 2024	187.07	-	187.07
C. Net carrying amount (A-B)			
As at March 31, 2022	25.66	-	25.66
As at March 31, 2023	69.67	-	69.67
As at March 31, 2024	285.38	0.17	285.55
D. Depreciation and Amortisations for the year	FY 2023-24	FY 2022-23	
a) Depreciation on property, plant and equipments	391.73	203.52	
b) Depreciation on right-of-use assets	400.91	200.35	
c) Amortisation of intangible assets	86.06	35.26	
Total	878.70	439.13	



(Signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
16. Other non financial assets		
I. Unsecured, considered good		
a) Prepaid Expenses	110.53	78.36
b) Accrued Income	274.39	419.04
c) Advance to vendor	388.48	236.34
d) Balances with Statutory Authorities	53.88	-
e) Other Assets	4.13	22.00
f) Capital Advances	253.81	178.75
Less: Provision on Capital Advances	-	-
Net Capital Advances	253.81	178.75
g) Assets Held for sale	248.05	187.93
Less: Provision on Assets held for sale	(38.10)	(42.98)
Net Assets Held for sale	209.95	144.95
Total	1,295.17	1,079.44



(Handwritten signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

Particulars		As at March 31, 2024	As at March 31, 2023
17. Derivative financial instruments			
17.A Fair value derivative assets / (liabilities)			
a) Currency derivatives - forwards		41.05	(75.72)
Total Net		41.05	(75.72)
Derivative Assets (net)	(A)	41.05	-
Derivative Liabilities (net)	(B)	-	75.72
Total Net	(A-B)	41.05	(75.72)

17.B As at March 31, 2024

	Notional Amounts *	Fair Value - Assets	Fair Value - Liabilities
Part I			
(i) Currency Derivatives			
Forwards	19,812.31	41.05	-
Total Derivative financial instruments	19,812.31	41.05	-
Part II			
Included in above (Part I) are derivatives held for hedging and risk			
(i) Cashflow Hedging			
Currency derivatives - forwards	19,812.31	41.05	-
(ii) Others			
Total Derivative financial instruments	19,812.31	41.05	-

17.C As at March 31, 2023

	Notional Amounts *	Fair Value - Assets	Fair Value - Liabilities
Part I			
(i) Currency derivatives			
Forwards	14,162.86	-	75.72
Total derivative financial instruments	14,162.86	-	75.72
Part II			
Included in above (Part I) are derivatives held for hedging and risk			
(i) Cashflow Hedging			
Currency Derivatives - Forwards	14,162.86	-	75.72
(ii) Others			
Total derivative financial instruments	14,162.86	-	75.72

Note: * Notional amount of the respective currency has been converted at exchange rate of March 31 of the respective year



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
18. Payables		
a) Micro and small enterprises	5.44	6.52
b) Due to related parties	-	-
c) Due to Others	1,305.32	960.95
Total	1,310.76	967.47
19. Other Payables		
a) Micro and small enterprises	-	-
b) Due to related parties	-	-
c) Due to Others	211.32	144.99
Total	211.32	144.99

Notes:

- i) The amounts due to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

18.A Dues to Micro and Small Enterprises

The details of amounts outstanding to Micro and Small enterprises based on information available with the Company is as under:

- | | | |
|---|------|------|
| i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year: | | |
| - Principal amount due to micro and small enterprises (Not overdue) | 5.44 | 6.52 |
| - Principal amount due to micro and small enterprises (Overdue) | - | - |
| - Interest due on overdue | - | - |
| ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006. | - | - |
| iv) The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006 | - | - |



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

18B & 19A Trade and other payables ageing schedule

As at March 31, 2024

	Unbilled	Outstanding for the following period from due date of payments				Total
		Not due	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years
a) Micro and small enterprises	-	4.62	0.82	-	-	5.44
b) Others	-	1,022.38	492.56	1.63	0.07	1,516.64
c) Disputed - Micro and small enterprises	-	-	-	-	-	-
d) Disputed - Others	-	-	-	-	-	-
Total	-	1,027.00	493.38	1.63	0.07	1,522.08

As at March 31, 2023

	Unbilled	Outstanding for the following period from due date of payments				Total
		Not due	Less than 1 year	1 - 2 years	2 - 3 Years	More than 3 years
a) Micro and small enterprises	-	6.16	0.36	-	-	6.52
b) Others	-	1,051.24	54.44	0.12	0.14	1,105.94
c) Disputed - Micro and small enterprises	-	-	-	-	-	-
d) Disputed - Others	-	-	-	-	-	-
Total	-	1,057.40	54.80	0.12	0.14	1,112.46

Ageing of the trade and other payable is determined from the date of transaction.



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
20. Debt securities		
20.A At amortised cost		
A. Secured		
a) Non convertible debentures (listed, fully paid and privately placed)	1,521.65	4,386.14
B. Unsecured		
a) Commercial Paper	-	-
Total	1,521.65	4,386.14
20.B		
i) Debt securities in India	1,521.65	4,386.14
ii) Debt securities outside India	-	-
Total	1,521.65	4,386.14

20.C Terms of repayment, nature of security & rate of interest

No.	Name of Security	Maturity date	Terms of repayment	Coupon / Interest rate	As at March 31, 2024	As at March 31, 2023
1	Series 5(FV ₹ 10 Lacs)	22-May-23	Bullet payment on maturity	8.80%	-	2,000.00
2	Series 6(FV ₹ 10 Lacs)	05-Jun-23	Bullet payment on maturity	9.00%	-	500.00
3	Series 8(FV ₹ 10 Lacs)	23-Jul-23	Payable in 3 equal annual instalments	8.80%	-	166.67
4	Series 4(FV ₹ 10 Lacs)	09-Aug-29	Bullet payment on maturity	10.23%	1,500.00	1,500.00
Sub Total			(A)		1,500.00	4,166.67
Add	Interest accrued but not due		(B)		21.65	219.85
Less	Unamortised borrowing cost		(C)		-	(0.38)
Total			(A+B-C)		1,521.65	4,386.14

20.D Disclosure under regulation 53(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
Debenture Trustees:
Name : Catalyst Trusteeship Limited

Address : 604, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai - 400098 Contact : + 91 (022) 49220555

20.E Disclosure under regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Related party transaction - Refer Note 54

20.F Disclosure under regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
Asset Cover

The above NCD's are secured against first pari-passu charge by way of hypothecation on the immovable property, loan receivables book debts, bank balances and investments of the Holding Company with asset cover range of 1.34 times.

The Holding Company has not defaulted in the repayment of debt securities and interest thereon for the year ended March 31, 2024 and March 31, 2023 respectively.



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
21 Borrowings (Other than debt securities)		
21.A At amortised cost		
a) Term Loans (Secured)		
i) from banks	85,867.41	61,211.48
ii) from other financial institutions	5,002.05	3,517.78
iii) from National Housing Bank	7,553.15	5,354.11
b) Loans repayable on demand from Banks		
i) Cash credit facility	3,794.87	643.50
ii) Overdraft facility	-	-
c) Loans from related parties	-	-
Inter corporate deposits	330.00	-
Total	1,02,547.48	70,726.87
II a) Borrowings in India	1,02,547.48	70,726.87
b) Borrowings outside India	-	-
Total	1,02,547.48	70,726.87
21.B Security and cost		
a) Term loans from banks		
First pari-passu charge by way of hypothecation of the Group's loan receivables / book debts, bank balances and investments with asset cover of 1.10 to 1.33 times		
Exclusive charge by way of hypothecation of Capri Global Housing Finance limited (CGHFL) loan receivables, bank balances with asset cover of 1.20 times in favour of borrowing from SBI of ₹ 1,075.34 millions		
Weighted average cost for FY 2023-24 is 9.24% p.a. and for FY 2022-23 is 8.51% p.a.		
b) Term loans from others		
Exclusive charge by way of hypothecation of Group's loan receivables with minimum assets cover of 1.25 times in favour of borrowing from NABARD of ₹ 2,000 millions and asset cover of 1.11 to 1.35 times in favour of borrowing from NIIB of ₹ 7,553.15 millions		
First pari-passu charge by way of hypothecation of the Group's loan receivables / book debts, bank balance and investments with asset cover in the range of 1.10 to 1.33 times		
Weighted average cost for FY 2023-24 is 7.24% p.a. and for FY 2022-23 is 6.93% p.a.		
c) Other borrowings		
First pari-passu charge by way of hypothecation of the Group's loan receivables / book debts, bank balance and investments with asset cover of 1.25 times		
Weighted average cost for FY 2023-24 is 8.77% p.a. and for FY 2022-23 is 8.32% p.a.		
21.C Terms of repayment & rate of interest in case of Borrowings (Other than debt securities)		

No.	Nature of Facility	Maturity Range	Interest Range	No. and Amt. of installments Due	As at March 31, 2024	As at March 31, 2023
1	Term Loans	0 - 3 years	8.05% - 10.55%	13 - 20	14,712.47	17,640.55
2	Term Loans	3 - 5 years	8.80% - 10.25%	21 - 26	31,177.06	17,743.79
3	Term Loans	5 - 7 years	8.80% - 10.25%	21 - 26	20,315.30	13,756.79
4	Term Loans	0-3 years	8.37% - 9.90%	3 - 10	3,949.42	3,447.09
5	Term Loans	3-5 years	8.37% - 9.90%	14 - 20	5,191.70	5,169.45
6	Term Loans	5-7 years	8.37% - 9.90%	21 - 28	13,438.48	7,348.57
7	Term Loans	Beyond 7 years	8.37% - 9.90%	28 - 32	2,685.20	-
8	Refinance from NHB	0-3 years	2.8% - 8.10%	0 - 4	94.40	222.69
9	Refinance from NIIB	3-5 years	2.8% - 8.10%	0 - 16	434.18	582.78
10	Refinance from NHB	5-7 years	2.8% - 8.10%	20 - 27	2,950.87	2,431.50
11	Refinance from NIIB	Beyond 7 years	2.8% - 8.10%	32 - 40	4,073.70	2,117.14
12	Cash Credit	NA	9.20% - 9.70%	21 - 26	3,794.87	643.50
13	Inter corporate deposits	0 - 18 months	10%	0 - 18	330.00	-
Sub Total				(A)	1,03,147.65	71,103.85
Less: Term loans EIR				(B)	(188.06)	(90.09)
Less: Unamortised borrowing cost				(C)	(480.56)	(306.82)
Add: Interest accrued but not due				(D)	68.45	19.93
Total				(A-B-C+D)	1,02,547.48	70,726.87

Notes:

The Group has not defaulted in the repayment of borrowings (other than debt) and interest thereon for the year ended March 31, 2024 and March 31, 2023 respectively

The quarterly returns statements of current assets filed by the Group with the banks or financial institutions are in agreement with the books of accounts



Capri Global Capital Limited**Notes to the consolidated financial statements for the year ended March 31, 2024**

(Currency : Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
22. Other financial liabilities		
a) Unpaid unclaimed dividends	0.15	0.19
b) Margin Money from customers	142.60	126.14
c) Book overdraft	3,633.88	3,552.60
d) Excess money received	50.96	-
e) Advances from customers	139.00	79.76
f) Lease liability	2,591.66	1,928.87
g) Auction surplus refundable	5.62	-
h) Others	430.57	9.11
Total	6,994.44	5,696.67
23. Provisions		
a) Provision for Employee Benefits - Gratuity	59.11	28.74
b) Provision for Employee Benefits - Compensated absences	192.38	116.11
c) Provision on non-fund exposure / undrawn commitments	23.41	70.11
Total	274.90	214.96
24. Other non-financial liabilities		
a) Statutory dues payable	183.53	121.52
b) Others	62.65	11.27
Total	246.18	132.79



Capri Global Capital Limited
Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

25. Equity share capital
25.A Share capital authorised, issued, subscribed and paid up

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of ₹ 1 each (Previous year - ₹ 2 each)	2,00,00,00,000	2,000.00	36,00,00,000	720.00
Issued, Subscribed And Fully Paid Up				
Equity Shares of ₹ 1 each (Previous year - ₹ 2 each)	82,49,39,972	824.94	20,61,52,844	412.31

25.B Reconciliations of the number of equity shares and share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	20,61,52,844	412.31	17,56,54,055	351.31
Shares Issued during the year	82,149	0.16	3,04,98,789	61.00
Shares issued for Split of face value	20,62,34,993	-	-	-
Bonus Shares Issued during the year	41,24,69,986	412.47	-	-
Balance at the end of the year	82,49,39,972	824.94	20,61,52,844	412.31

Notes:

- i During the year, the Holding Company has allotted 328,596 equity shares of ₹ 1 - each for consideration of ₹ 11.75 million as ESOPs.
During the previous year, the Holding Company had allotted 7,32,000 equity shares of ₹ 1 - each for consideration of ₹ 12.49 million as ESOPs.

25.C Terms/rights attached to equity shares:

- i The Holding Company has only one class of equity share having a par value of ₹ 1 - per share (Previous year par value - ₹ 2 per share). Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees.
- ii In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.
- iii On March 5, 2024 ("Record Date"), the Holding company has sub-divided split existing Equity Shares from 1 (One) Equity Share of face value of ₹ 2 - (Rupees Two only) each into 2 (Two) Equity Shares face value of ₹ 1 - (Rupee One only) each.
- iv Further, on March 07, 2024, the Holding company has allotted 41,24,69,986 bonus equity shares of ₹ 1 each as fully paid-up bonus equity shares in the ratio of 1 (One) equity share of ₹ 1 - each for every 1 (One) existing equity share of ₹ 1 - each.

25.D Shareholder holding more than 5% of equity shares as at the end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
i Capri Global Holdings Pvt. Ltd.	39,29,03,656	47.63%	9,82,25,914	47.65%
ii Rajesh Sharma	18,36,00,140	22.26%	4,59,00,035	22.27%
iii Life Insurance Corporation Of India	7,79,55,556	9.45%	1,99,75,981	9.69%

25.E Details of shares held by promoters

No.	Particulars	As at March 31, 2024		As at March 31, 2023	
		No. of shares	% Holding	No. of shares	% Holding
Individuals / Hindu Undivided Family					
1	Ramesh Chandra Sharma	1,112	0.00%	278	0.00%
2	Rajesh Sharma	4,000	0.00%	1,000	0.00%
3	Jahnvi Sharma	800	0.00%	200	0.00%
4	Jinsha Sharma	800	0.00%	200	0.00%
5	Raghav Sharma	800	0.00%	200	0.00%
Promoter Trust					
1	Rajesh Sharma	18,36,00,140	22.26%	4,59,00,035	22.27%
Bodies Corporate					
1	Capri Global Holdings Private Limited	39,29,03,656	47.63%	9,82,25,914	47.65%
Total		57,65,11,308	69.89%	14,41,27,827	69.91%



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

25.F Shares reservation :

As at March 31, 2024, 88,49,194 (Previous year - 1,22,41,600) equity shares of ₹ 1 each towards outstanding employee stock options granted (Refer Note - 57).

25.G Objective for managing capital:

The Holding Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, Reserve Bank of India (RBI). The adequacy of the Holding Company's capital is monitored using, among other measures, the regulations issued by the RBI.

There are no shares reserved for issue under options, contracts, commitments for the sale of shares or divestments.

There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash bonus shares bought back.

26. Other equity

a) Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934

Opening balance as at beginning of the year	3,014.81	2,731.73
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	396.12	283.08
Add/Less: Other changes	-	-
Closing balance	<u>3,410.93</u>	<u>3,014.81</u>

b) Statutory Reserve Section 29C of the National Housing Bank Act, 1987

Opening balance as at beginning of the year	409.68	244.70
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	143.40	164.98
Add/Less: Other changes	-	-
Closing balance	<u>553.08</u>	<u>409.68</u>

c) Securities Premium

Opening balance as at beginning of the year	18,834.53	4,541.13
Add: On account of ESOP exercised	11.58	25.34
Add: Proceed from right issue	-	14,268.06
Less: Utilised for issue of Bonus shares	(412.47)	-
Less: Unamortised right issue expenses amortised	(18.81)	-
Closing balance	<u>18,414.83</u>	<u>18,834.53</u>

d) General Reserve

Opening balance as at beginning of the year	642.05	642.05
Add: Changes during the period	17.29	-
Closing balance	<u>659.34</u>	<u>642.05</u>

e) Other reserves & surplus - Employee stock option outstanding

Opening balance as at beginning of the year	253.45	105.08
Add: Changes during the period	60.91	148.37
Closing balance	<u>314.36</u>	<u>253.45</u>

f) Retained earnings

Opening balance as at beginning of the year	12,087.83	10,608.71
Add: Profit for the period	2,794.06	2,046.54
Add: Other Comprehensive Income for the period	(51.06)	(31.45)
Less: transfer to statutory reserve @ 20%	(539.52)	(407.16)
Less: transfer to statutory reserve additional amount	-	(40.90)
Less: Dividend paid	(103.08)	(87.91)
Less: Any other adjustments	-	-
Closing balance	<u>14,188.23</u>	<u>12,087.83</u>
Total	<u>37,540.77</u>	<u>35,242.35</u>



(Handwritten signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

g) Dividend Payment

During the current year the Holding company has paid dividend of ₹ 0.50 per share amounting to ₹ 103.08 millions.
During the previous year the Holding company has paid dividend of ₹ 0.50 per share amounting to ₹ 87.91 millions.

Notes:

a) Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934

Every non-banking financial company is required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared.

b) Statutory Reserve Section 29C of the National Housing Bank Act, 1987

Every housing finance company is required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared.

b) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

d) General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

e) Other reserves & surplus - Employee stock option outstanding

This reserve is used to record the employee stock options which are outstanding. The said reserve will be utilised for issuance of share to the eligible employees.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
27. Interest income		
On Financial Assets measured at Amortised Cost *		
a) Interest on Loans	17,883.48	11,451.64
b) Interest income from investments	111.57	137.04
c) Interest on deposits	223.31	88.22
d) Interest on Others	9.47	5.05
Total	18,227.83	11,681.95
* - As per effective interest rate - Refer Note No. - 2.04.A		
28. Fee and commission income		
a) Application fees	96.02	103.91
b) Commission on loan sourcing	2,169.16	1,437.06
c) Other Commission Income	41.17	-
Total	2,306.35	1,540.97
29. Net gain on fair value change		
a) Profit/(loss) on Trading portfolio - investment in shares	134.37	15.43
b) Profit/(loss) on Trading portfolio - Mutual Fund & Bonds	275.78	197.98
c) Profit/(loss) on REITs	2.46	-
Total Net Gain / (loss)	412.61	213.41
Of the above		
Realised	407.07	212.82
Unrealised	5.54	0.59
Total	412.61	213.41
30. Net gain on derecognition of financial instruments under amortised cost category		
a) Net gain on derecognition of financial instruments	1,002.45	557.31
b) Loss on sale of pool through Direct assignment (DA)	-	-
c) Gain (loss) on sale of investments not designated at fair value	15.65	0.59
Total	1,018.10	557.90
31. Other operating income		
a) Foreclosure Fees	194.80	139.64
c) Other Charges	309.12	223.35
d) Legal charges received	25.12	20.19
e) Other operating revenue	3.65	-
Total	532.69	383.18
32. Other income		
a) Profit on sale of assets (net)	3.02	-
b) Credit balance / Provision no longer required written back	0.51	1.55
c) Profit on sale of Investment Property	2.91	6.30
d) Other income	6.96	8.68
Total	13.40	16.53



(Signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
33. Finance costs		
On Financial liabilities measured at Amortised Cost		
a) Interest on borrowings (other than debt securities)	7,798.89	4,742.90
b) Interest on debt securities	191.29	411.50
c) Interest on bank overdraft	-	1.94
d) Interest on bank CC	2.88	7.22
e) Interest - lease liabilities	342.25	147.62
f) Other finance Charges	23.70	19.19
Total	8,359.01	5,330.37
34. Impairment on financial instruments		
a) Impairment on loans		
i) At amortised cost	771.61	87.69
b) Impairment / (write back) on Undrawn commitments	(46.69)	(23.67)
c) Impairment / (write back) on Others	(11.47)	16.38
d) Write off of Loans	199.33	570.47
Total	912.78	650.87
35. Employee Benefits Expenses		
a) Salaries, allowances and bonus	5,713.50	3,599.54
b) Contribution to Provident fund and other funds		
i) Contribution to Provident fund and funds other than gratuity	304.37	182.57
ii) Contribution to Gratuity	30.33	16.40
c) Share Based Payments to employees	85.70	161.59
d) Staff welfare expenses	101.61	100.67
e) Ex-gratia payments	1.41	-
Total	6,236.92	4,060.77
36. Others expenses		
a) Advertising	170.71	47.49
b) Auditors' Remuneration (Refer note 36 A below)	9.66	5.49
c) Banking charges	14.27	9.21
d) Business Development Expenses	25.46	43.64
e) Corporate Social Responsibility Expenses (Refer note 36 B below)	47.31	48.43
f) Directors' Fees and Commission	11.15	11.50
g) Electricity Charges	94.02	51.37
h) Filing & Other Fees to ROC	10.55	0.10
i) Legal and Professional Expenses	363.68	334.22
j) Loss On Sale of Fixed Assets	0.13	1.07
k) Membership & Subscription Expenses	4.66	3.51
l) Miscellaneous Expenses	478.28	171.89
m) Postage, Telephone and Fax	89.37	53.03
n) Printing and Stationery	45.06	30.57
o) Processing Fees on Co Lending	1.56	7.66
p) Recruitment Expenses	24.87	15.98
q) Rent	41.97	30.45
r) Service fees Subsidiary	11.34	8.71
s) Software Expenses	241.76	133.45
t) Travelling and Conveyance	314.50	226.71
u) Write off - Fixed Assets	2.55	1.76
v) Write off - Others	1.82	1.03
Total	2,004.68	1,237.27



(Signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

Particulars	As at March 31, 2024	As at March 31, 2023
36.A Auditors' Remuneration		
To Holding Company Auditors		
a) For Statutory Audit	3.20	2.23
b) For Tax Audit	0.35	0.33
c) For Limited Review	1.35	1.05
d) For other services (Certification Fees and Interim audit Fees)	0.92	0.34
e) For reimbursement of expenses	0.23	0.15
f) GST to the extent of ITC not availed	0.54	0.35
Total	6.59	4.45
To Subsidiaries Statutory Auditors		
a) For Statutory Audit	0.72	0.25
b) For Tax Audit	0.08	0.07
c) For Limited Review	0.41	0.16
d) For other services (Certification Fees and Interim audit Fees)	1.85	0.47
e) For reimbursement of expenses	0.01	-
f) GST to the extent of ITC not availed	-	0.09
Total	3.07	1.04

36.B Corporate Social Responsibility Expenses

Amount of CSR spent by Group during the year is for purposes other than construction / acquisition of any asset. Gross amount of CSR required to be spent by the Group for the year aggregates to ₹ 47.31 millions (Previous year ₹ 48.43 millions)

i) Amount required to be spent during the year	47.31	48.43
ii) Amount spent during the year	-	-
a) Construction/acquisition of any asset	-	-
b) On purposes other than (a) above	47.31	48.43
iii) Amount offset against CSR Liability	-	-
iv) Amount of shortfall at the end of the year, out of the amount required to be spent	-	-
v) Amount spent from unspent CSR A/c during the financial year	-	-
vi) Total of previous year shortfall	-	-
vii) Nature of CSR activities	Refer note below	Refer note below
viii) Details of related party transactions	-	-

Nature of CSR activities

Women Empowerment, Village Development and Sustainable Environment



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

37. Earning per Share (Ind AS -33)

Particulars	For the year ended March 31,	
	2024	2023
A. Basic Earnings per Share		
a) Profit after tax attributable to equity shareholders	2,794.06	2,046.54
b) Weighted average number of equity shares outstanding during the year (Nos)	82,48,93,735	80,36,95,385
c) Nominal value of equity shares (₹) (Refer Note No. 25.C)	1.00	1.00
d) Basic earnings per share (EPS) (₹)	3.39	2.55
B. Diluted Earnings per Share		
a) Profit after tax attributable to equity shareholders for diluted EPS	2,794.06	2,046.54
b) Weighted average number of equity shares for calculating diluted EPS (Nos)	83,09,35,245	80,58,03,019
c) Nominal value of equity shares (₹) (Refer Note No. 25.C)	1.00	1.00
d) Diluted earnings per share (EPS) (₹)	3.36	2.54
C. No. of equity shares for calculating diluted EPS		
Weighted average number of equity shares for calculating Basic EPS	82,48,93,735	80,36,95,385
Add : Equity shares for no consideration arising on grant of stock options under ESOP	60,41,510	21,07,634
Weighted average number of equity shares for calculating diluted EPS	83,09,35,245	80,58,03,019

38. Contingent liabilities

Particulars	As at March 31,	
	2024	2023
Income Tax matters under dispute	50.77	141.65

39. Capital and other commitments

	As at March 31,	
	2024	2023
i) Estimated amount of contracts remaining to be executed on capital account and not provided	69.84	264.45
ii) Amount payable towards acquisition of Property	76.89	53.15
iii) Other Commitments- Pending disbursements of sanctioned loans	19,049.25	15,441.30

40. There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2024 and March 31, 2023.

41. The Group did not have any long term contracts including derivative contracts for which any provision is required for the foreseeable losses.

42. Segment reporting (Ind AS 108)

The Group operates mainly in the business segment of fund based financing activity. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of IND AS 108 on 'Operating Segments'.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

43 Disclosure pursuant to Ind AS 12 "Income Taxes"

43.A Income Tax recognised in statement of profit and loss

Particulars	For the year ended March 31,	
	2024	2023
Income-tax related to items recognised directly in the statement of profit and loss		
Current income tax:		
i) Current income tax expense	1,099.90	653.96
ii) (Excess) / Short provision for tax relating to prior years	(10.02)	(11.25)
Total	1,089.88	642.71
Deferred tax (benefit) / charge	(227.54)	(6.41)
Total Income tax expense recognised in the current year	862.34	636.30

43.B Reconciliation of income tax expense for the year:

A reconciliation of income-tax expense applicable to profit before income-tax at statutory rate to income-tax expense at the Group's effective income-tax rate for the year ended March 31 is as follows :

Particulars	For the year ended March 31,	
	2024	2023
Profit before tax	3,656.40	2,682.84
Total tax expense (As per Statement of Profit and loss)		
i) Current tax	1,099.90	653.96
ii) Deferred tax	(227.54)	(6.41)
Total Tax Expenses	872.36	647.55
Effective tax rate (%)	23.86	24.14
Adjustments of allowable and non-allowable income and expenses:		
Effect on Effective Tax rate due Permanent Difference		
a) Non allowability of Claim of CSR	47.31	48.42
b) STT & Brokerage	1.28	0.60
c) Asset write off, operational loss and other expenses not allowable	8.43	-
d) OCI on Gratuity	(24.83)	-
e) Deduction under Chapter VI A u/s 80M & 80JJA	(55.49)	(28.78)
f) Income considered separately and other allowable deductions	(125.07)	(125.31)
Total (A)	(148.37)	(105.07)
a) Difference due to Tax Rate of STCG	(132.29)	(16.02)
b) Capital Gain on sale of bonds	(13.57)	-
Total (B)	(145.86)	(16.02)
Total of items affecting tax rate (A+B)	(294.23)	(121.09)

43.C Reconciliation of income tax rate is as follows:

a) Normal Tax Rate	22.00	22.00
b) Surcharge (at 10% of Normal Tax Rate)	2.20	2.20
c) Health and Education Cess	0.97	0.97
Total Tax Rate (%)	25.17	25.17
Effect in Tax rate due to permanent difference	(1.02)	(0.99)
Difference due to Tax Rate of STCG	(0.30)	(0.04)
Effective Tax Rate (%)	23.86	24.14



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

44 Movement in Deferred Taxes

A. Movement in deferred tax balances For the year ended March 31, 2024

Particulars	As at March 31, 2023	Recognised in profit or loss	Recognised in OCI	As at March 31, 2024
Deferred tax assets / (liabilities)				
a) Difference between WDV as per books and tax books	39.16	43.83	-	82.99
b) Impairment allowance for financial assets	464.91	128.66	-	593.57
c) Provision for Employee benefits	29.73	23.90	-	53.63
d) Amortised Fees Income	1.55	(1.55)	-	-
e) ECL on Interest on NPA	66.56	37.58	-	104.14
f) Others (net)	32.46	45.18	-	77.64
g) Amortised Finance Cost	(0.70)	0.47	-	(0.23)
h) Unrealised gain on Financial Instruments at FVTPL	(1.03)	(1.26)	-	(2.29)
i) Gain on derecognition of financial instruments*	(156.55)	(46.64)	-	(203.19)
Total	476.09	230.17	-	706.26

*As per Ind AS 109 'Financial Instruments', on derecognition of loans, the Group recognise difference between the carrying amount (measured at the date of derecognition) and consideration received (including new asset obtained less any new liability assumed) as gain in Statement of profit and loss account. Such gain recognised on derecognition of loans is not a real income as per Income tax Act, 1961, hence is offered to tax over the tenure of loans.

Accordingly, deferred tax liability has been created on the Spread receivable on assigned portfolio (Co-lending portfolio).

Deferred Tax assets created on account of past years tax adjustments has been shown and adjusted against tax expenses provided for earlier years.

Particulars	As at April 01, 2022	Recognised in profit or loss	Recognised in OCI	As at March 31, 2023
Deferred tax assets / (liabilities)				
a) Difference between WDV as per books and tax books	24.25	14.91	-	39.16
b) Impairment allowance for financial assets	359.09	105.82	-	464.91
c) Provision for Employee benefits	15.21	14.52	-	29.73
d) Amortised Fees Income	4.21	(2.66)	-	1.55
e) ECL on Interest on NPA	-	66.56	-	66.56
f) Others (net)	7.11	25.35	-	32.46
g) Amortised Finance Cost	(1.40)	0.70	-	(0.70)
h) Unrealised gain on Financial Instruments at FVTPL	0.76	(1.79)	-	(1.03)
i) Gain on derecognition of financial instruments *	(42.40)	(114.15)	-	(156.55)
Total	366.83	109.26	-	476.09

Deferred Tax Assets / Liabilities are calculated at the applicable rate of 25.17% for the year ended March 31, 2023 and 2024



(Signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

45. Employee benefits - Disclosure pursuant to Ind AS 19 'Employee Benefits'

45.A Defined contribution plans

The Group's state governed provident fund scheme are defined contribution plan for its employees. The contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from group or retirement whichever is earlier. The benefit vests immediately on rendering of services by the employee.

	For the year ended March 31,	
	2024	2023
i) Group's contribution to provident fund	278.66	163.93
ii) Group's contribution to National Pension Scheme	6.26	4.17

45.B Defined Benefit Plan

The Group has a defined benefit gratuity plan in India (funded). The Group's defined benefit gratuity plan is a final salary plan for its employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at separation/retirement. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

a) Principal assumptions used for the actuarial valuations are as follows:

Principal assumptions used for the actuarial valuations are as follows:		Capri Global Capital Limited (CGCL)	
		As at March 31,	
		2024	2023
Discount Rate		7.14 % p.a	7.20 % p.a
Rate of return on plan assets		7.14 % p.a.	7.20 % p.a
Salary Escalation		10.20 % p.a.	9.00 % p.a
Attrition Rate			
For service 2 years and below		29.6% (Attrition	50.00%
For service 3 years to 4 years		rate for all service	30.00%
For service 5 years and above		group)	20.00%
Mortality Table		Indian Assured Lives Mortality 2012-14 (Urban)	
		Capri Global Housing Finance Limited (CGHFL)	
		As at March 31,	
		2024	2023
Discount Rate		7.14 % p.a	7.20 % p.a.
Rate of return on plan assets		7.14 % p.a.	7.20 % p.a.
Salary Escalation		8.50 % p.a.	8.50 % p.a.
Attrition Rate			
For service 4 years and below		35.00%	35.00%
For service 5 years and above		20.00%	20.00%
Mortality Table		Indian Assured Lives Mortality 2012-14 (Urban)	
		Capri Loan Car Platform Private Limited (CLCPPL)	
		As at March 31,	
		2024	
Discount Rate		7.16 % p.a	
Rate of return on plan assets		NA	
Salary Escalation		9.00% p.a	
Attrition Rate		Nil	
Mortality Table		Indian Assured Lives Mortality 2012-14 (Urban)	

b) The following table sets out the status of the Defined Benefit Gratuity Plan as per the actuarial valuation by the independent Actuary appointed by the Group -



(Signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

Change in defined benefit obligations:

	For the year ended March 31,	
	2024	2023
Defined benefit obligation, beginning of the year	78.86	54.24
Current service cost	28.26	15.66
Past service cost	-	-
Interest cost	5.68	3.06
Remeasurements (gains) / losses		
Actuarial (gains) / losses		
arising from changes in demographic assumptions	8.29	(13.05)
arising from changes in financial assumptions	4.35	6.40
arising from changes in experience adjustments	16.70	19.76
Benefits paid from plan assets	(12.09)	(7.19)
Net transfer in / (out) (and effect of any business combinations/ divestitures/transfers)	-	-
Defined benefit obligation, end of the year	130.05	78.88

Change in plan assets:

Fair value of plan assets, beginning of the year	50.15	41.09
Interest income	3.61	2.32
Remeasurements gains / (losses)	-	-
Return on plan assets, (excluding amount included in net Interest expense)	0.56	0.62
Employer's contributions	28.71	13.30
Transfer in/(out) of assets	-	-
Net transfer in / (out) (and effect of any business combinations/ divestitures/transfers)	-	-
Benefits paid	(12.09)	(7.19)
Fair value of plan assets, end of the year	70.94	50.14

c) Amount recognized in the balance sheet consists of:

	As at March 31,	
	2024	2023
Present value of defined benefit obligation	130.05	78.88
Fair value of plan assets	70.94	50.14
Net liability / (assets)	59.11	28.74

d) The amounts recognised in the Statement of Profit and Loss are as follows:

		For the year ended March 31,	
		2024	2023
Service Cost			
Current service cost		28.26	15.66
Past service cost		-	-
Total Service cost	(i)	28.26	15.66
Net interest cost			
Interest expense on Defined Benefit Obligation (DBO)		5.68	3.06
Interest (income) on plan assets		(3.61)	(2.32)
Total Interest cost	(ii)	2.07	0.74
Defined benefit cost included in Statement of Profit and Loss	(iii) = (i+ii)	30.33	16.40
Remeasurements recognised in other comprehensive income (OCI)			
Actuarial (gains) / losses on defined benefit obligation			
Due to changes in demographic assumptions		8.29	(13.05)
Due to changes in financial assumptions		4.35	6.40
Due to changes in experience adjustments		16.70	19.76
Return on plan assets (excl. interest income)		(0.56)	(0.62)
Total remeasurement in other comprehensive income (OCI)	(iv)	28.78	12.49
Total Defined benefit cost included in Statement of P&L and OCI	(v) = (iii + iv)	59.11	28.89



(Signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

e) The fair value of the plan assets for India are as follows:

	2024	As at March 31, 2023
a) Insurer managed funds	70.94	50.14

f) Maturity Analysis of benefit payments

Projected Benefits Payable in Future Years From the Date of Reporting

	2024	As at March 31, 2023
1st Following Year	21.15	12.40
2nd Following Year	16.95	11.72
3rd Following Year	17.26	10.19
4th Following Year	21.24	10.19
5th Following Year	20.73	10.10
Sum of Years 6 To 10	54.53	32.93
Sum of Years 11 and above	25.34	26.40

The estimates of future salary growth, factored in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. Such estimates are very long term and are not based on limited past experience / immediate future. Empirical evidence also suggests that in very long term, consistent high salary growth rates are not possible. The said estimates and assumptions have been relied upon by the auditors.

g) Sensitivity analysis

Sensitivity Level	For the year ended March 31,			
	2024 1% increase	2023 1% increase	2024 1% decrease	2023 1% decrease
Impact on defined benefit obligation				
i) Discount Rate	(4.63)	(3.17)	5.00	3.47
ii) Future Salary Increases	4.62	3.11	(4.39)	(2.94)
iii) Employee Turnover	(2.45)	(0.98)	2.53	1.03

Note :

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



(Signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

46. Leases

- A. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

B. Group as a lessee

The Group's lease asset classes primarily consist of leases for premises. The Group assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

- C. The details of Right to use Asset of the Group are as follows:

Asset Class	Leasehold Property As at March 31,	
	2024	2023
Balance as at beginning of the year (net)	1,871.28	223.12
Add: Additions during the year	931.59	1,885.98
Less: Deductions during the year on account of modification / termination of leases	(29.65)	(37.47)
Less: Depreciation	(400.93)	(200.35)
Closing Balance as at March 31	2,372.29	1,871.28

- D. Following is the movement in lease liabilities for the period

Balance as at beginning of the year	1,928.88	248.20
Add: Additions / modification during the year	902.76	1,815.91
Less: Deductions / modification during the year	(32.11)	(37.59)
Add: Interest Expense	342.25	147.62
Less: Lease Payments	(550.12)	(245.27)
Closing Balance as at March 31	2,591.66	1,928.87

- E. Contractual maturities of lease liabilities on an undiscounted basis

Tenure	As at March 31,	
	2024	2023
Less than 1 year	571.47	404.82
1-3 years	1,169.47	813.06
3-5 years	1,003.33	733.79
More than 5 years	1,282.47	1,128.80
Total	4,026.74	3,080.47

- F. Right-of-use Assets and Lease liabilities related expenses booked in Statement of Profit and Loss

	For the year ended March 31,	
	2024	2023
a. Depreciation on Right-of-use Assets	400.91	200.35
b. Interest on Lease liabilities	342.25	147.62
Total	743.16	347.97

- G. Short term Leases (in Statement of Profit and Loss)

	For the year ended March 31,	
	2024	2023
i) Office premises / Branch offices	24.62	19.17
Total	24.62	19.17

Notes:

The entity has adequate liquidity for payment of lease liabilities. The Group regularly monitor and pays lease rentals on timely manner as per the terms of respective leave and license agreement.

The Group has right to extend lease term as per mutually agreed terms laid down in respective leave and license agreement. The Group takes into account effect of extended lease term while recording the lease assets and lease liabilities accordingly.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

47. Credit Risk
47.A MSME Loans
47.A.1 Credit quality of assets

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	35,102.30	-	-	35,102.30
Standard grade	1,762.48	-	-	1,762.48
Sub-standard grade	-	1,206.54	-	1,206.54
Past due but not impaired	-	1,209.80	-	1,209.80
Restructured	-	821.87	-	821.87
Credit Impaired	-	-	-	-
Non Performing				
Individually impaired	-	-	1,678.84	1,678.84
Gross exposure (A)	36,864.78	3,238.21	1,678.84	41,781.83
Less: ECL (B)	197.27	507.34	766.94	1,471.55
Net exposure (C) = (A - B)	36,667.51	2,730.87	911.90	40,310.28

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	32,421.23	-	-	32,421.23
Standard grade	1,610.49	-	-	1,610.49
Sub-standard grade	-	2,071.71	-	2,071.71
Past due but not impaired	-	-	-	-
Restructured	-	1,209.89	-	1,209.89
Credit Impaired	-	-	-	-
Non Performing				
Individually impaired	-	-	1,305.84	1,305.84
Gross exposure (A)	34,031.72	3,281.60	1,305.84	38,619.16
Less: ECL (B)	160.17	160.17	160.17	480.51
Net exposure (C) = (A - B)	33,871.55	3,121.43	1,145.67	38,138.65

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	>90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.A.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	34,031.72	3,281.60	1,305.84	38,619.16
New Assets Originated or Purchased	12,522.57	198.23	104.75	12,825.55
Assets derecognised or repaid (excluding write offs)	(8,611.97)	(512.48)	(312.31)	(9,436.76)
Transfer to Stage 1	624.39	(489.83)	(134.56)	-
Transfer to Stage 2	(1,255.72)	1,377.91	(122.19)	-
Transfer to Stage 3	(426.60)	(576.96)	1,003.56	-
Amounts written off *	(19.61)	(40.26)	(166.25)	(226.12)
Gross carrying amount closing balance	36,864.78	3,238.21	1,678.84	41,781.83

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	25,927.74	4,706.16	1,276.66	31,910.56
New Assets Originated or Purchased	14,720.12	145.29	20.44	14,885.85
Assets derecognised or repaid (excluding write offs)	(6,901.73)	(445.08)	(178.27)	(7,525.08)
Transfer to Stage 1	1,363.63	(1,104.51)	(259.12)	-
Transfer to Stage 2	(797.03)	876.33	(79.30)	-
Transfer to Stage 3	(202.42)	(549.45)	751.87	-
Amounts written off *	(78.59)	(347.14)	(226.44)	(652.17)
Gross carrying amount closing balance	34,031.72	3,281.60	1,305.84	38,619.16

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

47. Credit Risk
47.A MSME Loans
47.A.3 Reconciliation of ECL balance is given below

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	164.58	638.22	338.34	1,141.14
New Assets Originated or Purchased	84.65	24.12	243.51	352.28
Assets derecognised or repaid (excluding write offs)	(44.69)	(140.30)	(28.47)	(213.46)
Transfer to Stage 1	15.91	(94.92)	(33.26)	(112.27)
Transfer to Stage 2	(14.60)	208.31	(34.12)	159.59
Transfer to Stage 3	(7.82)	(100.93)	362.21	253.46
Other movements (on account of change in EAD)	-	-	-	-
Amounts written off	(0.76)	(27.16)	(81.27)	(109.19)
ECL Allowance - Closing Balance	197.27	507.34	766.94	1,471.55

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	189.15	691.08	393.17	1,273.40
New Assets Originated or Purchased	48.15	5.90	0.52	54.57
Assets derecognised or repaid (excluding write offs)	(104.15)	(29.25)	(4.64)	(138.04)
Transfer to Stage 1	11.51	(100.44)	(70.15)	(159.08)
Transfer to Stage 2	(7.27)	158.89	(23.85)	127.77
Transfer to Stage 3	(1.59)	(100.30)	194.71	92.82
Other movements (on account of change in EAD)	30.55	124.02	(10.17)	144.40
Amounts written off	(1.77)	(141.68)	(141.25)	(284.70)
ECL Allowance - Closing Balance	164.58	638.22	338.34	1,141.14

47.A.4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties

47.A.5 Advances (LTV band wise) :

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	15,268.18	259.53
>50% <= 70%	23,283.96	401.29
>70% <= 90%	1,549.28	43.78
>90% <= 100%	1.57	0.01

47.A.6 Credit impaired advances (LTV band wise) :

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	498.70	232.04
>50% <= 70%	1,039.76	468.79
>70% <= 90%	140.38	66.11
>90% <= 100%	-	-

47.A.7 Reconciliation with Note No.7 :

	As at March 31, 2024	As at March 31, 2023
Gross advances as per Note No. 47.A.1	41,781.83	38,619.16
Reconciliation		
Co lending adjustment	(17.11)	(0.28)
Interest accrued and overdue on NPA	359.47	328.80
Provision for ECL on Interest income on NPA Loan	(354.22)	(286.41)
Unamortised fees	(282.57)	(425.63)
Others	(23.99)	(25.45)
Gross advances as per Note No. 7	41,463.41	38,210.19



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

47. Credit Risk
47.B Construction Finance Loans
47.B.1 Credit quality of assets

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	25,459.85	-	-	25,459.85
Standard grade	-	-	-	-
Sub-standard grade	-	503.45	-	503.45
Past due but not impaired	-	-	-	-
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	249.49	249.49
Gross exposure (A)	25,459.85	503.45	249.49	26,212.79
Less: ECL (B)	150.92	48.87	200.85	400.64
Net exposure (C) = (A - B)	25,308.93	454.58	48.64	25,812.15

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	18,085.71	-	-	18,085.71
Standard grade	-	-	-	-
Sub-standard grade	-	170.38	-	170.38
Past due but not impaired	-	-	-	-
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	44.98	44.98
Gross exposure (A)	18,085.71	170.38	44.98	18,301.07
Less: ECL (B)	150.46	9.70	44.98	205.14
Net exposure (C) = (A - B)	17,935.25	160.68	-	18,095.93

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	>90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.B.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	18,085.71	170.38	44.98	18,301.07
New Assets Originated or Purchased	15,697.67	148.61	0.26	15,846.54
Assets derecognised or repaid (excluding write offs)	(7,630.83)	(233.48)	(25.53)	(7,889.84)
Transfer to Stage 1	54.35	(54.35)	-	-
Transfer to Stage 2	(472.29)	472.29	-	-
Transfer to Stage 3	(274.76)	-	274.76	-
Amounts written off *	-	-	(44.98)	(44.98)
Gross carrying amount closing balance	25,459.85	503.45	249.49	26,212.79

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

47. Credit Risk
47.B Construction Finance Loans

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	12,119.37	557.36	-	12,676.73
New Assets Originated or Purchased	10,704.51	54.66	-	10,759.17
Assets derecognised or repaid (excluding write offs)	(4,929.74)	(162.85)	(42.24)	(5,134.83)
Transfer to Stage 1	292.11	(292.11)	-	-
Transfer to Stage 2	(95.54)	95.54	-	-
Transfer to Stage 3	(5.00)	(82.22)	87.22	-
Amounts written off *	-	-	-	-
Gross carrying amount closing balance	18,085.71	170.38	44.98	18,301.07

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

47.B.3 Reconciliation of ECL balance is given below

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	150.46	9.70	44.98	205.14
New Assets Originated or Purchased	82.53	0.44	-	82.97
Assets derecognised or repaid (excluding write offs)	(64.81)	(7.54)	-	(72.35)
Transfer to Stage 1	0.26	(2.16)	-	(1.90)
Transfer to Stage 2	(9.46)	48.43	-	38.97
Transfer to Stage 3	(8.06)	-	200.85	192.79
Amounts written off	-	-	(44.98)	(44.98)
ECL Allowance - Closing Balance	150.92	48.87	200.85	400.64

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	91.52	21.23	-	112.75
New Assets Originated or Purchased	96.70	2.92	-	99.62
Assets derecognised or repaid (excluding write offs)	(49.44)	(7.16)	-	(56.60)
Transfer to Stage 1	12.22	(13.34)	-	(1.12)
Transfer to Stage 2	(0.51)	6.49	-	5.98
Transfer to Stage 3	(0.03)	(0.44)	44.98	44.51
Amounts written off	-	-	-	-
ECL Allowance - Closing Balance	150.46	9.70	44.98	205.14

47.B.4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties

47.B.5 Reconciliation with Note No.7 :

	As at March 31, 2024	As at March 31, 2023
Gross advances as per Note No. 47.B.1	26,212.79	18,301.07
Reconciliation		
Unamortised fees	(438.01)	(334.60)
Others	-	(23.41)
Gross advances as per Note No. 7	25,774.78	17,943.06



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

47. Credit Risk
47.C Gold Loans
47.C.1 Credit quality of assets

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	25,782.12	-	-	25,782.12
Standard grade	1,091.97	-	-	1,091.97
Sub-standard grade	-	724.36	-	724.36
Past due but not impaired	-	369.04	-	369.04
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	268.19	268.19
Gross exposure (A)	26,874.09	1,093.40	268.19	28,235.68
Less: ECL (B)	148.65	4.17	30.21	183.03
Net exposure (C) = (A - B)	26,725.44	1,089.23	237.98	28,052.65

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	9,750.46	-	-	9,750.46
Standard grade	782.93	-	-	782.93
Sub-standard grade	-	523.63	-	523.63
Past due but not impaired	-	185.91	-	185.91
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	12.78	12.78
Gross exposure (A)	10,533.39	709.54	12.78	11,255.71
Less: ECL (B)	57.01	3.51	0.67	61.19
Net exposure (C) = (A - B)	10,476.38	706.03	12.11	11,194.52

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	>90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.C.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	10,533.39	709.54	12.78	11,255.71
New Assets Originated or Purchased	26,873.00	1,085.87	257.51	28,216.38
Assets derecognised or repaid (excluding write offs)	(10,512.25)	(708.53)	(13.32)	(11,234.10)
Transfer to Stage 1	0.16	(0.16)	-	-
Transfer to Stage 2	(7.66)	7.66	-	-
Transfer to Stage 3	(12.42)	(0.70)	13.12	-
Amounts written off *	(0.13)	(0.28)	(1.90)	(2.31)
Gross carrying amount closing balance	26,874.09	1,093.40	268.19	28,235.68



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

47. Credit Risk

47.C Gold Loans

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	-	-	-	-
New Assets Originated or Purchased	10,533.39	709.54	12.78	11,255.71
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off *	-	-	-	-
Gross carrying amount closing balance	10,533.39	709.54	12.78	11,255.71

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

47.C.3 Reconciliation of ECL balance is given below

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	57.01	3.51	0.67	61.19
New Assets Originated or Purchased	148.65	4.14	29.12	181.91
Assets derecognised or repaid (excluding write offs)	(56.89)	(3.49)	(0.66)	(61.04)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(0.05)	0.01	-	(0.04)
Transfer to Stage 3	(0.07)	-	1.08	1.01
ECL Allowance - Closing Balance	148.65	4.17	30.21	183.03

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	-	-	-	-
New Assets Originated or Purchased	57.01	3.51	0.67	61.19
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
ECL Allowance - Closing Balance	57.01	3.51	0.67	61.19

47.C.4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying for the term loans secured by tangible assets are Gold Jewelleries

47.C.5 Advances (LTV band wise) :

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
≤ 50%	551.31	2.32
>50% ≤ 70%	3,038.49	16.47
>70% ≤ 90%	24,377.69	134.03
>90% ≤ 100%	-	-

47.C.6 Credit impaired advances (LTV band wise) :

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
≤ 50%	121.09	10.72
>50% ≤ 70%	5.08	0.64
>70% ≤ 90%	142.02	18.85
>90% ≤ 100%	-	-

47.C.7 Reconciliation with Note No.7 :

	As at March 31, 2024	As at March 31, 2023
Gross advances as per Note No. 47.C.1	28,235.68	11,255.71
Reconciliation		
Co lending adjustment	0.17	-
Unamortised fees	(5.21)	(5.37)
Others	(267.10)	2.34
Gross advances as per Note No. 7	27,963.54	11,252.68



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

47. Credit Risk

47.D Indirect Retail Lending (IRL)

47.D.1 Credit quality of assets

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	4,027.05	-	-	4,027.05
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	-	-
Gross exposure (A)	4,027.05	-	-	4,027.05
Less: ECL (B)	11.93	-	-	11.93
Net exposure (C) = (A - B)	4,015.12	-	-	4,015.12

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	3,392.27	-	-	3,392.27
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	15.90	15.90
Gross exposure (A)	3,392.27	-	15.90	3,408.17
Less: ECL (B)	5.60	-	15.90	21.50
Net exposure (C) = (A - B)	3,386.67	-	-	3,386.67

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	>90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.D.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	3,392.27	-	15.90	3,408.17
New Assets Originated or Purchased	3,335.75	-	-	3,335.75
Assets derecognized or repaid (excluding write offs)	(2,700.97)	-	(1.79)	(2,702.76)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off *	-	-	(14.11)	(14.11)
Gross carrying amount closing balance	4,027.05	-	-	4,027.05

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group



(Signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

47. Credit Risk
47.D Indirect Retail Lending (IRL)

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	3,092.86	12.21	23.18	3,128.25
New Assets Originated or Purchased	3,064.03	-	-	3,064.03
Assets derecognised or repaid (excluding write offs)	(2,764.62)	(12.21)	(7.28)	(2,784.11)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off*	-	-	-	-
Gross carrying amount closing balance	3,392.27	-	15.90	3,408.17

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group

47.D.3 Reconciliation of ECL balance is given below

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	5.60	-	15.90	21.50
New Assets Originated or Purchased	10.32	-	-	10.32
Assets derecognised or repaid (excluding write offs)	(3.99)	-	-	(3.99)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off	-	-	(15.90)	(15.90)
ECL Allowance - Closing Balance	11.93	-	-	11.93

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	16.39	0.06	4.80	21.25
New Assets Originated or Purchased	4.97	-	11.10	16.07
Assets derecognised or repaid (excluding write offs)	(15.76)	(0.06)	-	(15.82)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
ECL Allowance - Closing Balance	5.60	-	15.90	21.50

47.D.4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by book debts

47.D.5 Reconciliation with Note No.7 :

	As at March 31, 2024	As at March 31, 2023
Gross advances as per Note No. 47.D.1	4,027.05	3,408.17
Reconciliation		
Unamortised fees	(9.19)	(7.51)
Others	-	(0.03)
Gross advances as per Note No. 7	4,017.86	3,400.63




Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

47. Credit Risk
47.E. Unsecured Business Loan
47.E.1 Credit quality of assets

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	478.74	-	-	478.74
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Restructured	-	-	-	-
Non Performing				
Individually impaired	-	-	-	-
Gross exposure (A)	478.74	-	-	478.74
Less: ECL (B)	4.75	-	-	4.75
Net exposure (C) = (A - B)	473.99	-	-	473.99

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	>90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.E.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	-	-	-	-
New Assets Originated or Purchased	478.74	-	-	478.74
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off *	-	-	-	-
Gross carrying amount closing balance	478.74	-	-	478.74

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

47.E.3 Reconciliation of ECL balance is given below

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	-	-	-	-
New Assets Originated or Purchased	4.75	-	-	4.75
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
ECL Allowance - Closing Balance	4.75	-	-	4.75

47.E.4 Details of collateral received against loan portfolio :

Nature of security against advances : Unsecured advances

47.E.5 Reconciliation with Note No.7 :

	As at March 31, 2024	As at March 31, 2023
Gross advances as per Note No. 47.E.1	478.74	-
Reconciliation		
Unamortised fees	(3.46)	-
Others	(1.89)	-
Gross advances as per Note No. 7	473.39	-



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

47. Credit Risk
47.F Home Loans
47.F.1 Credit quality of assets

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	35,025.50	-	-	35,025.50
Standard grade	849.73	-	-	849.73
Sub-standard grade	-	569.80	-	569.80
Past due but not impaired	-	489.15	-	489.15
Restructured	-	92.84	-	92.84
Credit Impaired				
Non Performing				
Individually impaired	-	-	464.29	464.29
Gross exposure (A)	35,875.23	1,151.79	464.29	37,491.31
Less: ECL (B)	105.05	185.44	204.45	494.94
Net exposure (C) = (A - B)	35,770.18	966.35	259.84	36,996.37

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
Internal rating grade #				
Performing				
High grade	24,213.99	-	-	24,213.99
Standard grade	662.93	-	-	662.93
Sub-standard grade	-	841.88	-	841.88
Past due but not impaired	-	-	-	-
Restructured	-	104.99	-	104.99
Credit Impaired				
Non Performing				
Individually impaired	-	-	324.46	324.46
Gross exposure (A)	24,876.92	946.87	324.46	26,148.25
Less: ECL (B)	82.96	155.98	126.55	365.49
Net exposure (C) = (A - B)	24,793.96	790.89	197.91	25,782.76

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

47.F.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	24,876.92	946.87	324.46	26,148.25
New Assets Originated or Purchased	15,948.67	26.72	1.21	15,976.60
Assets derecognised or repaid (excluding write offs)	(4,342.21)	(99.11)	(81.46)	(4,522.78)
Transfer to Stage 1	230.25	(198.08)	(32.17)	-
Transfer to Stage 2	(620.80)	629.21	(8.41)	0.00
Transfer to Stage 3	(202.82)	(135.59)	338.41	-
Amounts written off *	(14.78)	(18.23)	(77.75)	(110.76)
Gross carrying amount closing balance	35,875.23	1,151.79	464.29	37,491.31

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

47. Credit Risk
47.F Home Loans

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount opening balance	15,114.74	1,096.90	261.94	17,473.58
New Assets Originated or Purchased	11,819.54	55.91	3.72	11,879.17
Assets derecognised or repaid (excluding write offs)	(2,982.21)	(59.40)	(51.10)	(3,092.71)
Transfer to Stage I	411.14	(361.07)	(50.07)	-
Transfer to Stage 2	(367.99)	370.37	(2.38)	(0.00)
Transfer to Stage 3	(110.84)	(137.26)	248.10	-
Amounts written off *	(7.46)	(18.58)	(85.75)	(111.79)
Gross carrying amount closing balance	24,876.92	946.87	324.46	26,148.25

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group

47.F.3 Reconciliation of ECL balance is given below

As at March 31, 2024

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	82.96	155.98	126.55	365.49
New Assets Originated or Purchased	35.99	3.28	0.42	39.69
Assets derecognised or repaid (excluding write offs)	(7.33)	(1.67)	15.02	6.02
Transfer to Stage I	2.40	(31.51)	(12.39)	(41.50)
Transfer to Stage 2	(6.27)	87.87	(3.28)	78.32
Transfer to Stage 3	(2.34)	(20.36)	132.77	110.07
Amounts written off	(0.36)	(8.15)	(54.64)	(63.15)
ECL Allowance - Closing Balance	105.05	185.44	204.45	494.94

As at March 31, 2023

Particulars	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	80.28	141.29	77.85	299.42
New Assets Originated or Purchased	42.33	27.72	8.65	78.70
Assets derecognised or repaid (excluding write offs)	(40.79)	(2.13)	1.10	(41.82)
Transfer to Stage I	4.59	(39.79)	(14.38)	(49.58)
Transfer to Stage 2	(2.34)	60.90	(0.68)	57.88
Transfer to Stage 3	(0.88)	(24.01)	93.19	68.30
Amounts written off	(0.23)	(8.00)	(39.18)	(47.41)
ECL Allowance - Closing Balance	82.96	155.98	126.55	365.49

47.F.4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties

47.F.5 Advances (LTV band wise) :

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	12,438.72	90.64
>50% <= 70%	11,409.27	73.31
>70% <= 90%	13,179.03	126.54
>90% <= 100%	-	-

47.F.6 Credit impaired advances (LTV band wise) :

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	117.94	48.62
>50% <= 70%	92.67	37.69
>70% <= 90%	253.68	118.14
>90% <= 100%	-	-

47.F.7 Reconciliation with Note No.7 :

	As at March 31, 2024	As at March 31, 2023
Gross advances as per Note No. 47.F.1	37,491.31	26,148.25
Reconciliation		
Co lending adjustment	(2.02)	0.01
Interest accrued and overdue on NPA	91.20	55.11
Provision for ECL on Interest income on NPA Loan	(85.64)	(51.83)
Unamortised fees	(295.71)	(338.35)
Others	(124.96)	(12.48)
Gross advances as per Note No. 7	37,074.68	25,800.71



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

48. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. They have been classified to mature and/or be repaid within 12 months. With regards to loans and advances to customers, the Group uses the same basis of expected repayment as used for estimating the EIR.

ASSETS	Particulars	As at March 31, 2024			As at March 31, 2023		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets	Cash and cash equivalents	6,396.49	-	6,396.49	14,765.14	-	14,765.14
	Bank Balances other than cash and cash equivalents	135.76	213.96	349.72	213.44	121.63	335.07
	Derivative financial instruments	41.05	-	41.05	-	-	-
	Trade receivables	1,366.85	-	1,366.85	322.34	-	322.34
	Other receivables	52.78	-	52.78	6.92	-	6.92
	Loans	37,387.20	96,824.63	1,34,211.83	19,033.26	75,782.97	94,816.23
	Investments	1,659.58	502.71	2,162.29	698.57	2,155.15	2,853.72
	Other financial assets	469.43	479.08	948.51	175.65	603.26	778.91
	Total financial assets	47,509.14	98,020.38	1,45,529.52	35,973.33	77,286.43	1,13,179.76
Non-Financial assets	Current tax assets (net)	279.24	-	279.24	195.04	-	195.04
	Deferred tax assets (net)	-	706.25	706.25	-	476.09	476.09
	Property, plant and equipment	-	3,210.08	3,210.08	-	2,839.92	2,839.92
	Capital work-in-progress	0.79	-	0.79	-	25.22	25.22
	Intangible assets under development	190.37	-	190.37	74.34	73.71	148.05
	Other intangible assets	-	285.55	285.55	-	69.67	69.67
	Other non-financial assets	825.56	469.61	1,295.17	745.68	333.76	1,079.44
	Total non-financial assets	1,295.96	4,671.49	5,967.45	1,015.06	3,818.37	4,833.43
	Total Assets	48,805.10	1,02,691.87	1,51,496.97	36,988.39	81,024.80	1,18,013.19
LIABILITIES	Derivative financial instruments	-	-	-	75.72	-	75.72
	Payables	-	-	-	-	-	-
	- Trade payables	1,310.76	-	1,310.76	965.82	1.65	967.47
	- Other payables	211.32	-	211.32	143.56	1.43	144.99
	Debt securities	21.65	1,500.00	1,521.65	2,886.14	1,500.00	4,386.14
	Borrowings (other than debt securities)	28,443.30	74,104.18	1,02,547.48	17,986.49	52,740.38	70,726.87
	Other financial liabilities	2,864.25	4,130.19	6,994.44	3,898.08	1,798.59	5,696.67
	Total financial liabilities	32,851.28	79,734.37	1,12,585.65	25,955.81	56,042.05	81,997.86
	Non-financial liabilities	-	-	-	-	-	-
	Current tax liability	24.53	-	24.53	12.92	-	12.92
	Provisions	115.97	158.93	274.90	83.52	131.44	214.96
	Other non-financial liabilities	246.18	-	246.18	132.79	-	132.79
	Total non-financial liabilities	386.68	158.93	545.61	229.23	131.44	360.67
	Total liabilities	33,237.96	79,893.30	1,13,131.26	26,185.04	56,173.49	82,358.53
	Net assets	15,567.14	22,798.57	38,365.71	10,803.35	24,851.31	35,654.66

Classification of assets and liabilities under the maturity buckets is based on the same estimates and assumptions as used by the Group for compiling the return submitted to the RBI. The above is based on the information available with the Group which has been relied upon by the auditors.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

49. Capital Management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group. The Group determines the amount of capital required on the basis of annual operating plans and other strategic investment plans. The funding requirements if any will be met through bank borrowings and equity if the need arise.

The primary objectives of the Group's capital management are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholders value. The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. Capital Management, objectives and processes are under constant review by the Board.

50. Change in liabilities arising from financing activities

FY 2023-24	As at April 01, 2023	Cash flows	Other*	As at March 31, 2024
Debt Securities	4,386.14	(2,666.67)	(197.82)	1,521.65
Borrowings other than debt securities	70,726.87	32,043.74	(223.13)	1,02,547.48
Total liabilities from financing activities	75,113.01	29,377.07	(420.95)	1,04,069.13
FY 2022-23	As at April 01, 2022	Cash flows	Other*	As at March 31, 2023
Debt Securities	4,560.88	(176.79)	2.05	4,386.14
Borrowings other than debt securities	43,761.16	27,190.95	(225.24)	70,726.87
Total liabilities from financing activities	48,322.04	27,014.16	(223.19)	75,113.01

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, conversion factor of derivative instruments

51. Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

51.A Financial instruments by category

51.A.1 As at March 31, 2024

Particulars	FVTPL	Amortised cost	FVTOCI	Total Carrying Value	Fair Value
Financial assets					
Investments					
- Mutual funds	1,553.35	-	-	1,553.35	1,553.35
- Equity instruments	24.32	-	-	24.32	24.32
- Debt Instrument	-	-	-	-	-
- Pass Through Certificates	-	584.62	-	584.62	-
Trade receivables	-	1,366.85	-	1,366.85	-
Other receivables	-	52.78	-	52.78	-
Loans	-	1,34,211.83	-	1,34,211.83	-
Cash and cash equivalents	-	6,396.49	-	6,396.49	-
Bank Balances other than above	-	349.72	-	349.72	-
Derivative financial instruments	-	-	41.05	41.05	41.05
Other financial Assets	-	948.51	-	948.51	-
Total financial assets	1,577.67	1,43,910.80	41.05	1,45,529.52	1,618.72
Financial liabilities					
Derivative financial instruments	-	-	-	-	-
Borrowings (including Debt Securities)	-	1,04,069.13	-	1,04,069.13	-
Trade payables	-	1,522.08	-	1,522.08	-
Other financial liabilities	-	6,994.44	-	6,994.44	-
Total financial liabilities	-	1,12,585.65	-	1,12,585.65	-



(Signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

51.A.2 As at March 31, 2023

Particulars	FVTPL	Amortised cost	FVTOCI	Total Carrying Value	Fair Value
Financial assets					
Investments					
- Mutual funds	1,364.72	-	-	1,364.72	1,364.72
- Commercial Paper	-	-	-	-	-
- Equity instruments	-	-	-	-	-
- Debt Instrument	-	-	-	-	-
- Pass Through Certificates	-	790.43	-	790.43	-
Trade receivables	-	322.34	-	322.34	-
Other receivables	-	6.92	-	6.92	-
Loans	-	94,816.23	-	94,816.23	-
Cash and cash equivalents	-	14,765.14	-	14,765.14	-
Bank Balances other than above	-	335.07	-	335.07	-
Other financial Assets	-	778.91	-	778.91	-
Total financial assets	1,364.72	1,11,815.04	-	1,13,179.76	1,364.72
Financial liabilities					
Derivative financial instruments	-	-	75.72	75.72	75.72
Borrowings (including Debt Securities)	-	75,113.01	-	75,113.01	-
Trade payables	-	1,112.46	-	1,112.46	-
Other financial liabilities	-	5,696.67	-	5,696.67	-
Total financial liabilities	-	81,922.14	75.72	81,997.86	75.72

51.B Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

51.B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2024	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Financial Investments at FVTPL					
Listed equity investments	24.32	24.32	-	-	24.32
Mutual funds	1,553.35	1,553.35	-	-	1,553.35
Derivative financial instruments	41.05	-	41.05	-	41.05
Total financial assets	1,618.72	1,577.67	41.05	-	1,618.72
Financial liabilities					
Derivative financial instruments	-	-	-	-	-
Total financial liabilities	-	-	-	-	-
As at March 31, 2023	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Financial Investments at FVTPL					
Listed equity investments	-	-	-	-	-
Mutual funds	1,364.72	1,364.72	-	-	1,364.72
Total financial assets	1,364.72	1,364.72	-	-	1,364.72
Financial liabilities					
Derivative financial instruments	75.72	-	75.72	-	75.72
Total financial liabilities	75.72	-	75.72	-	75.72



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

51.B.2 Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2024	Carrying Amount	Fair Value			Total Fair Value
		Level 1	Level 2	Level 3	
Financial assets					
Cash and cash equivalents	6,396.49	-	-	-	6,396.49
Bank Balance other than above	349.72	-	-	-	349.72
Trade Receivable	1,366.85	-	-	-	1,366.85
Other Receivable	52.78	-	-	-	52.78
Loans					
Loans to employees	11.00	-	-	-	11.00
Loans - SME,CF,IRL,HL,GL&UBL etc	1,36,767.66	-	-	1,36,818.47	1,36,818.47
Investments					
Debt Instrument	-	-	-	-	-
Pass Through Certificates	584.62	-	-	584.62	584.62
Other financial assets	948.51	-	-	948.51	948.51
Total financial assets	1,46,477.63	-	-	1,38,351.60	1,46,528.44
Financial Liabilities					
Trade Payable	1,522.08	-	-	1,522.08	1,522.08
Debt Securities	1,521.65	-	1,521.65	-	1,521.65
Borrowings other than Debt Securities	1,02,547.48	-	-	1,02,547.48	1,02,547.48
Other Financial Liabilities	6,994.44	-	-	6,994.44	6,994.44
Total financial liabilities	1,12,585.65	-	1,521.65	1,11,064.00	1,12,585.65

As at March 31, 2023	Carrying Amount	Fair Value			Total Fair Value
		Level 1	Level 2	Level 3	
Financial assets					
Cash and cash equivalents	14,765.14	-	-	-	14,765.14
Bank Balance other than above	335.07	-	-	-	335.07
Trade Receivable	322.34	-	-	-	322.34
Other Receivable	6.92	-	-	-	6.92
Loans					
Loans to employees	3.43	-	-	-	3.43
Loans - SME,CF,IRL,GL&HL	96,607.27	-	-	92,796.33	92,796.33
Investments					
Debt Instrument	-	-	-	-	-
Pass Through Certificates	790.43	-	-	790.43	790.43
Other financial assets	778.91	-	-	778.91	778.91
Total financial assets	1,13,609.51	-	-	94,365.67	1,09,798.57
Financial Liabilities					
Trade Payable	1,112.46	-	-	1,112.46	1,112.46
Debt Securities	4,386.14	-	4,386.14	-	4,386.14
Borrowings other than Debt Securities	70,726.87	-	-	70,726.87	70,726.87
Other Financial Liabilities	5,696.67	-	-	5,696.67	5,696.67
Total financial liabilities	81,922.14	-	4,386.14	77,536.00	81,922.14

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Short-term financial assets and liabilities: For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity.



(Handwritten signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

52. Risk Disclosures

Group's risk is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and interest rate risk. It is the Group's policy to ensure that a robust risk awareness is embedded in its organizational risk culture.

52.A Credit risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties.

52.A.1 Impairment assessment

a) Exposure at Default

The Exposure at Default is an estimate of the exposure at a future default date including the undrawn commitments. EAD is taken as the gross exposure under a facility upon default of an obligor. The principal outstanding, overdue principal, accrued interest, overdue interest less excess received from the customers is considered as EAD for the purpose of ECL computation.

The advances have been bifurcated into following three stages:

Stage 1- All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances (past due for 0 to 30 days) under this category. Stage 1 loans also include facilities where the credit risk has reduced and the loan has been reclassified from Stage 2 or Stage 3

Stage 2 – All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets with days past due for 31 to 90 days are classified under this stage and lifetime ECL is recognised on such financial assets. Stage 2 loans also include facilities where the credit risk has reduced, and the loan has been reclassified from Stage 3.

Stage 3 – All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. More than 90 days Past Due is considered as default for classifying a financial instrument as credit impaired.

b) Significant increase in credit risk

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or lifetime ECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. The Group considers an exposure to have significantly increased in credit risk if contractual payments are more than 30 days past due.

c) Definition of default and cure

The Group considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes more than 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate inability to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganization



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

52. Risk Disclosures

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the borrower makes necessary payments & the borrower is not 90 days past due after such payments. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

d) Probability of Default ("PD") estimation process

Probability of default ("PD") is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors.

a) The Group has applied 12 months PD to stage 1 advances

b) The Lifetime PD is computed using basic exponentiation technique after considering the residual maturity of the respective loan.

c) PD of 100% is considered for Stage 3 assets.

Days past due are a primary input for the determination of the PD for exposures. The Group collects performance and default information about its credit risk exposures analyzed by portfolio. For some portfolios, rating based published information is used.

The Group employs statistical models to analyze the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time. Such statistical models are selected considering the availability of information related to the probability of default for each product. This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors.

For the purpose of determination of impact of forward looking information, the Group applies various macro economic (ME) variables as stated above to each portfolio and assess the trend of the historical probability of defaults as compared to the forecasted probability of default. Based on the directional trend of output, management applies an overlay if required. Overtime, new ME variable may emerge to have a better correlation and may replace ME being used now.

The loans are segmented into homogenous product categories to determine the historical PD/LGD as per similar risk profiles, this segmentation is subject to regular review. For portfolios in respect of which the Company has limited historical data, external benchmark information is used to supplement the internally available data.

The Group does not have any historic data of default in case of Gold Loan portfolio, so it has relied upon the published data of competitors. In case of Unsecured business loan, it has relied upon the public data of partners with their existing customers of the similar behavioral vintage

e) Loss Given Default ("LGD")

Loss Given Default ("LGD") is defined as the loss rate on the exposure, given the borrower has defaulted. LGD is being calculated for all financial instruments under risk parameter approach by way of evaluation of historical data on defaults, recovery amounts, collateral liquidation, direct expenses, and opportunity cost for each default. LGD has been computed using the volatility-based model in case of Gold Loan portfolio. LGD has been computed by using the FIRB (Foundation Internal Rating Based) in case of Unsecured business loan

f) Forward looking information

In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as, GDP growth, Consumer Price Index, Unemployment rate, Lending Interest Rate etc. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

52. Risk Disclosures

52.A.2 Collateral and other credit enhancements

The Group holds collateral and other credit enhancements against certain of its credit exposures. The loans are collateralized against equitable mortgage of property, pledge of shares, hypothecation of assets, physical gold jewellery, undertaking to create security.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement. In case of defaults by customers, where the Group is unable to recover the dues, the Group through a legal process enforces the security and recovers the dues.

52.B Liquidity risk and funding management

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets by monitoring future cash flows and liquidity on a daily basis.

Liquidity risk is managed in accordance with Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors of the NBFC's entity. The Asset Liability Management Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) of the Group formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.



A handwritten signature in blue ink, consisting of a stylized 'A' or similar character.

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

52. Risk Disclosures

52.B.1 The table below summarises the maturity profile of the undiscounted cash flow of the Group's financial liabilities As at March 31, 2024

	Debt Securities	Borrowings	Trade Payable	Lease liability	Other Financial Liability
1 upto 30/31 days	-	1,936.12	1,522.08	47.66	4,344.01
2 Over 1 month upto 2 months	59.38	2,054.80	-	47.67	-
3 Over 2 months upto 3 months	-	3,908.63	-	47.66	58.77
4 Over 3 months to 6 months	38.57	11,111.21	-	143.05	-
5 Over 6 months to 1 year	77.19	15,213.53	-	285.44	-
6 Over 1 year to 3 years	306.90	48,049.53	-	1,169.45	-
7 Over 3 year to 5 years	306.90	27,002.83	-	1,003.34	-
8 Over 5 years	1,576.09	7,446.70	-	1,282.47	-
Total	2,365.03	1,16,723.35	1,522.08	4,026.74	4,402.78

As at March 31, 2023

	Debt Securities	Borrowings	Trade Payable	Lease liability	Other Financial Liability
1 upto 30/31 days	-	1,416.58	1,112.46	33.98	3,729.18
2 Over 1 month upto 2 months	2,386.16	1,234.73	-	33.92	-
3 Over 2 months upto 3 months	581.99	3,043.10	-	41.24	38.62
4 Over 3 months to 6 months	236.14	6,077.62	-	94.36	-
5 Over 6 months to 1 year	77.31	11,765.11	-	201.31	-
6 Over 1 year to 3 years	306.94	34,635.23	-	813.06	-
7 Over 3 year to 5 years	306.86	20,279.03	-	733.80	-
8 Over 5 years	1,768.27	8,508.87	-	1,128.80	-
Total	5,657.67	86,960.27	1,112.46	3,080.47	3,767.80

52.C Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the Group is providing loans to MSME, Construction Finance, Indirect lending, Gold loan, Housing Loan and Unsecured business loan. The Group borrows through various financial instruments to finance its core lending activity. These activities expose the Group to interest rate risk.

Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted behavioral maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Group's statement of profit and loss and equity.

52.C.1 FY 2023-24

Financial Instruments Type	Increase / (decrease) in basis points (bps)	Sensitivity of profit or loss	Sensitivity of equity
a. Loans	50 bps Up	544.46	409.15
	100 bps Up	1,088.92	818.29
	50 bps Down	(544.46)	(409.15)
	100 bps Down	(1,088.92)	(818.29)
b. Borrowings	50 bps Up	(514.10)	(386.43)
	100 bps Up	(1,028.21)	(772.84)
	50 bps Down	514.10	386.43
	100 bps Down	1,028.21	772.84



[Handwritten signature]

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

52.C.2 FY 2022-23

Financial Instruments Type	Increase / (decrease) in basis points (bps)	Sensitivity of profit or loss	Sensitivity of equity
a. Loans	50 bps Up 100 bps Up 50 bps Down 100 bps Down	Impact on Profit before Tax	Impact on equity
b. Borrowings	50 bps Up 100 bps Up 50 bps Down 100 bps Down	Impact on Profit before Tax	Impact on equity

52.D Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include maker-checker controls, effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

52.E Capital Management :

Group's capital management objective is primarily to safeguard business continuity. The Group's cashflows are regularly monitored in sync with annual operating plans and long-term and other strategic investment plans. The operational funding requirements are met through debt and operating cash flows generated. The Group believes this approach would create shareholder value in long run. Also, the Group has adopted a conservative approach for ALM management with primacy to adequate liquidity. At present a large portion of the Group's resource base is equity. Therefore the Group has a low gearing.

The Group maintains its capital structure in line with economic conditions and the risk characteristics of its activities and the board reviews the capital position on a regular basis.

Gearing ratio :

The gearing ratio at each date were as follows

Particulars	As at March 31, 2024	As at March 31, 2023
a. Debt (I)*	1,06,660.79	77,041.88
b. Cash and bank balances (II)	2,762.61	11,212.54
c. Net debt (I - II)	1,03,898.18	65,829.34
d. Total equity	38,365.71	35,654.66
e. Net debt to equity ratio	2.71	1.85

* Debt includes debt securities, borrowings and lease liabilities

Cash and bank balances is net of bank overdraft

53. Additional information pursuant to para 2 of general instructions for the preparations of Consolidated Financial Statements

	Net Assets #		Share in Profit or Loss		Share in Other Comprehensive		Share in total Comprehensive	
	As % of consolidated net assets	Amount *	As % of Consolidated Profit or Loss	Amount *	As % of Consolidated other comprehensive income	Amount *	As % of total Comprehensive income	Amount *
Holding								
1. Capri Global Capital Limited	79.14%	30,364.37	72.37%	2,021.94	86.08%	(43.95)	72.11%	1,977.99
Subsidiaries (Indian)								
1. Capri Global Housing Finance Limited	29.60%	7,901.55	24.07%	672.43	13.92%	(7.11)	24.26%	665.32
2. Capri Loans Car Platform Private Limited	0.26%	99.79	3.57%	99.69	0.00%	-	3.63%	99.69
Total	100.00%	38,365.71	100.00%	2,794.06	100.00%	(51.06)	100.00%	2,743.00

Net Assets = total assets minus total liability

* - Amounts net off elimination



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

54. Related Party Disclosure**54.A List of Related parties**

List of related parties and relationship with related parties where control exists or transactions have taken place during the year:

No.	Name of the Related Party	Relationship
I Enterprises over which Management and/or their relatives have control		
	Capri Global Holdings Private Limited	
	Parshwanath Buildcon Private Limited	
	Carlelo Private Limited (w.e.f. July 01, 2023)	
II Key Management Personnel		
	Mr. Rajesh Sharma	Managing Director (Chief Financial Officer upto October 30, 2023)
	Mr. Partha Chakraborti	Chief Financial Officer (w.e.f. October 31, 2023)
	Mr. Beni Prasad Rauka	Independent Director (upto March 31, 2024)
	Ms. Bhagyam Ramani	Independent Director (upto March 31, 2024)
	Mr. Mukesh Kacker	Independent Director (upto March 31, 2024)
	Mr. Ajit Mohan Sharan	Independent Director
	Mr. Desh Raj Dogra	Independent Director
	Mr. T.R. Bajalia	Independent Director
	Mr. L. V. Prabhakar	Independent Director (w.e.f. February 02, 2024)
	Ms. Nupur Sunil Mukherjee	Independent Director (w.e.f. February 02, 2024)
	Mr. Subramanian Ranganathan	Independent Director (w.e.f. January 13, 2024)
	Mr. Shishir Priyadarshi	Independent Director (w.e.f. February 02, 2024)
	Mr. Amit Setia	Independent Director (w.e.f. October 16, 2023)
	Mr. Vinod Hiran	Independent Director (w.e.f. October 16, 2023)
	Mr. Gaurav Aggarwal	Independent Director (w.e.f. October 16, 2023)
III Relative of Key Management Personnel		
	Mr. Pranay Rauka	Son of Beni Prasad Rauka
	Ms. Jinisha Sharma	Daughter of Rajesh Sharma
IV Trust under common control		
	Capri Foundation	
	CGCL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters	
	Financial Services Limited Employee Group Gratuity Assurance Scheme)	
	CGHFL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters	
	Financial Services Limited Employee Group Gratuity Assurance Scheme)	

54.B Transactions with Related parties during the year

No.	Nature of Transaction	Relationship	Name of Party	For the year Ended March 31,	
				2024	2023
I. EXPENSES					
1	Rent Paid	Enterprises over which management and or their relatives have control	Parshwanath Buildcon Private Limited	0.34	0.36
			Capri Global Holding Private Limited	0.47	0.14
2	Commission Paid	Enterprises over which management and or their relatives have control	Carlelo Private Ltd	0.08	-
3	Interest expenses	Enterprises over which management and or their relatives have control	Capri Global Holding Private Limited	2.35	-
4	Salaries, Commission and other benefits	Key Management Personnel	Mr. Rajesh Sharma	3.60	3.60
			Mr. Partha Chakraborti	9.90	-
		Relative of Key Management Personnel	Mr. Pranay Rauka	2.11	0.88
			Ms. Jinisha Sharma	2.40	0.80



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

54. Related Party Disclosure

No.	Nature of Transaction	Relationship	Name of Party	For the year Ended March 31,	
				2024	2023
5	Director Sitting Fees	Key Management Personnel	Mr. Beni Prasad Rauka	2.82	3.08
			Ms. Bhagyam Ramani	4.10	3.91
			Mr. Mukesh Kacker	0.87	1.42
			Mr. Desh Raj Dogra	0.87	1.25
			Mr. Ajit Sharan	0.71	1.04
			Mr. L. V. Prabhakar	0.11	-
			Ms. Nupur Sunil Mukherjee	0.11	-
			Mr. S. Ranganathan	1.02	-
			Mr. Shushir Priyadarshi	0.11	-
			Mr. T. R. Bajalia	0.15	0.60
6	Employee Benefits	Trust under common control	Money Matters Financial Services Limited Employees Group Gratuity Assurance Scheme	28.73	13.30
7	Donation - Corporate Social Responsibility	Trust under common control	Capri Foundation	0.40	-

III. Balance Sheet Items (Transaction during year):

1	Borrowing through ICD	Enterprises over which Management and or their relatives have control	Capri Global Holdings Private Limited	330.00	-
---	-----------------------	---	---------------------------------------	--------	---

54.C Closing balances with Related parties as at year end

Nature of Transaction	Relationship	Name of Party	As at March 31,	
			2024	2023
1	Borrowing through ICD	Enterprises over which Management and or their relatives have control	330.00	-

55. Fraud Reporting

Particulars	For the year ended March 31,	
	2024	2023
Fraud reported by Holding Company to Reserve Bank of India (RBI) through prescribed returns.	22.08	-
Fraud reported by a subsidiary Company to National Housing Bank (NHB) through prescribed returns	-	-

56. Details of all collateral used as security for liabilities

Particulars	Carrying amount of financial assets pledged as at March 31,	
	2024	2023
Assets type		
a. Loans receivable as collateral under lending agreements	1,35,571.37	96,004.98
b. Loans receivable as collateral under PTC agreements	584.62	790.43
c. Receivables from investment in securities as collateral	1,553.35	1,364.72
d. Cash and other bank balance collateral under lending agreements	6,541.77	12,810.08



(Signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

57. Employee Stock Option

The Holding company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2009 (ESOP 2009) to employees of the Holding and a subsidiary company (CGHFL) spread over a period 1 to 4 years.

Employee Stock Option Plans

A Summary of the general terms of grants under stock options plans are as under: -

Name of Plan	As at March 31, 2024		As at March 31, 2023	
	No. of options under the Plan	Range of Exercise Price	No. of options under the Plan	Range of Exercise Price
Employee Stock Option Plan	88,49,194	₹ 0.50 to ₹ 187.50	1,22,41,600	₹ 0.50 to ₹ 130

The activity of the Stock Plans is summarised below. No. of shares & price reclassified based on ₹ 1 after split of shares and issue of bonus shares

Particulars	Year ended			
	As at March 31, 2024		As at March 31, 2023	
	Numbers	Exercise Price/ Vesting Price (₹)	Numbers	Exercise Price/ Vesting Price (₹)
Outstanding at the beginning of the year	20,98,400	0.50	22,61,600	0.50
	1,68,000	17.50	7,98,000	17.50
	10,39,200	25.00	11,53,600	25.00
	56,000	32.50	90,000	32.50
	2,00,000	43.50	2,00,000	43.50
	80,000	48.73	80,000	48.73
	2,80,000	56.25	2,80,000	56.25
	34,00,000	62.50	35,00,000	62.50
	40,00,000	75.00	38,00,000	75.00
	3,00,000	106.25	-	-
	4,00,000	112.50	-	-
	1,00,000	125.00	-	-
	80,000	127.50	-	-
	40,000	130.00	-	-
Granted	-	-	8,00,000	75.00
	-	-	3,00,000	106.25
	-	-	4,00,000	112.50
	-	-	1,00,000	125.00
	-	-	80,000	127.50
	-	-	40,000	130.00
	3,20,000	185.00	-	-
Exercised	2,00,000	187.50	-	-
	1,61,136	0.50	51,600	0.50
	36,000	17.50	6,30,000	17.50
	1,10,460	25.00	26,400	25.00
	12,000	32.50	24,000	32.50
	9,000	43.50	-	-
Forfeited, expired and cancelled	3,46,170	0.50	1,11,600	0.50
	36,000	17.50	88,000	25.00
	5,98,340	25.00	10,000	32.50
	12,000	32.50	1,00,000	62.50
	51,000	43.50	6,00,000	75.00
	60,000	62.50	-	-
	24,00,000	75.00	-	-
Outstanding at the end of the year	80,000	185.00	-	-
	15,90,794	0.50	20,98,400	0.50
	96,000	17.50	1,68,000	17.50
	3,30,400	25.00	10,39,200	25.00
	32,000	32.50	56,000	32.50
	1,40,000	43.50	2,00,000	43.50
	80,000	48.73	80,000	48.73
	2,80,000	56.25	2,80,000	56.25
	33,40,000	62.50	34,00,000	62.50
	16,00,000	75.00	40,00,000	75.00
	3,00,000	106.25	3,00,000	106.25
	4,00,000	112.50	4,00,000	112.50
	1,00,000	125.00	1,00,000	125.00
	80,000	127.50	80,000	127.50
	40,000	130.00	40,000	130.00
	2,40,000	185.00	-	-
Of the above, Options exercisable	2,00,000	187.50	-	-
	8,23,594	0.50	4,96,200	0.50
	96,000	17.50	72,000	17.50
	3,30,400	25.00	7,12,800	25.00
	60,000	43.50	60,000	43.50
	24,000	48.73	-	-
	24,000	56.25	-	-



[Handwritten signature]

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

57. Employee Stock Option

For the year Ended March 31,
2024 2023

The weighted average fair value of the new ESOPs granted during the year ₹ 66.91 per share ₹ 117.68 per share

The following table summarises information about stock option plans

Exercise Price (₹)	As at March 31, 2024		As at March 31, 2023	
	Numbers	Weighted Average Remaining Life (Months)	Numbers	Weighted Average Remaining Life (Months)
0.50	15,90,794	5.14	20,98,400.00	10.86
17.50	96,000	0.03	1,68,000.00	4.51
25.00	3,30,400	0.03	10,39,200.00	2.10
32.50	32,000	5.67	56,000.00	12.64
43.50	1,40,000	3.25	2,00,000.00	8.86
48.73	80,000	11.76	80,000.00	23.24
56.25	2,80,000	19.38	2,80,000.00	31.50
62.50	33,40,000	21.49	34,00,000.00	33.69
75.00	16,00,000	27.30	40,00,000.00	37.01
106.25	3,00,000	27.55	3,00,000.00	39.75
112.50	4,00,000	27.75	4,00,000.00	39.95
125.00	1,00,000	27.65	1,00,000.00	39.85
127.50	80,000	28.95	80,000.00	41.15
130.00	40,000	29.32	40,000.00	41.52
185.00	2,40,000	50.37	-	-
187.50	2,00,000	39.40	-	-

Fair value methodology

The fair value of ESOP are measured using Black-scholes-merton formula. Measurement input includes share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, expected dividend yield, expected volatility.

The following table summarizes the assumptions used in calculating the grant date fair value

Particulars	As at March 31, 2024	As at March 31, 2023
Expected life of the options	3 to 5 Years	2.5 to 5 Years
Expected volatility	40%	40% to 50%
Expected dividend yield	0.18% p.a	0.18% to 0.30% p.a
Risk-free interest rate	7.00% to 7.08% p.a	7.09% to 7.39% p.a

Expected life of the options: Expected life of the options is the period for which the company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised, and the maximum life is the period after which the options cannot be exercised.

Expected volatility: The measure of volatility used in ESOP pricing model is the annualised standard deviation of the continuously compounded rates of return (calculated by log function) on the share over a period prior to the date of grant corresponding to the expected life of the option.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields of six financial years preceding the date of grant. The expected dividend yield for the year is derived by dividing the dividend per share by the share price as on dividend effective date.

Risk-free interest rate: The rate used to discount employee benefit obligations reflects the estimated timing of benefit payments and the currency in which the benefits are to be paid. We have used the Discount Rate which relates to the par-yield rate available on ZYC Government Securities (G Sec.) for the tenure of the expected life of options (Ref: G Sec. rates available through www.fbiil.org in with prices yields published by FBIL).

For the year Ended March 31,
2024 2023

a. Weighted average market price of the ESOPs exercised	₹ 186.73 per share	₹ 180.59 per share
b. ESOP cost recognised in the Statement of Profit and Loss (₹ in millions)	85.70	161.59

As at March 31, 2024 As at March 31, 2023

Receivable from the subsidiary company (CGHFL) with which employees are employed (Amount receivable is difference between the exercise price and fair value of the options)	1.47	1.61
--	------	------



Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency - Indian Rupees in millions)

58. Expenditure in Foreign Currency

	FY 2023-24	FY 2022-23
a. Software expenses	5.22	5.15
b. Professional expenses	7.69	9.24

59. Disclosure for insurance commission as required under Insurance Regulatory and Development Authority (IRDA) Regulation

Name of the Insurance Company	FY 2023-24	FY 2022-23
i) Care Health Insurance Limited	22.75	-
ii) ICICI Lombard General Insurance Company Limited	12.90	-
iii) Niva Bupa Health Insurance Company Limited	3.10	-
iv) ICICI Prudential Life Insurance Company Limited	2.43	-
Total	41.18	-

60. Other Statutory Information:

60.1 The Group had not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

60.2 The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

60.3 The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

60.4 The Group did not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

No.	Name of the struck off company	Nature of Transactions	FY 2023-24	
			Balance outstanding Amount in ₹	Relationship with the struck-off company
1	Kothari Intergroup Limited	Equity shares investor	40.00	Shareholder of the company
2	Raj Rajeshwari Hotel Limited	Conference Service	-	No
3	Netelick Infocomm Private Limited	Internet Service	3,500.00	No

No.	Name of the struck off company	Nature of Transactions	FY 2022-23	
			Balance outstanding Amount in ₹	Relationship with Struck off Company
1	Payal Financial Services Private Limited	Professional fees	-	No
2	Jabalpur Jantantra Diginet Private Limited	Internet Service	-	No
3	Talopp HR Consulting Private Limited	Recruitment Service	-	No
4	Netelick Infocomm Private Limited	Internet Service	-	No

60.5 The Group did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.

60.6 The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries), with the understanding that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

60.7 The Group has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

60.8 The Group did not have any transaction which had not been recorded in the books of account that had been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

60.9 The Group has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

60.10 The Group has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.



(Handwritten signature)

Capri Global Capital Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

(Currency : Indian Rupees in millions)

- 60.11 The Group has not revalued Intangible assets during the year.
- 60.12 Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.
- 60.13 Compliance with approved Scheme(s) of Arrangements. Not applicable
- 60.14 Borrowed funds have been utilised for the purpose they have been sanctioned and share premium has been utilised in working capital
- 60.15 The title deeds of immovable properties are held in the name of the Holding Company
- 60.16 The Group has not traded or invested in crypto currency or virtual currency during the financial year.
- 60.17 The Holding Company has registered with Insurance Regulatory and Development Authority of India (IRDAI) as Corporate agent vide CA0881 dated December 07, 2023.
- 60.18 **Details of loans given, investments made and guarantee given u/s 186 (2) of the Companies Act, 2013.**
The Group has not given loan or guarantee and has not made investments u/s 186(2) of the Companies Act 2013
61. Figures for the previous years have been regrouped/rearranged wherever considered necessary to conform to the figures presented in the current year

62. Accounting Software Used for maintenance of Books of Accounts

As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014, the Group uses only such accounting software for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made within such accounting software. This feature of recording audit trail has operated throughout the year and was not disabled or tampered with during the year, except for the situations noted below wherein during the year the audit trail feature was not enabled for –

- a) Customer masters in two accounting software;
- b) Databases maintained in accounting software;

Further, in case of one accounting software, where though the audit trails are maintained by the Group, the Group could not generate audit log to substantiate that the audit trail feature has not been tampered anytime during the year

Further, for two accounting software, which have been discontinued/sunset during the year, the Group could not extract the data to substantiate that the feature of recording audit trail was operated throughout the year

In terms of our report attached

For M M Nissim & Co LLP

Chartered Accountants

(Firm's Registration No. 107122W/W100672)


Manish Singhania

Partner

Membership No - 155411

Place : Mumbai

May 08, 2024



For and on behalf of the Board of Directors of

Capri Global Capital Limited

CIN : U65990MH2006PLC161153

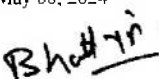

Rajesh Sharma

Managing Director

DIN 00020037

Place : Mumbai

May 08, 2024


Yashesh Bhatt

Company Secretary

ACS-20491

Place : Mumbai

May 08, 2024

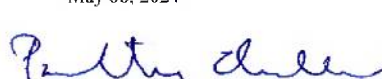

Subramanian Ranganathan

Independent Director

DIN 00125493

Place : Mumbai

May 08, 2024


Partha Chakraborti

Chief Financial Officer

Place : Mumbai

May 08, 2024



Independent Auditor's Report

To the Members of Capri Global Capital Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Capri Global Capital Limited ('the Holding Company') and its subsidiary - Capri Global Housing Finance Limited (the Holding Company and its subsidiary together referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the 'consolidated financial statements').
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements of a subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in the 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment of loans and advances to customers (Refer Note 2.7 for significant accounting policies and Note 39.2 for credit risk disclosures)	
As at 31 March 2023, the Group has reported gross loan assets of ₹ 96,547.99 millions against which an impairment loss of ₹ 1,794.47 millions has been recorded. The Group recognized impairment provision for loan assets based on the Expected Credit Loss ("ECL") approach laid down under 'Ind AS 109 – Financial Instruments'. The estimation of ECL on financial instruments involves significant management judgement and estimates and the use of different modelling techniques and assumptions which could have a material impact on reported profits. Significant management judgement and assumptions involved in measuring ECL is required with respect to: ➤ ensuring completeness and accuracy of the data used to create assumption in the model. ➤ determining the criteria for a significant increase in credit risk. ➤ factoring in future economic assumptions ➤ techniques used to determine probability of default, loss given default and exposure at default. These parameters are derived from the Group's internally developed statistical models and other historical data. During the previous years, RBI announced various relief measures for the borrowers which were implemented by the Company such as "COVID 19 Regulatory Package- Asset Classification and Provisioning" announced by the RBI on 17 April 2020 and RBI circular on "Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package" dated 07 April	Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through procedures that included, but were not limited to, the following: • Obtained an understanding of the modelling techniques adopted by the Group including the key inputs and assumptions; • Considered the Group's accounting policies for estimation of expected credit loss on loans and assessing compliance with the policies in terms of Ind AS 109; • Understanding management's updated processes, systems and controls implemented in relation to impairment allowance process. • Accuracy of the computation of the ECL estimate including reasonableness of the methodology and assumption used to determine macro-economic overlays; • Tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording, monitoring of the impairment loss recognized and staging of assets.; • Assessed the critical assumptions and input data used in the estimation of expected credit loss models for specific key credit risk parameters, such as the movement logic between stages, Exposure at default (EAD), probability of default (PD) or loss given default (LGD); • Evaluated the reports and working for the methodology used in the computation of



2021 (collectively referred to as 'the RBI circulars'), and "Resolution Framework for COVID-19 related Stress" (the 'Resolution Framework') dated on 6 August 2020 and 4 June 2021, which have been collectively considered by the management in identification, classification and provisioning of loan assets for impairment. On the basis of an estimate made by the management, an overlay to the tune of Rs 76.30 millions has been recognized by the Holding Company as at 31 March 2023 on loans basis their performance and outstanding position. The basis of estimates and assumptions involved in arriving at the overlay are monitored by the Holding Company periodically and significantly depend on future developments in the economy. Disclosure The disclosures regarding the Group's application of Ind AS 109 are key to explaining the key judgements and material inputs to the ECL results. Further, disclosures to be provided as per RBI circulars with regards to non-performing assets and provisions is also an area of focus. Considering the significance of the above matter to the overall financial statements, and extent of management's estimates and judgements involved, it required significant auditor attention. Accordingly, we have identified this as a key audit matter.	Through The Cycle PD, Point In Time PD and LGD, among others; - Performed test of details over calculation of ECL, in relation to the completeness and accuracy of the data; - Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable; and - Assessed the appropriateness and adequacy of the related presentation and disclosures of Note 39 "Financial risk management" disclosed in the accompanying financial statements in accordance with the applicable accounting standards and related RBI circulars and Resolution Framework.
--	---

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Board of Director's Responsibilities for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, RBI Guidelines and other accounting principles generally accepted in India. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.
8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of respective Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
(Continued)

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance of the Holding Company, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
(Continued)

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The consolidated financial statements include the audited financial statements of a subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 28,262.84 million as at 31 March, 2023, total revenue (before consolidation adjustments) of Rs. 3,236.72 million and net profit after tax (before consolidation adjustments) of Rs. 620.47 million and net cash outflows of Rs. 1,994.36 million for the year ended on that date, as considered in the consolidated financial statements, which has been audited by its independent auditor. The independent auditor's report on the financial statements of this entity has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and the report of the statutory auditor of a subsidiary company incorporated in India which was not audited by us, we report that the remuneration paid during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, we report that there are no qualifications or adverse remarks in these CARO reports.



Report on Other Legal and Regulatory Requirements (Continued)

18. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of a subsidiary, as noted in 'other matters paragraph', we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company and reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I' wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on the separate financial statements of the subsidiary as noted in other matter paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 47 to the consolidated financial statements;
 - ii. The Group has made provision as at 31 March 2023, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India during the year ended 31 March 2023;



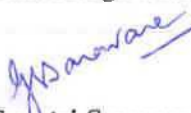
Report on Other Legal and Regulatory Requirements (Continued)

- iv. a. The management has represented that, to the best of its knowledge and belief as disclosed in note 51A to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The management, as disclosed in the note 51A to the accompanying consolidated financial statements has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed, as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement;
- v. The dividend declared during the year ended 31 March 2023 by the Holding Company is in compliance with section 123 of the Act; and
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For M M Nissim & Co LLP

Chartered Accountants

Firm's Registration No: 107122W/W100672


Gayatri Sonavane

Partner

Membership No. 114049

UDIN: 23114049BGXMMH4757



Mumbai

22 May 2023

Annexure I

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 18 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In conjunction with our audit of the consolidated financial statements of Capri Global Capital Limited ('the Holding Company') and its subsidiary (collectively referred as 'Group') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to the consolidated financial statements of Group, as at that date.

Board of Director's Responsibilities for Internal Financial Controls

2. The respective Board of Directors of the companies included in the Group, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.



Annexure I to the Independent Auditor's Report of even date to the members of Capri Global Capital Limited on the consolidated financial statements for the year ended 31 March 2023

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements (Continued)

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in the subsidiary company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to the consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the consolidated financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to the consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to the consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Group, have in all material respects, adequate internal financial controls with reference to the consolidated financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to the consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.



Annexure I to the Independent Auditor's Report of even date to the members of Capri Global Capital Limited on the consolidated financial statements for the year ended 31 March 2023

Other Matter

9. Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the consolidated financial statements insofar as it relates to a subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For **M M Nissim & Co LLP**

Chartered Accountants

Firm's Registration No: 107122W/W100672


Gayatri Sonavane

Partner

Membership No. 114049

UDIN: 23114049BGXMMH4757



Mumbai

22 May 2023

CAPRI GLOBAL CAPITAL LIMITED
Consolidated Balance Sheet as at March 31, 2023

(₹ in millions)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	14,767.73	3,225.06
(b) Bank Balance other than above	4	335.07	306.15
(d) Receivables	5	322.34	93.26
(e) Loans	6	94,753.52	62,708.03
(f) Investments	7	2,150.41	3,774.84
(g) Other financial assets	8	755.49	210.52
Total Financial Assets		113,084.56	70,317.86
(2) Non-financial Assets			
(a) Current tax assets (net)	9	195.04	100.38
(b) Deferred tax assets	10	476.09	366.83
(d) Property, plant and equipment		2,839.92	318.02
(e) Capital work-in-progress	11	25.22	-
(f) Intangible Assets under development		148.05	23.20
(g) Other Intangible assets		69.67	25.66
(h) Other non financial assets	12	1,107.60	375.74
Total Non-Financial Assets		4,861.59	1,209.83
Total Assets		117,946.15	71,527.69
EQUITY AND LIABILITIES			
LIABILITIES			
(1) Financial Liabilities			
(a) Derivative financial instruments	15A	75.72	12.42
(b) Payables			
(A) Trade Payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		6.52	1.75
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		960.95	333.10
(B) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		144.99	78.25
(c) Debt Securities	14	4,386.14	4,560.88
(d) Borrowings (Other than Debt Securities)	15B	70,726.65	43,761.16
(e) Other Financial liabilities	16	5,629.85	3,270.64
Total Financial Liabilities		81,930.82	52,018.20
(2) Non-financial Liabilities			
(a) Current tax liabilities (net)	17	12.92	27.89
(b) Provisions	18	214.96	166.19
(c) Other non-financial liabilities	19	132.79	90.70
Total Non-Financial Liabilities		360.67	284.78
Total Liabilities		82,291.49	52,302.98
3 Equity			
(a) Equity Share Capital	20	412.31	351.31
(b) Other Equity	21	35,242.35	18,873.40
Total Equity		35,654.66	19,224.71
Total Equity and Liabilities		117,946.15	71,527.69

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For M M Nissim & Co LLP

Chartered Accountants

(Firm's Registration No. 107122W/W100672)

G. Sonavane

Gayatri Sonavane

Partner

Membership No. 114049

Place: Mumbai

Date: May 22, 2023



For and on behalf of the Board of Directors

Rajesh Sharma

Rajesh Sharma
Managing Director &
Chief Financial Officer
DIN 00020037
Place: Mumbai

B. Prasad Rauka

B. Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Bhattacharya

Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai

Date: May 22, 2023



CAPRI GLOBAL CAPITAL LIMITED**Consolidated Statement of Profit and Loss for the year ended March 31, 2023**

(₹ in millions)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
(i) Interest income	22	11,672.92	8,395.78
(ii) Dividend income		-	1.23
(iii) Fee and commission income	23	1,540.97	506.77
(iv) Net Gain on Derecognition of Financial Instrument	24	557.31	170.01
(v) Net gain on fair value changes	25	214.00	236.17
(vi) Sale of Service		265.07	250.65
(vii) Other operating income	26	383.18	242.51
(I) Total Revenue from operations		14,633.45	9,803.12
(II) Other Income	27	16.52	14.41
(III) Total Income (I + II)		14,649.97	9,817.53
Expenses			
(i) Finance costs	28	5,311.18	3,308.47
(ii) Fees and commission Expense		257.76	190.79
(iv) Impairment of financial instruments	29	641.82	1,056.34
(v) Employee benefit expenses	30	4,060.78	1,746.04
(vi) Depreciation and amortisation expense		439.13	98.77
(vii) Other expenses	31	1,256.46	690.89
(IV) Total Expenses		11,967.13	7,091.30
(V) Profit before tax (III- IV)		2,682.84	2,726.23
Tax Expense:			
- Current tax		653.96	779.55
- Deferred tax		(6.41)	(109.53)
- Tax Pertaining to earlier years		(11.25)	5.80
(VI) Total tax expense		636.30	675.82
(VII) Net Profit After Tax		2,046.54	2,050.41
(VIII) Other Comprehensive Income	32		
(A) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(12.50)	(0.47)
Income Tax impact on above		3.15	0.12
Total (A)		(9.35)	(0.35)
(B) Items that will be reclassified to profit or loss			
Fair Value Gain on time value of forward element of forward contract in hedging relationship		(29.53)	(6.10)
Income Tax impact on above		7.43	1.53
Total (B)		(22.10)	(4.57)
Other Comprehensive Income (A) + (B)		(31.45)	(4.92)
(IX) Total Comprehensive Income (VII + VIII)		2,015.09	2,045.49
(X) Earnings per equity share (of ₹ 2 each)			
Basic (₹)		11.06	11.17
Diluted (₹)		10.94	11.05

The accompanying notes are an integral part of the financial statements.

In terms of our report attached**For M M Nissim & Co LLP**

Chartered Accountants

(Firm's Registration No. 107122W/W100672)


Gayatri Sonavane

Partner

Membership No. 114049

Place: Mumbai

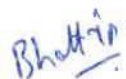
Date: May 22, 2023

**For and on behalf of the Board of Directors**


Rajesh Sharma
Managing Director &
Chief Financial Officer
DIN 00020037
Place: Mumbai



Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai



Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai



Date: May 22, 2023

CAPRI GLOBAL CAPITAL LIMITED
Consolidated Cash Flow Statement for the year ended March 31, 2023

(₹ in millions)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash Flow From Operating activities		
Profit before tax from continuing operations	2,682.84	2,726.23
Adjustments for:		
Depreciation & amortisation	439.13	98.77
Impairment on financial instruments	631.34	1,056.68
Net Gain on Fair Valuation of Financial Instruments	(214.00)	(236.17)
Net Gain on Derecognition of Financial Instruments	(546.03)	(170.01)
Loss/(Gain) on sale of Fixed Assets	1.07	1.22
Write off - Fixed Assets	1.76	-
Gain on early termination of Lease	(6.26)	(1.75)
Gain on sale of Investment Property	(6.30)	(2.93)
Gain on sale of Investments	-	(0.28)
Share Based Payments to employees	161.59	54.78
Dividend income	-	(1.23)
Interest on Lease liability	147.62	26.12
Interest income	(11,661.61)	(8,395.78)
Finance cost	5,163.56	3,308.47
Interest received	11,512.86	8,285.99
Interest Paid	(5,338.93)	(3,434.45)
Dividend received	-	1.23
Operating Profit before working capital changes	2,968.64	3,316.90
Working capital changes		
(Increase)/Decrease in		
Loans	(32,538.57)	(16,701.66)
Trade receivables & Other Financial Assets	(216.31)	(55.83)
Other Non-financial Assets	(736.30)	(175.79)
Increase/(Decrease) in		
Trade payables	663.13	261.31
Other financial liability	821.67	836.13
Other Non-financial liability	(116.03)	55.06
Provision	59.93	(15.11)
Cash used in Operations	(29,093.84)	(12,478.99)
Income tax paid	(844.64)	(922.41)
Net cash flows from/(used in) operating activities	(29,938.48)	(13,401.40)
Cash Flow From Investing activities		
Increase/(decrease) in Fixed deposits not considered as cash and cash equivalent	(22.23)	235.14
Purchase of fixed and intangible assets	(1,225.31)	(106.55)
Intangible Assets Under Development	(61.32)	(11.70)
Capital work-in-progress	(25.22)	-
Proceeds from sale of property and equipment	3.81	3.98
Proceeds from sale of Investment Properties	10.76	5.01
Sale/(Purchase) of investment in Mutual Funds (net)	(14,797.73)	2,323.90
Proceeds from Sale of investment	17,112.49	3,234.27
Purchase of investment in shares	(474.22)	(2,518.59)
Net cash flows from/(used in) investing activities	520.93	3,165.47
Cash Flow From Financing activities		
Debt securities Redeemed (Net)	(176.79)	(2,416.67)
Proceed from Borrowings other than debt securities	38,312.82	18,640.00
Repayment of Borrowings other than debt securities Repaid	(11,138.77)	(6,514.25)
Other short term loan (net)	-	654.26
Payments for the principal portion of the lease liability	(157.48)	(33.59)
Payments for the interest portion of the lease liability	(147.62)	(26.12)
Dividends paid	(79.83)	(70.14)
Proceed from issue of equity Shares	14,347.89	1,521.60
Net cash flows from financing activities	40,960.22	11,755.10
Net increase in cash and cash equivalents	11,542.67	1,519.15
Cash and cash equivalents as at beginning of the year	3,225.06	1,705.91
Cash and cash equivalents as at end of the year	14,767.73	3,225.06
Components of cash and cash equivalents		
Cash on hand	164.66	14.88
Balances with banks		
In current accounts	3,223.26	1,101.37
Cheques on hand	27.58	8.81
Fixed deposits with original maturity of 3 Months or less	11,352.23	2,100.00
Total cash and cash equivalents	14,767.73	3,225.06

- Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
- Figures in brackets represent outflows.

In terms of our report attached
For M M Nissim & Co LLP
Chartered Accountants
(Firm's Registration No. 107122W/W100672)

Gavatri Sonavane
Gavatri Sonavane
Partner
Membership No. 114049
Place: Mumbai

Date: May 22, 2023



For and on behalf of the Board of Directors

Rajesh Sharma
Rajesh Sharma
Managing Director &
Chief Financial Officer
DIN 00020037
Place: Mumbai

Bhesh Prasad Rauka
Bhesh Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Yashesh Bhatt
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai

Date: May 22, 2023



CAPRI GLOBAL CAPITAL LIMITED.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2023

A. EQUITY SHARE CAPITAL

(₹ in millions)				
(1) Current year	Changes in equity share capital due to prior period errors	Restated balance as at April 01, 2022	Changes in equity share capital during the current year	Balance as at March 31, 2023
	351.31	351.31	61.00	412.31
(₹ in millions)				
(2) Previous year	Changes in equity share capital due to prior period errors	Restated balance as at April 01, 2021	Changes in equity share capital during the current year	Balance as at March 31, 2022
	350.57	350.57	0.74	351.31

B. OTHER EQUITY

Particulars	Reserves and Surplus					Other Comprehensive Income			Total
	General Reserve	Securities Premium	Retained Earnings	Employee Share Option Outstanding	Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934	Statutory Reserve under Section 29C of Bank Act, 1987	Employee Benefit Expenses (Gratuity - OCI)	Hedging Reserve (Forward Contract - OCI)	
Balance as at April 1, 2021	642.05	4,491.79	9,035.79	78.77	2,407.96	158.30	7.75	-	16,822.41
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	642.05	4,491.79	9,035.79	78.77	2,407.96	158.30	7.75	-	16,822.41
Profit for the year	-	-	2,050.41	-	-	-	-	-	2,050.41
Other Comprehensive Income / (losses)	-	-	-	-	-	-	(0.35)	(4.57)	(4.92)
Dividends	-	-	(70.15)	-	-	-	-	-	(70.15)
Transfer from retained earnings	-	-	(410.17)	-	-	-	-	-	(410.17)
Addition during the Year	-	49.34	-	26.31	323.77	86.40	-	-	485.82
Balance as at March 31, 2022	642.05	4,541.13	10,605.88	105.08	2,731.73	244.70	7.40	(4.57)	18,873.40
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2022	642.05	4,541.13	10,605.88	105.08	2,731.73	244.70	7.40	(4.57)	18,873.40
Profit for the year	-	-	2,046.54	-	-	-	-	-	2,046.54
Other Comprehensive Income / (losses)	-	-	-	-	-	-	(9.35)	(22.10)	(31.45)
Dividends	-	-	(87.91)	-	-	-	-	-	(87.91)
Transfer from retained earnings	-	-	(448.06)	-	-	-	-	-	(448.06)
Addition during the Year	-	25.34	-	148.37	283.07	164.99	-	-	621.77
Securities premium proceeds received on rights issue of equity shares	-	14,266.06	-	-	-	-	-	-	14,266.06
Balance as at March 31, 2023	642.05	18,834.53	12,116.45	253.45	3,014.80	409.69	(1.95)	(26.67)	35,242.35

In terms of our report attached
For M M Nissim & Co LLP
Chartered Accountants

(Firm's Registration No. 107122W/W100672)



Gavatri Sonavane
Partner
Membership No. 114049
Place: Mumbai

For and on behalf of the Board of Directors

[Signature]

Rajesh Sharma
Managing Director &
Chief Financial Officer
DIN 00020037
Place: Mumbai

[Signature]

Benji Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

[Signature]

Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai



Date: May 22, 2023

Date: May 22, 2023

CAPRI GLOBAL CAPITAL LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

1. Corporate Information

Capri Global Capital Limited ("the Company/Holding Company") having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged in the business of providing loans to Micro, Small and Medium Enterprises (MSMEs), providing long term finance for construction of residential houses in India, Indirect Lending, Gold Loan in India and in providing ancillary services related to the said business activities. The Holding company is NBFC – Investment and Credit Company (NBFC-ICC), holding a Certificate of Registration No. B-13.01882 from the Reserve Bank of India ("RBI") dated November 05, 2007, having CIN: L65921MH1994PLC173469.

Capri Global Housing Finance Limited (the Subsidiary Company) having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged in the business of providing loans primarily to customers for purchase / construction / repair and renovation of residential property. The Company holds registration certificate No. 07.0139.16 with National Housing Bank under section 29A of the National Housing Bank Act, 1987 dated 18th July 2016

The consolidated financial statements relate to the Holding Company and its Subsidiary Company (together regrouped as the "Group").

The Consolidated financial statements for the year ended March 31, 2023 were authorised for issue in accordance with a resolution of the board of directors on May 22, 2023.

2.1 Basis of Consolidation

(i) The following subsidiary company has been considered in the preparation of the consolidated financial statements:

Name of Entity	Capri Global Housing Finance Limited
Relationship	Subsidiary
Country of incorporation	India
Ownership held by	Capri Global Capital Limited
% of holding and voting power	
As at March 31, 2023	100%
As at March 31, 2022	100%

(ii) Principles of Consolidation:

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) 110 - "Consolidated Financial Statements" notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The consolidated financial statements have been prepared on the following basis:

a) The financial statements of Group have been combined on a line by line basis of like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements as at March 31, 2023.

b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Holding Company's separate financial statements. Appropriate adjustments have been made in the financial statements of the subsidiary with respect to different accounting policies for like transaction and events in similar circumstances for the purpose of preparation of consolidated financial statements.

c) Elimination of the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.

d) The financial statements of the subsidiary used in consolidation are drawn up to the same reporting date as that of the Holding Company i.e. year ended March 31, 2023.

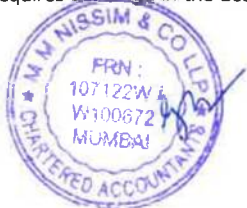
2.2 Statement of compliance and basis of preparation and presentation

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) The Group uses accrual basis of accounting except in case of significant uncertainties [Refer note 2.4 (i),(iii),(iv),(v)]. Accounting policies have been consistently applied to all periods presented unless otherwise stated.

Any application of guidance / clarification / directions issued by RBI or other regulations are implemented prospectively when they become applicable.

The Consolidated financial Statement has been prepared in accordance with and comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.



The Consolidated financial statements are presented in Indian Rupees (₹) and all values are rounded to two decimal Millions, except when otherwise indicated.

The Group presents its balance sheet in the order of liquidity.

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of The Group and/or its counterparties



Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery

(iv) Sale of service

Sale of services includes advertising income, representing income earned from the activities incidental to the business and is recognised when the service is performed. Revenue is net of applicable indirect taxes as per the terms of the contract.

(v) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as FVTPL held by The Group on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

However, Net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

(vi) Assignment transactions

In accordance with Ind AS 109, in case of assignment transactions with significant transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognized from the Balance Sheet immediately upon execution of such transaction. Further, the transfer of financial assets qualifies for derecognition to the extent of portion transferred, the whole of the interest spread at its present value (discounted over the life of the asset) is recognized on the date of derecognition itself as interest only strip receivable (interest strip on assignment) and correspondingly recognized as profit on derecognition of financial asset.

(vii) Securitization transactions

In accordance with Ind AS 109, in case of securitization transactions, The Group retains substantially all the risks and rewards of ownership of a transferred financial asset, The Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

2.5 Expenses

(i) Finance costs

Finance costs on borrowings is paid towards availing of loan, is amortised on EIR basis over the contractual life of loan.

The EIR in case of a financial liability is computed

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows

c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts

Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the liability.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, Rating Fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the eligible employees of The Group who have opted to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and The Group contribute monthly at a stipulated rate. The Group has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit schemes

The Group provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.



The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Group fully contributes all ascertained liabilities to the Trustees – CGCL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Financial Services Limited Employee Group Gratuity Assurance Scheme)" and CGHFL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Securities Private Limited Employee Group Gratuity Assurance Scheme)". Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

(iii) Leases Rent

The Group leases most of its office facilities under operating lease agreements that are renewable on a periodic basis at the option of the lessor and the lessee. The lease agreements contain rent free periods and rent escalation clauses.

The Group assesses whether a contract contains a lease at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, The Group assesses whether: (i) the contract involves the use of an identified asset, (ii) The Group has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) The Group has the right to direct the use of the asset.

At the date of commencement of the lease, The Group recognizes a ROU asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. ROU assets represent The Group's right to use an underlying asset for the lease term and lease liabilities represent The Group's obligation to make lease payments arising from the lease. For short-term leases and low value leases, The Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

The lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the lease term.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. For leases under which the rate implicit in the lease is not readily determinable, The Group uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if The Group changes its assessment as to whether it will exercise an extension or a termination option.

At initial recognition the carrying value of the refundable deposits is taken at present value of all expected future principal repayments discounted using market rates prevailing at the time of inception. For Interest expenses, the difference between present market value and deposit made is recognised as prepayment and amortised in the Statement of Profit and loss over the benefit period on systematic basis. Interest income is recognised at the prevailing market rates.

(iv) Other income and expenses

All Other income and expense are recognized in the period they occur.

(v) Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.



In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(vi) Taxes

Income Tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, other comprehensive income or directly in equity when they relate to items that are recognized in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax law) enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity.

Goods and services tax /service tax/value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/service tax/value added taxes paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

ii. When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.6 Foreign currency translation

(i) Functional and presentational currency

The Consolidated financial statements are presented in Indian Rupees which is also functional currency of The Group and the currency of the primary economic environment in which The Group operates.

(ii) Transactions and balances

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.7 Financial instruments

Financial assets and financial liabilities are recognised in The Group's balance sheet on trade date, i.e. when The Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues of financial assets or financial liabilities carried at fair value through the profit or loss account are recognised immediately in the Statement of Profit or Loss. Trade Receivables are measured at transaction price.

(i) Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost



2. Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets' cash flows and The Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- ▶ How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- ▶ The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- ▶ How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- ▶ The expected frequency, value and timing of sales are also important aspects of The Group's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from The Group's original expectations, The Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process The Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, The Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

(ii) Financial assets measured at amortised cost

Debt instruments

These financial assets comprises of bank balances, receivables, investments and other financial assets.

Debt instruments are measured at amortised cost where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost.

(iii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in Profit and Loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by The Group in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument- by-instrument basis. As at reporting date, there are no equity instruments measured at FVTOCI.

Amounts presented in other comprehensive income are not subsequently transferred to profit or loss.

Dividends on such investments are recognised in Profit or Loss.

(iv) Items at fair value through profit or loss (FVTPL)

Items at fair value through profit or loss comprise:



- Investments (including equity shares) held for trading;
- debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at FVTPL are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments designated as measured at FVTPL

Upon initial recognition, financial instruments may be designated FVTPL. A financial asset may only be designated at FVTPL if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at FVTPL if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at FVTPL, the movement in fair value attributable to changes in The Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, The Group has not designated any financial instruments as measured at fair value through profit or loss.

(v) Debt securities and other borrowed funds

After initial measurement, debt issued, and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the Effective Interest Rate (EIR).

(vi) Reclassification

If the business model under which The Group holds financial assets undergoes changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying The Group's financial assets. Changes in contractual cash flows are considered under the accounting policy on Modification and derecognition of financial assets described in subsequent paragraphs.

(vii) Recognition and Derecognition of financial assets and liabilities

Recognition:

- Loans and Advances are initially recognised when the Financial Instruments are transferred to the customers.
- Investments are initially recognised on the settlement date.
- Debt securities and borrowings are initially recognised when funds are received by The Group.
- Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that The Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI). In case of an existing exposure to the borrower in The Group the newly recognised loans are classified as per the staging of the existing exposure.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, The Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification

a) Financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, The Group has transferred its contractual rights to receive cash flows from the financial asset.

A transfer only qualifies for derecognition if either:

- The Group has transferred substantially all the risks and rewards of the asset, or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.



When The Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of The Group's continuing involvement, in which case, The Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that The Group has retained.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the Statement of Profit or Loss.

(viii) Impairment of financial assets

Overview of the ECL principles

The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, in this section all referred to as 'financial instruments. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group has grouped its loan portfolio into Micro, Small and Medium Enterprises (MSMEs), Construction Finance Indirect Lending and Gold Loan.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, The Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances up to 0-30 days default under this category. Stage 1 loans also include facilities where the credit risk has reduced and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets past due for 31 to 90 days are classified under this stage. Stage 2 loans also include facilities where the credit risk has reduced, and the loan has been reclassified from Stage 3.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. more than 90 days Past Due is considered as default for classifying a financial instrument as credit impaired.

Credit-impaired financial assets:

At each reporting date, The Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by The Group on terms that The Group would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties.

The mechanics of ECL:

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.



The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - Probability of default ("PD") is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors.

Loss Given Default (LGD) - Loss Given Default ("LGD") is defined as the loss rate on the exposure, given the borrower has defaulted. LGD is being calculated for all financial instruments under risk parameter approach by way of evaluation of historical data on defaults, recovery amounts, collateral liquidation, direct expenses, and opportunity cost for each default.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date including the undrawn commitments. EAD is taken as the gross exposure under a facility upon default of an obligor. The principal outstanding, overdue principal, accrued interest, overdue interest less excess received from the customers is considered as EAD for the purpose of ECL computation.

Forward looking information

While estimating the expected credit losses, The Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, The Group analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD determined by The Group based on its internal data/external data. While the internal estimates of PD rates by The Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Collateral repossessed

In its normal course of business, the group repossess assets under SARFAESI/ arbitration Act, but do not transfer these assets in its book of accounts. The Group continues to show these loans account as Non-Performing Assets (NPA) in the books, till the liquidation of the secured assets through public auction and realise actual payment against these loans.

(ix) Write-offs

The Group reduces the gross carrying amount of a financial asset when The Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when The Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

(x) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, The Group measures certain categories of financial instruments (as explained in note.) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by The Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that The Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation are significant and are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, The Group will classify the instruments as Level 3.



Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Difference between transaction price and fair value at initial recognition

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, The Group recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, The Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is not recognised at the initial recognition stage.

(xi) Derivative Financial Instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its floating rate borrowings arising from changes in interest rates and exchange rates. At inception of designated hedging relationships.

The Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.9 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.



Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress."

Depreciation

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

2.10 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to The Group.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end.

Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years, unless it has a shorter useful life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible under development"

2.11 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

2.12 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of The Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

2.13 Earning Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.



For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the diluted earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.14 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

(i) Defined employee benefit assets and liabilities - Refer 2.5(ii)

(ii) Impairment of loans portfolio - Refer 2.7(viii)

(iii) Effective Interest Rate (EIR) method - Refer 2.4(i) and 2.5(i)

(iv) Lease accounting - Refer 2.5(iii)

(v) Impairment test of non-financial assets - Refer 2.5(v)

(vi) Useful life of property, plant, equipment and intangibles - Refer 2.9 & 2.10

(vii) Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions - Refer 2.5(vi)

(viii) Recognition and Measurement of Provision and Contingencies - Refer 2.11 and 2.12

(ix) Determination of the fair value of financial instruments - Refer 2.7(x)

(x) Business Model Assessment - Refer 2.7(i)

2.15 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) on 31st March 2023 through Companies (Indian Accounting Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1st April, 2023.

Indian Accounting Standard (Ind AS) 1 – Presentation of financial statements – This amendment requires The Group to disclose its material accounting policies rather than their significant accounting policies.

The Group will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward.

The Group does not expect this amendment to have any material impact in its financial statements.

Indian Accounting Standard (Ind AS) 8 – Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

The Group does not expect this amendment to have any material impact in its financial statements.

Indian Accounting Standard (Ind AS) 12 – Income taxes – This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences.

The Group does not expect this amendment to have any material impact in its financial statements.



Note 3 - Cash and cash equivalents

₹ in millions		
Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	164.66	14.88
Cheques on hand	27.58	8.81
Balances with banks:		
- In Current Accounts	3,223.26	1,101.37
- Fixed deposits with original maturity of 3 Months or less	11,352.23	2,100.00
Total	14,767.73	3,225.06

Note 4 - Bank balances other than cash and cash equivalents

₹ in millions		
Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks		
- Original Maturity more than 3 months	334.88	305.94
- Unclaimed Dividend Account	0.19	0.21
Total	335.07	306.15

Out of the above ₹ 320.46 Millions (March 31, 2022 - ₹ 200.51 Millions) balance in deposit accounts with banks are being earmarked towards Borrowings from National Housing Bank, overdraft facilities, bank guarantee and against customer advance. Deposits are made for varying period from 10 days to 10 years and earn interest from 4.90% to 7.70% p.a.

Note 5 - Receivables

₹ in millions		
Particulars	As at March 31, 2023	As at March 31, 2022
Secured, considered good		
- Outstanding for a period exceeding six months from the due date of payment of payment	-	-
- Outstanding for a period less than six months	333.74	93.26
Total - Gross	333.74	93.26
Less: Provision for impairment	(11.40)	-
Total - Net	322.34	93.26

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Ageing schedule

₹ in millions							
(1) Current year							
Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	322.34	-	-	-	-	322.34
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-

Note: Ageing of receivable is determined from the date of transaction

₹ in millions							
(2) Previous year							
Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	93.26	-	-	-	-	93.26
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-

Note: Ageing of receivable is determined from the date of transaction



Note 6 - Loans

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
	Total	Total
Secured (Amortised Cost)		
Term Loans	96,544.56	64,413.67
Unsecured (Amortised Cost)		
Loan to employees	3.43	1.13
Total – Gross (A)	96,547.99	64,414.80
Less : Expected Credit Loss	(1,794.47)	(1,706.77)
Total – Net (A)	94,753.52	62,708.03
(a) Secured by Tangible Assets	93,133.60	61,291.34
(b) Secured by Book Debts	3,410.96	3,122.33
(c) Unsecured	3.43	1.13
Total - Gross (B)	96,547.99	64,414.80
Less : Expected Credit Loss	(1,794.47)	(1,706.77)
Total - Net (B)	94,753.52	62,708.03
Loans in India		
i) Public Sector	-	-
ii) Others	96,547.99	64,414.80
Total - Gross (C)	96,547.99	64,414.80
Less: Expected Credit Loss	(1,794.47)	(1,706.77)
Total - Net (C)	94,753.52	62,708.03

Note 1 - The Group's business model is to Collect contractual cash flows, being the payment of Principal and Interest, accordingly the loans are measured at amortised cost.

Note 2 - Underlying for the term loans secured by tangible assets are properties and Gold Jewellery

Note 3 - The Group does not have any loans outside India.



Note 7 - Investments

(₹ in millions)

Investments	As at March 31, 2023			As at March 31, 2022		
	At Fair Value Through profit and loss	At Amortized Cost	Total	At Fair Value Through profit and loss	At Amortized Cost	Total
Investments in Mutual funds	1,364.73	-	1,364.73	2,304.43	-	2,304.43
Investments in Debt Securities	-	-	-	-	-	-
- Debt Instrument	-	-	-	-	247.66	247.66
- Pass Through Certificates	-	785.68	785.68	-	1,174.64	1,174.64
Investments in Equity Instruments	-	-	-	48.11	-	48.11
Total - Gross (A)	1,364.73	785.68	2,150.41	2,352.54	1,422.31	3,774.84
i) Investments outside India	-	-	-	-	-	-
ii) Investments in India	1,364.73	785.68	2,150.41	2,352.54	1,422.31	3,774.84
Total (B)	1,364.73	785.68	2,150.41	2,352.54	1,422.31	3,774.84

* As per para 10 of Ind AS 27, the Group has opted to account the investments in subsidiary entity at cost.

Particulars	As at March 31, 2023 Numbers/Units	As at March 31, 2022 Numbers/Units
Investment in Equity		
1. Equity Shares of CARE Ratings Limited of ₹ 10/- each fully paid up	-	94,242.00
Investment in Mutual Funds		
1. ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth	-	9,290,561.00
2. DSP Liquidity Fund - Direct Plan - Growth	46,707.43	-
3. ICICI Pru. Floating Interest Fund - Direct Growth	452,358.55	-
4. Aditya Birla Sun Life Savings Fund - DG	692,366.47	676,389.73
5. ICICI Prudential Money Market Fund Regular Growth	-	198,269.03
6. ICICI Prudential Money Market Fund Direct Growth	-	1,629,143.98
7. Nippon India Money Market Fund Direct Growth	-	185,170.45
8. Aditya Birla Sun Life Money Manager Fund - Direct Growth	-	669,388.31
9. Aditya Birla Sun Life Liquid Fund - Direct Growth	-	583,099.82
10. Nippon Indian Liquid Fund Direct Growth	-	38,439.85
11. Baroda Liquid Fund	80,394.50	-
12. Nippon India Money Market Fund	100,752.44	-
13. ICICI Prudential Ultra Short Fund	10,034,017.04	-
Investment in Bonds		
1. Edelweiss Financial Services Ltd - 11 NCD 05OCT23 FVRS10LAC	-	250.00
Investment in Pass Through Certificates		
1. INDIAN RECEIVABLE TRUST 2019 SERIES S - SERIES A2 PTC 01MR19	2,318.00	2,318.00



Note 8 - Other Financial Assets

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	127.37	32.30
Interest Accrued but not due on Debt Instruments	-	2.03
Interest Accrued but not due on PTC	4.74	6.08
Spread receivable on assigned portfolio	622.01	168.46
Other Receivable	1.37	1.65
Total	755.49	210.52

Note 9 - Current Tax Assets (Net)

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Tax	195.04	100.38
[net of provision for tax of ₹ 3,850 Millions (March 31, 2022 ₹ 3,129.87 Millions)]		
Total	195.04	100.38

Note 10 - Deferred Tax Assets

The major components of deferred tax assets and liabilities are :

(₹ in millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Assets	Liabilities	Assets	Liabilities
a) Depreciation	39.16	-	24.25	-
b) Provision for Employee Benefits	29.74	-	15.21	-
c) Unmortised fees on borrowings	-	0.68	-	1.40
d) Impairment allowance for financial assets	464.90	-	359.09	-
e) Unmortised fees on loans	1.55	-	4.21	-
g) Financial Instruments at FVTPL	-	1.05	0.76	-
h) Others	32.46	-	7.11	-
i) Interest Income on NPA	66.56	-	-	-
j) Gain on derecognition of financial instruments	-	156.55	-	42.40
Total	634.37	158.28	410.63	43.80
Net Deferred tax assets		476.09		366.83

Refer Note 35 for Deferred tax Movement

Note 12 - Other Non-Financial Assets

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Advances	178.75	156.95
Less: Provision on Capital Advances	-	3.71
Net Capital Advances	178.75	153.24
Assets Held for sale	187.93	47.44
Less: Provision on Assets held for sale	42.98	42.98
Net Assets Held for Sale	144.95	4.46
Prepaid expenses	78.36	35.33
Accrued Income	447.20	170.46
Advance to vendor	236.34	7.59
Other Assets	22.00	4.66
Total	1,107.60	375.74



Note 11 - Property, plant and equipment & Intangible Assets

Current Year:

Property, plant and equipment :

Particulars	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	As at April 01, 2022	Additions	Deductions	As at April 01, 2022	For the Year	Deductions	As at March 31, 2023	As at March 31, 2022
Buildings :								
Buildings	2.70			0.60	0.10		2.00	2.10
Leasehold Premises	22.85	164.28	0.43	17.65	19.59	0.35	149.81	5.20
Computer Hardware	128.83	171.75	10.44	82.28	79.94	9.84	139.76	46.55
Furniture and Fixtures	49.37	367.03	0.55	36.48	40.23	0.41	339.55	12.89
Office Equipments	33.43	220.76	2.62	27.42	41.28	2.47	185.34	6.01
Vehicles	62.71	14.78	11.15	42.65	7.69	7.96	23.96	20.05
Electrical Installation	9.82	140.85	0.22	7.67	14.70	0.19	128.27	2.15
Right of Use	352.94	1,885.98	64.46	179.87	200.35	26.98	1,871.22	223.07
Total	662.65	2,967.44	89.89	344.62	403.88	48.20	2,839.92	318.02

Note: The Group confirms that the title deeds of immovable property are held in the name of the Capri Global Capital Limited.

Capital work-in-progress:

Particulars	GROSS BLOCK		
	As at April 01, 2022	Additions	As at March 31, 2023
Computer Hardware		71.16	5.32
Furniture & Fixtures		207.25	15.06
Office Equipments		175.23	4.83
Total	-	453.63	25.22

Intangible Assets under development:

Particulars	GROSS AMOUNT		
	As at April 01, 2022	Additions	As at March 31, 2023
Software	23.20	156.85	148.05
Total	23.20	156.85	148.05



Intangible assets :

Particulars	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	For the Year	Deductions	As at March 31, 2023	As at March 31, 2022
Software	107.22	79.27	-	186.49	35.26	-	116.82	25.66
Total	107.22	79.27	-	186.49	35.26	-	116.82	25.66

Previous Year:

Property, plant and equipment

Particulars	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022	For the Year	Deductions	As at March 31, 2022	As at March 31, 2021
Buildings :								
Buildings	2.70	-	-	2.70	0.49	-	0.60	2.21
Leasehold Premises	22.85	-	-	22.85	1.81	-	17.65	7.01
Computer Hardware	91.67	51.92	14.76	128.83	20.80	13.89	83.28	16.30
Furniture and Fixtures	50.31	1.52	2.46	49.37	4.25	1.80	36.48	16.28
Office Equipments	33.22	3.96	3.75	33.43	2.54	3.47	27.42	4.87
Vehicles	61.40	9.88	8.58	62.70	6.04	5.41	42.65	19.38
Electrical Installation	9.94	-	0.12	9.82	0.74	0.09	7.67	2.92
Right of Use	296.79	93.90	37.75	352.94	42.82	24.10	129.87	185.64
Total	568.88	161.18	67.42	662.64	79.11	48.76	344.62	254.61

Intangible Assets under development:

Particulars	GROSS AMOUNT		
	As at April 01, 2021	Additions	Deductions
Software	0.70	23.52	1.02
Total	0.70	23.52	1.02

Intangible assets :

Particulars	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022	For the Year	Deductions	As at March 31, 2022	As at March 31, 2021
Software	78.74	28.48	-	107.22	19.63	-	81.56	16.81
Total	78.74	28.48	-	107.22	19.63	-	81.56	16.81



Note 13 - Payables**Trade Payables**

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises*	6.52	1.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	960.95	333.10
Total	967.47	334.85

*The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of Information available with the Group. The amount of principal and interest outstanding during the year is given below.

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
1) Principal amount due and remaining unpaid	6.52	1.75
2) Interest due on (1) above and the unpaid interest	-	-
3) Interest paid on all delayed payment under the MSMED Act	-	-
4) Payment made beyond the appointed day during the year	-	-
5) Interest due and payable for the period of delay other than (3) above	-	-
6) Interest accrued and remaining unpaid	-	-
7) Amount of further interest remaining due and payable in succeeding years	-	-
Total	6.52	1.75

Note: Trade Payable includes amount due to Related Parties as on March 31, 2023 ₹ Nil (As at March 2022 ₹ Nil)

Ageing schedule**(1) Current year**

(₹ in millions)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	6.50	0.00	0.02	-	6.52
(ii) Others	940.76	18.30	1.27	0.60	0.01	960.95
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-

Note: Ageing of payable is determined from the date of transaction

(1) Previous year

(₹ in millions)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1.75	-	-	-	1.75
(ii) Others	325.10	6.21	0.24	1.55	-	333.10
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-

Note: Ageing of payable is determined from the date of transaction

Other Payables

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Accrued Employee Benefit Expense	144.99	78.25
Total	144.99	78.25

(1) Current year

(₹ in millions)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Others	-	143.56	1.43	-	-	144.99

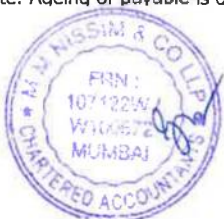
Note: Ageing of payable is determined from the date of transaction

(2) Previous year

(₹ in millions)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Others	-	78.20	0.05	-	-	78.25

Note: Ageing of payable is determined from the date of transaction



Note 14 - Debt securities

(₹ in millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortised Cost	Total	At Amortised Cost	Total
Non-Convertible debentures	4,386.14	4,386.14	4,560.88	4,560.88
Total (A)	4,386.14	4,386.14	4,560.88	4,560.88
Debt securities in India	4,386.14	4,386.14	4,560.88	4,560.88
Debt securities outside India	-	-	-	-
Total (B)	4,386.14	4,386.14	4,560.88	4,560.88

Terms of repayment, nature of security & rate of interest in case of Non Convertible Debenture.

(₹ in millions)

Name of Security	Maturity date	Terms of repayment	Coupon/ Interest rate	As at March 31, 2023	As at March 31, 2022
Series 4 (FV ₹10 Lacs)	09-08-2029	Bullet payment on maturity	10.23%	1,500.00	1,500.00
Series 8 (FV ₹10 Lacs)	23-07-2023	Payable in 3 equal annual instalments	8.80%	166.67	333.33
Series 6 (FV ₹10 Lacs)	05-06-2023	Bullet payment on maturity	9.00%	500.00	500.00
Series 5 (FV ₹10 Lacs)	22-05-2023	Bullet payment on maturity	8.80%	2,000.00	2,000.00
Total (A)				4,166.67	4,333.33
Add: Interest accrued but not due (B)				219.85	229.99
Less : Unamortised borrowing cost (B)				(0.38)	(2.44)
Total (A+B-C)				4,386.14	4,560.88

Disclosure under regulation 53(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**Debenture Trustees:**

Catalyst Trusteeship Limited
604, Windsor, Off CST Road,
Kalina, Santacruz East,
Mumbai - 400098.
Contact : + 91 (022) 49220555

Disclosure under regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**Related party transaction** - Refer Note 41**Disclosure under regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:****Asset Cover**

The above NCD's are secured against first pari-passu charge by way of hypothecation on the immovable property, loan receivables/book debts, bank balances and investments of the Group with asset cover range of 1.25 to 1.33 times.



Note 15A - Derivative financial instruments

(₹ in millions)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Notional Amounts *	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives:						
Forwards	14,162.86	-	75.72	6,129.63	-	12.42
Total Derivative Financial Instruments	14,162.86	-	75.72	6,129.63	-	12.42
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cashflow Hedging:						
-Currency Derivatives : Forwards	14,162.86	-	75.72	6,129.63	-	12.42
Total Derivative Financial Instruments	14,162.86	-	75.72	6,129.63	-	12.42

* Notional amount of the respective currency has been converted as at March 31, 2023 exchange rate.



Note 15B - Borrowings (Other Than Debt Securities) - At Amortised Cost

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term Loans from Banks*	61,211.26	37,022.92
Term Loans from others**	8,871.89	6,036.69
Loan Repayable on Demand		
From Banks (Cash Credit)	643.50	701.55
From Banks (Overdraft)	-	-
Others		
Commercial Paper- Unsecured	-	-
Total (A)	70,726.65	43,761.16
Borrowings in India	70,726.65	43,761.16
Borrowings outside India	-	-
Total (B)	70,726.65	43,761.16

* Exclusive charge by way of hypothecation of Group's loan receivables, bank balances with asset cover of 1.20 times in favour of borrowing from SBI of ₹ 1,353.36 millions.

Borrowings other than above: First pari-passu charge by way of hypothecation of the Group's loan receivables / book debts, bank balances and investments with asset cover of 1.10 to 1.33 times.

** Exclusive charge by way of hypothecation of Group's loan receivables with minimum assets cover of 1.25 times in favour of borrowing from NABARD of ₹ 2,800 millions and asset cover of 1.25 to 1.35 times in favour of borrowing from NHB of ₹ 5,354.11 millions.

Borrowings other than above: First pari-passu charge by way of hypothecation of the Group's loan receivables / book debts, bank balance and investments with asset cover in the range of 1.10 to 1.33 times.

Terms of repayment & rate of interest in case of Borrowings (Other than Debt Securities)

(₹ in millions)

Nature of Facility	Maturity Range	Interest Range	As at March 31, 2023	As at March 31, 2022
Term Loans	0-3 yrs	8.05% - 9.90%	21,087.64	5,770.10
Term Loans	3-5 yrs	8.25% - 10.20%	22,913.24	17,623.67
Term Loans	5-7 yrs	8.25% - 9.40%	21,105.35	16,561.00
Term Loans	Beyond 7 years	7.50% - 10.65%	-	1,749.99
Refinance from NHB	0-3 yrs	3% - 6.50%	222.69	347.20
Refinance from NHB	3-5 yrs	3% - 6.50%	582.78	4.85
Refinance from NHB	5-7 yrs	3% - 6.50%	2,431.50	795.91
Refinance from NHB	Beyond 7 years	3% - 6.50%	2,117.15	398.80
Cash Credit	NA	8.20% - 11.20%	643.50	701.55
Total (A)			71,103.85	43,953.07
Add: Interest accrued but not due (B)			19.93	8.19
Less : Unamortised borrowing cost (C)			(397.13)	(200.10)
Total (A+B-C)			70,726.65	43,761.16

The Group has not defaulted in the repayment of borrowings (other than debt) and interest thereon for the year ended March 31, 2023 and March 31, 2022 respectively.

The quarterly returns/statements of current assets filed by the Group with the banks or financial institutions are in agreement with the books of accounts



Note 16 - Other Financial Liabilities

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Book Overdraft	3,552.60	2,817.53
Unclaimed dividend	0.19	0.21
Margin money received from Customer	126.14	139.98
Advances from customers	8.55	1.55
Lease Liability	1,928.87	248.20
Interest Accrued but not due on borrowings	0.22	-
Other Financial Liabilities	13.28	63.17
Total	5,629.85	3,270.64

Note 17 - Current Tax Liabilities (Net)

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Tax	12.92	27.89
[net of advance tax of March 2023 ₹ 329 Millions (March 31, 2022 ₹ 740.87 Millions)]		
Total	12.92	27.89

Note 18 - Provisions

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision on non-fund exposure	70.11	93.77
Provision for employee benefits		
- Gratuity	28.74	13.15
- Compensated Absences	116.11	59.27
Total	214.96	166.19

Note 19 - Other Non-financial liabilities

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Remittances	121.52	90.70
Other non financial liability	11.27	-
Total	132.79	90.70



Note 20 - Equity Share Capital

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
AUTHORISED		
36,00,00,000 Equity Shares of ₹ 2 each	720.00	720.00
(Previous Year 36,00,00,000 Equity Shares of ₹ 2 each)		
	720.00	720.00
ISSUED, SUBSCRIBED AND FULLY PAID UP		
20,61,52,844 Equity Shares of ₹ 2 each	412.31	351.31
(Previous Year 17,56,54,055 Equity Shares of ₹ 2 each)		
	412.31	351.31

Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount (₹ in millions)	Number	Amount (₹ in millions)
Equity shares outstanding as at the beginning of the year	175,654,055	351.31	175,285,355	350.57
Issued during the year*	30,498,789	61.00	368,700	0.74
Equity shares outstanding as at the end of the year	206,152,844	412.31	175,654,055	351.31

*During the year the Holding Company has allotted 1,83,000 equity shares of ₹ 2/- each for consideration of ₹ 12.49 Millions as ESOPs. In previous year the Holding Company had allotted 3,68,700 equity shares of ₹ 2/- each for consideration of ₹ 21.60 Millions as ESOPs.

*During the year, the Holding Company has allotted 3,03,15,789 equity shares of face value of ₹ 2/- each ("Rights Equity Shares") at a premium of ₹ 473/- per share aggregating up to ₹ 14,400 Millions

Details of shareholders holding more than 5 percent shares in the Holding Company are given below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	%	Number	%
Capri Global Holdings Pvt. Ltd.	9,82,25,914	47.65%	6,78,24,643	38.61%
Capri Global Advisory Services Pvt. Ltd.	-	0.00%	1,75,17,060	9.97%
Life Insurance Corporation Of India	1,99,75,981	9.69%	11,800,000	6.72%
Rajesh Sharma	4,59,00,035	22.27%	45,900,035	26.13%

Details of Promoters holding shares in the Holding Company are given below:

Promoter Name	As at March 31, 2023		As at March 31, 2022		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
Individuals / Hindu Undivided Family					
Ramesh Chandra Sharma	278	0.00%	-	0.00%	0.00%
Rajesh Sharma	1,000	0.00%	500	0.00%	100.00%
Jahnvi Sharma	200	0.00%	100	0.00%	100.00%
Jinisha Sharma	200	0.00%	100	0.00%	100.00%
Raghav Sharma	200	0.00%	100	0.00%	100.00%
Promoter Trust					
Rajesh Sharma	45,900,035	22.27%	45,900,035	26.13%	0.00%
Bodies Corporate					
Capri Global Holdings Private Limited	98,225,914	47.65%	67,824,643	38.61%	44.82%
Capri Global Advisory Services Private Limited	-	0.00%	17,517,060	9.97%	-100.00%
Total	144,127,827	69.91%	131,242,538	74.72%	9.82%

Terms/Rights attached to equity shares:

1. The Holding Company has only one class of equity share having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees.

2. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

Shares reservation :

In FY 2022-23 No. of 30,60,400 (FY 2021-22 No. of 30,40,800) shares of ₹ 2 each towards outstanding employee stock options granted (Refer Note 45)

Objective for managing capital:

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, Reserve Bank of India (RBI). The adequacy of the Holding Company's capital is monitored using, among other measures, the regulations issued by RBI.

There are no shares reserved for issue under options, contracts, commitments for the sale of shares or divestments.

There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash/bonus shares/ bought back.



Note 21 - Other Equity

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934		
Opening Balance	2,731.73	2,407.96
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	283.07	323.77
Closing balance	3,014.80	2,731.73
Statutory Reserve Section 29C of the National Housing Bank Act, 1987		
Opening Balance	244.70	158.30
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	164.99	86.40
Closing balance	409.69	244.70
Securities premium		
Opening Balance	4,541.13	4,491.79
Add: On account of ESOP Exercised	25.34	49.34
Add: Proceed from right issue	14,268.06	-
Closing balance	18,834.53	4,541.13
General Reserve		
Opening Balance	642.05	642.05
Add: Amount transferred from surplus balance in the statement of profit and loss	-	-
Closing balance	642.05	642.05
Other reserves & surplus - Employee stock option outstanding		
Opening Balance	105.08	78.77
Add/Less: Amount transferred from surplus balance in the Statement of Profit and Loss	148.37	26.31
Closing balance	253.45	105.08
Retained earnings (Surplus in profit & loss account)		
Opening Balance	10,608.71	9,043.54
Profit for the year	2,046.54	2,050.41
Other Comprehensive Income	(31.45)	(4.92)
Dividend Paid	(87.91)	(70.15)
Transfer to Reserve Fund Section 29C of the National Housing Bank Act, 1987	(164.99)	(86.40)
Transfer to Reserve Fund under Section 45-IC of Reserve Bank of India Act, 1934	(283.07)	(323.77)
Closing Balance	12,087.83	10,608.71
Total	35,242.35	18,873.40



Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Holding Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Statutory Reserve pursuant to Section 45-1C of the RBI Act, 1934

Every non-banking financial company is required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared.

Statutory Reserve pursuant to Section 29C of the National Housing Bank Act, 1987

Every housing finance institution which is a company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its profit every year as disclosed in the profit and loss account and before any dividend is declared. Explanation - A housing finance institution creating and maintaining any special reserve in terms of clause (viii) of sub-section (1) of section 36 of the Income-tax Act, 1961 (43 of 1961) may take into account any sum transferred by it for the year to such special reserve for the purposes of this sub-section. For the previous comparative periods, company has maintained transfer to statutory reserve on profit calculated under erstwhile GAAP.

Employee Stock Option Reserve

This reserve is used to record the employee stock options which are outstanding. The said reserve will be utilised for issuance of share to the eligible employees.

Rights Issue

During the year, the Holding Company has allotted 3,03,15,789 equity shares of face value of ₹ 2/- each ("Rights Equity Shares") at a premium of ₹ 473/- per share aggregating up to ₹ 14,400 millions in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018, as amended, and various applicable circulars that have been issued by the Securities and Exchange Board of India ("SEBI") from time to time.

The total expenses on rights issue ₹ 71.31 millions has been adjusted against securities Premium.

The object of the Issue is to augment the capital base of the Holding Company. The net proceeds to be utilised to meet the future capital requirements, which are expected to arise out of growth of Holding Company's business and assets, including but not limited to, onward lending under Holding Company's four lending vertical viz; MSME loans, construction finance loans, Indirect lending and gold loans, ensuring compliance with applicable regulatory requirements, payment of operating expenditure and funding growth opportunities for the above verticals

Total shares issued and subscribed (nos.)	Proceeds received from rights issue	Expenses incurred related to rights issue	Net proceeds available for utilisation	Utilised till March 31, 2023	Balance unutilised balance as on March 31, 2023
30,315,789	14,400.00	110.00	14,290.00	2,039.19	12,250.81

The balance net proceeds will be utilised by financial year 2024



Note 22 - Interest Income

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	On Financials Assets measured at Amortised Cost	On Financials Assets measured at Amortised Cost
Interest on Loans	11,442.61	8,100.22
Interest on deposits	88.22	32.71
Interest income from investments	137.04	260.83
Interest on Others	5.05	2.02
Total	11,672.92	8,395.78

Note 23 - Fee and commission Income

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Application Fees	103.91	39.81
Car Loan Commission	1,437.06	466.96
Total	1,540.97	506.77

Note 24. Net Gain on Derecognition of Financial Instruments

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net gain on derecognition of financial instruments	557.31	170.01
Total	557.31	170.01

Note 25 - Net gain on fair value changes

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments in Shares	16.02	144.75
- Mutual Funds and Bonds	197.98	91.42
(B) Others	-	-
(C) Total Net gain on fair value changes	214.00	236.17
(D) Fair Value changes:		
- Realised	199.61	228.95
- Unrealised	14.39	7.22
Total Net gain on fair value changes	214.00	236.17

Note 26 - Other Operating Income

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Foreclosure Fees	139.64	80.19
Legal Charges Received	20.19	13.93
Other Charges	223.35	148.39
Total	383.18	242.51

Note 27 - Other Income

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit on sale of Investment Property	6.30	2.93
Write Back	1.55	7.47
Other	8.67	4.01
Total	16.52	14.41



Note 28 - Finance Costs

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on borrowings Other than debt Securities	4,742.90	2,721.83
Interest on Bank Overdraft	1.94	-
Interest on debt securities	411.50	553.40
Interest on Bank CC	7.22	7.12
Interest on Lease Liability	147.62	26.12
Total	5,311.18	3,308.47

Note 29 - Impairment on financial instruments (at Amortised Cost)

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loans and advances to customers	78.64	562.59
Loan commitments	(23.67)	55.16
Others Impairment	16.38	-
Bad Debts Written Off	570.47	438.59
Total impairment loss	641.82	1,056.34

Note 30 - Employee Benefit Expense

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Bonus	3,585.03	1,569.47
Contribution to provident and other funds	213.49	84.65
Share Based Payments to employees	161.59	54.78
Staff Training and Welfare Expenses	100.67	37.14
Total	4,060.78	1,746.04

Note 31 - Other expenses

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Advertising	20.67	6.17
Auditors' Remuneration	5.49	5.76
Banking Charges	9.21	7.44
Business Development Expenses	43.64	22.92
Corporate Social Responsibility Expenses*	48.43	44.92
Directors' Fees and Commission	11.50	7.93
Electricity Charges	51.37	13.07
Legal and Professional Expenses	334.22	224.61
Loss On Sale of Fixed Assets	1.07	1.02
Recruitment Expenses	15.98	36.12
Membership & Subscription Expenses	3.51	2.47
Processing Fees on Co Lending	7.66	0.03
Postage, Telephone and Fax	53.02	33.98
Printing and Stationery	30.57	21.65
Rent	30.45	28.42
Software Expenses	133.44	62.39
Filing & Other Fees to ROC	0.10	0.09
Travelling and Conveyance	226.71	103.85
Service fees*	8.71	3.96
NOC Review Charges	19.18	13.52
Write off - Others	1.03	1.34
Write off - Fixed Assets	1.76	-
Miscellaneous Expenses	198.74	49.23
Total	1,256.46	690.89



1. Auditors' Remuneration

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) For Statutory Audit	2.48	1.66
b) For Tax Audit	0.40	0.38
c) For Limited Review	1.21	1.08
d) For other services (Certification Fees and Interim audit Fees)	0.81	2.09
e) For reimbursement of expenses	0.15	0.08
f) GST to the extent of ITC not availed	0.44	0.47
Total	5.49	5.76

2. Corporate Social Responsibility Expenses

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross Amount Required to be spent during the year	48.43	44.92
Amount spent during the year on CSR	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	48.43	44.92
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Refer note 3 below	Refer note 3 below

3. Nature of CSR activities - Women Empowerment, Livelihood Initiative, Education Initiative, Health Initiative, Animal Welfare, Village Development and Sustainable Environment

4. Disclosure in relation to undisclosed income - There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

5. Details of Crypto currency or Virtual currency - The Group has not traded or invested in crypto currency or virtual currency during the financial year

Note 32 - Other Comprehensive Income

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurement loss (gain) on defined benefit plan	(12.50)	(0.47)
Income tax relating to these items	3.15	0.12
Items that may be reclassified to profit or loss		
Fair Value Gain on time value of forward element of forward contract in hedging relationship	(29.53)	(6.10)
Income tax relating to these items	7.43	1.53
Other comprehensive income for the year, net of tax	(31.45)	(4.92)



Note 33 - MSME Loans

1.1 Credit quality of assets

Particulars	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Internal rating grade #						
Performing						
High grade	32,421.23	-	-	32,421.23	24,458.84	-
Standard grade	1,610.49	-	-	1,610.49	1,468.90	-
Sub-standard grade	-	2,071.71	-	2,071.71	1,204.54	-
Past due but not impaired	-	-	-	-	1,564.06	-
Restructured	-	1,209.89	-	1,209.89	1,937.56	-
Non Performing						
Individually impaired	-	-	1,305.84	-	-	1,276.66
Total	34,031.72	3,281.60	1,305.84	38,619.16	25,927.74	1,276.66

1.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is as follows:

Particulars	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	25,927.74	4,706.16	1,276.66	31,910.56	20,450.58	3,531.02
New assets originated	14,720.12	145.29	20.44	14,885.85	11,510.38	-
Assets derecognised or repaid (excluding write offs)	(6,901.73)	(445.08)	(1,78.27)	(7,525.08)	(4,010.62)	(519.24)
Transfers to Stage 1	1,363.63	(1,104.51)	(259.12)	549.53	(334.83)	(214.70)
Transfers to Stage 2	(797.03)	876.33	(79.30)	(0.00)	(2,205.65)	2,287.75
Transfers to Stage 3	(202.42)	(549.45)	751.87	0.00	(265.18)	(203.52)
Amounts written off*	(78.59)	(347.14)	(226.44)	(652.17)	(101.30)	(20.40)
Gross carrying amount closing balance	34,031.72	3,281.60	1,305.84	38,619.16	25,927.74	1,276.66

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Group.

Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
ECL allowance - opening balance	189.15	691.08	393.17	1,273.40	135.58	381.95
New assets originated	48.15	5.90	0.52	54.57	79.66	-
Assets derecognised or repaid (excluding write offs)	(104.15)	(29.25)	(4.64)	(138.04)	(21.74)	(80.72)
Transfers to Stage 1	11.51	(100.44)	(70.15)	(159.08)	6.08	(1.30)
Transfers to Stage 2	(7.27)	158.89	(23.85)	127.77	(210.43)	216.87
Transfers to Stage 3	(1.59)	(100.30)	194.71	92.82	(67.13)	(59.67)
Other movements (on account of change in EAD)	30.55	124.02	(10.17)	144.40	268.29	126.80
Amounts written off	(1.77)	(111.68)	(141.25)	(254.70)	(1.16)	(58.85)
ECL allowance - closing balance	164.58	638.22	338.35	1,141.15	189.15	393.17

(₹ in millions)

(₹ in millions)



#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Note - Higher grade has been considered for Customers having 2 or more loans based on the highest DPD

Loan Given Default

Particulars	As at March 31, 2023	As at March 31, 2022
LGD	23.38	27.04

Probability of Default

Particulars	As at March 31, 2023	As at March 31, 2021
Stage 1	1.99	2.56
Stage 2	75.28	36.92
Stage 3	100.00	100.00

E. Details of collateral received against loan portfolio :

Nature of security against advances :

Underline securities for the assets secured by tangible assets - Property & and book debts.

Advances (LTV band wise) :

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	12,730.82	273.55
>50% <= 70%	18,064.99	382.11
>70% <= 90%	6,517.36	147.16
>90% <= 100%	0.15	0.00

Credit impaired advances (LTV band wise) :

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	340.51	88.00
>50% <= 70%	729.95	188.83
>70% <= 90%	235.38	61.52
>90% <= 100%	-	-



Note 33.1- Construction Finance Loans

1.1 Credit quality of assets

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade #								
Performing								
High grade	21,477.98	-	-	21,477.98	15,209.18	-	-	15,209.18
Standard grade	-	-	-	-	3.05	-	-	3.05
Sub-standard grade	-	170.38	-	170.38	-	569.57	-	569.57
Past due but not impaired	-	-	-	-	-	-	-	-
Non Performing								
Individually impaired	-	-	60.88	60.88	-	-	23.18	23.18
Total	21,477.98	170.38	60.88	21,709.24	15,212.23	569.57	23.18	15,804.98

1.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	15,212.23	569.57	23.18	15,804.98	11,018.45	791.41	16.75	11,826.61
New assets originated	13,768.53	54.67	-	13,823.20	8,404.76	-	-	8,404.76
Assets derecognised or repaid (excluding write offs)	(7,694.35)	(175.07)	(49.52)	(7,918.94)	(3,951.11)	(311.73)	-	(4,262.84)
Transfer to Stage 1	292.11	(292.11)	-	-	(553.73)	553.73	-	-
Transfer to Stage 2	(95.54)	95.54	-	-	351.44	(351.44)	-	-
Transfer to Stage 3	(5.00)	(82.22)	87.22	-	(23.18)	-	23.18	-
Amounts written off	-	-	-	-	(34.40)	(112.40)	(16.75)	(163.55)
Gross carrying amount closing balance	21,477.98	170.38	60.88	21,709.24	15,212.23	569.57	23.18	15,804.98

Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	107.89	21.30	4.80	133.99	65.85	4.08	16.75	86.68
New assets originated	101.68	2.92	11.10	115.70	108.66	-	-	108.66
Assets derecognised or repaid (excluding write offs)	(65.20)	(7.22)	-	(72.42)	(8.76)	(0.83)	-	(9.59)
Transfers to Stage 1	12.22	(13.34)	-	(1.12)	(21.19)	21.19	-	-
Transfers to Stage 2	(0.51)	6.49	-	5.98	2.53	(2.53)	-	-
Transfers to Stage 3	(0.03)	(0.44)	44.98	44.51	(4.80)	-	4.80	-
Amounts written off	-	-	-	-	(34.40)	(0.61)	(16.75)	(51.76)
ECL allowance - closing balance	156.06	9.71	60.88	226.64	107.89	21.30	4.80	133.99

Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Note - Higher grade has been considered for Customers having 2 or more loans based on the highest DPD

Loan Given Default

Particulars	(In %)	
	As at March 31, 2023	As at March 31, 2022
LGD	24.33	20.70

Probability of Defaults

Particulars	(in %)	
	As at March 31, 2023	As at March 31, 2022
Stage 1	3.64	2.56
Stage 2	19.71	4.05
Stage 3	100.00	100.00



Note 33.2- Gold Loans

1.1 Credit quality of assets

Particulars	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Internal rating grade #						
Performing						
High grade	9,750.46	-	-	9,750.46	-	-
Standard grade	782.93	-	-	782.93	-	-
Sub-standard grade	-	523.63	-	523.63	-	-
Past due but not impaired	-	185.91	-	185.91	-	-
Non Performing						
Individually impaired	-	-	12.78	-	-	-
Total	10,533.39	709.54	12.78	11,255.71	-	-

(₹ in millions)

1.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-	-	-	-	-
New assets originated	10,533.39	709.54	12.78	11,255.71	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	10,533.39	709.54	12.78	11,255.71	-	-	-	-

(₹ in millions)

1.3 Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	-	-	-	-	-	-	-	-
New assets originated	57.01	3.51	0.67	61.19	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
ECL allowance - closing balance	57.01	3.51	0.67	61.19	-	-	-	-

(₹ in millions)

Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Loan Given Default

Particulars	As at March 31, 2023	As at March 31, 2022
LGD	5.17	-

Probability of Default\$

Particulars	As at March 31, 2023	As at March 31, 2022
Stage 1	11.56	-
Stage 2	11.56	-
Stage 3	100.00	-

Details of collateral received against loan portfolio :

Nature of security against advances :

Underline securities for the assets secured by tangible assets (Gold Jewellery)

Advances (LTV band wise) :

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	304.26	1.68
>50% <= 70%	4,506.18	21.14
>70% <=90%	6,432.49	37.70
>90% <=100%	-	-
>100%	-	-

Credit impaired advances (LTV band wise) :

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	0.18	0.02
>50% <= 70%	12.57	0.65
>70% <=90%	0.03	0.00
>90% <=100%	-	-



Note 33.3 - Housing Loans

1.1 Credit quality of assets

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade*								
Performing								
High grade	24,213.99	-	-	24,213.99	15,272.03	-	-	15,272.03
Standard grade	662.93	-	-	662.93	842.71	-	-	842.71
Sub-standard grade	-	841.88	-	841.88	-	447.97	-	447.97
Past due but not impaired	-	-	-	-	-	517.49	-	517.49
Restructured Assets	-	104.99	-	104.99	-	131.44	-	131.44
Non Performing	-	-	-	-	-	-	-	-
Individually impaired	-	-	324.46	324.46	-	-	261.94	261.94
Total	24,876.92	946.87	324.46	26,148.25	16,114.74	1,096.90	261.94	17,473.58

(₹ in millions)

1.2 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lending is as follows:

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	16,114.74	1,096.90	261.94	17,473.58	10,701.93	757.92	202.06	11,661.91
New assets originated or purchased and increase in existing facility	11,819.52	55.91	3.74	11,879.17	7,921.01	-	-	7,921.01
Assets derecognised or repaid (excluding write transfers to Stage 1	(2,982.21)	(59.40)	(51.10)	(3,092.71)	(1,876.52)	(95.39)	(38.79)	(2,010.70)
Transfers to Stage 1	411.16	(361.07)	(50.09)	(0.00)	233.86	(216.67)	(17.19)	-
Transfers to Stage 2	(367.99)	370.37	(2.38)	-	(703.27)	718.84	(15.57)	0.00
Transfers to Stage 3	(110.84)	(137.26)	248.10	-	(110.92)	(43.62)	154.54	-
Amounts written off	(7.46)	(18.58)	(85.75)	(111.78)	(51.35)	(24.18)	(23.11)	(98.64)
Gross carrying amount closing balance	24,876.92	946.87	324.46	26,148.25	16,114.74	1,096.90	261.94	17,473.58

(₹ in millions)

Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	80.29	141.28	77.85	299.42	35.34	57.58	52.07	144.99
New assets originated or purchased and increase in existing facility	42.33	27.72	8.65	78.70	195.07	-	-	195.07
Assets derecognised or repaid (excluding write offs)	(40.79)	(2.13)	1.10	(41.82)	(5.21)	(21.11)	(14.32)	(40.64)
Transfers to Stage 1	4.59	(39.79)	(14.38)	(49.58)	2.23	(2.12)	(0.11)	0.00
Transfers to Stage 2	(2.34)	60.90	(0.68)	57.88	(114.81)	116.96	(2.15)	(0.00)
Transfers to Stage 3	(0.89)	(24.00)	93.18	68.29	(34.60)	(12.51)	47.11	-
Other movements	-	-	-	-	2.27	2.48	(4.75)	-
Amounts written off	(0.23)	(8.00)	(39.17)	(47.40)	-	-	-	-
ECL allowance - closing balance	82.96	155.98	126.55	365.49	80.29	141.28	77.85	299.42

(₹ in millions)



* Internal Rating Grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured Assets	0 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Note - Higher grade has been considered for Customers having 2 or more loans based on the highest DPD

Loan Given Default \$

Particulars	As at March 31, 2023	As at March 31, 2022
LGD	34.37	28.68

Probability of Default \$

Particulars	As at March 31, 2023	As at March 31, 2022
Stage 1	1.02	1.66
Stage 2	37.99	33.21
Stage 3	100.00	100.00

Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Property & book debts.

Advances (LTV band wise):

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	8,308.76	68.25
> 50% - <= 70%	7,027.87	57.36
> 70% - <= 90%	10,487.16	113.33

Credit impaired advances (LTV band wise):

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	53.93	20.90
> 50% - <= 70%	52.54	20.61
> 70% - <= 90%	217.99	85.04



Note 34 - Income Taxes relating to continuing operations**1. Income Tax recognised in statement of profit and loss:**

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Tax		
In respect of the current year	653.96	779.55
In respect of prior years	(11.25)	5.80
	642.71	785.35
Deferred Tax		
In respect of the current year	(6.41)	(109.53)
	(6.41)	(109.53)
Total Income tax expense recognised in the current year relating to continuing operations	636.30	675.82

2. Reconciliation of income tax expense for the year:

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consolidated Profit Before tax	2,682.84	2,726.23
Total tax expense (As per P&L)		
- Current tax	653.96	779.55
- Deferred tax	(6.41)	(109.53)
- Tax Pertaining to earlier Years	(11.25)	5.80
Total Tax Expenses	636.30	675.82
Effective tax rate	24.14%	24.58%
Adjustments of allowable and non-allowable income and expenses:		
Effect on Effective Tax rate due to permanent difference		
a) Non allowability of Claim of CSR, Other Expenses & Special Reserve	94.37	50.12
b) Difference due to Tax Rate of STCG & LTCG	16.02	146.41
c) Deferred Tax Assets/MAT credit reversal u/s 115JB	(11.25)	(8.08)
Total of items affecting tax rate	99.14	188.45

3. Reconciliation of income tax rate is as follows:

(In %)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Normal Tax Rate	22.00	22.00
Surcharge (@ 10% of Normal Tax Rate)	2.20	2.20
Education cess (including secondary and higher education cess)		
Health and Education Cess	0.97	0.97
Total Tax Rate	25.17	25.17
Tax Impact on Non allowability of Claim of CSR, Other Expenses & Special Reserve	(0.89)	(0.46)
Tax Impact on Capital Gain on sale of shares, mutual funds, interest, Property etc.	(0.05)	(0.43)
Tax Impact on Deferred Tax Assets/MAT credit Reversal u/s 115JB	(0.42)	0.30
Effective Tax Rate	23.81	24.58



Note 35 - Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

(₹ in millions)

Particulars	Deferred Tax Assets	Income Statement	OCI	Deferred Tax Assets
	As at March 31, 2022	2022-23	2022-23	As at March 31, 2023
Deferred Tax Assets:				
Provision for Employee Benefits	15.21	14.51	-	29.73
Depreciation	24.25	14.91	-	39.16
Impairment allowance for financial assets	359.09	105.83	-	464.91
Unmortised fees on loans	4.21	(2.66)	-	1.55
Others	7.11	25.35	-	32.46
Interest Income on NPA	-	66.56	-	66.56
Deferred Tax Liabilities:				
Financial Instruments at FVTPL	0.76	(1.79)	-	(1.04)
Unmortised fees on borrowings	(1.40)	0.70	-	(0.69)
Gain on derecognition of financial instruments*	(42.40)	(114.15)	-	(156.55)
Deferred Tax Assets (net)	366.83	109.27	-	476.09

*As per Ind AS 109 'Financial Instruments', on derecognition of loans, the Group recognise difference between the carrying amount (measured at the date of derecognition) and consideration received (including new asset obtained less any new liability assumed) as gain in Statement of profit and loss account. Such gain recognised on derecognition of loans is not a real income as per Income tax Act, 1961, hence is offered to tax over the tenure of loans. Accordingly, deferred tax liability has been created on the Spread receivable on assigned portfolio (Co-lending portfolio).

(₹ in millions)

Particulars	Deferred Tax Assets	Income Statement	OCI	Deferred Tax Assets
	As at March 31, 2021	2021-22	2021-22	As at March 31, 2022
Deferred Tax Assets:				
Provision for Employee Benefits	12.63	2.58	-	15.21
Depreciation	22.95	1.30	-	24.25
Impairment allowance for financial assets	195.69	163.39	-	359.08
Unmortised fees on loans	18.08	(13.88)	-	4.20
Others	8.03	(0.91)	-	7.12
MAT Credit Entitlement	8.08	(8.08)	-	-
Deferred Tax Liabilities:				
Financial Instruments at FVTPL	(3.81)	4.56	-	0.75
Unmortised fees on borrowings	(4.36)	2.98	-	(1.38)
Gain on derecognition of financial	-	(42.40)	-	(42.40)
Deferred Tax Assets (net)	257.29	109.54	-	366.83

Deferred Tax Assets / Liabilities are calculated at the applicable rate of 25.17%



Note 36 - Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. They have been classified to mature and/or be repaid within 12 months. With regards to loans and advances to customers, the Group uses the same basis of expected repayment as used for estimating the EIR.

Particulars	Within 12 months	As at March 31, 2023 After 12 months	Total	Within 12 months	As at March 31, 2022 After 12 months	Total
(₹ in millions)						
ASSETS						
Financial Assets						
Cash and cash equivalents	14,767.73	-	14,767.73	3,225.06	-	3,225.06
Bank Balances other than cash and cash equivalents	213.44	121.63	335.07	198.57	107.58	306.15
Receivables	322.34	-	322.34	93.26	-	93.26
Loans	18,970.55	75,782.97	94,753.52	8,366.10	54,341.93	62,708.03
Investments	1,451.84	698.57	2,150.41	2,411.89	1,362.95	3,774.84
Other financial Assets	152.23	603.26	755.49	67.28	143.24	210.52
Total Financial Assets	35,878.13	77,206.43	113,084.56	14,362.16	55,955.70	70,317.86
Non-Financial assets						
Current Tax Assets (Net)	195.04	-	195.04	100.38	-	100.38
Deferred tax assets (Net)	-	476.09	476.09	-	366.83	366.83
Property, plant and equipment	-	2,839.92	2,839.92	-	318.02	318.02
Capital work-in-progress	-	25.22	25.22	-	-	-
Intangible Assets Under Development	74.33	73.72	148.05	12.38	10.82	23.20
Other intangible assets	-	69.67	69.67	-	25.66	25.66
Other non-financial assets	773.84	333.76	1,107.60	217.09	158.65	375.74
Total Non financial Assets	1,043.21	3,818.38	4,861.59	329.85	879.98	1,209.82
Total Assets	36,921.34	81,024.81	117,946.15	14,692.01	56,835.68	71,527.69
LIABILITIES						
Financial liabilities						
Derivative financial instruments	75.72	-	75.72	12.42	-	12.42
Payables						
- Trade Payables	965.82	1.65	967.47	334.85	-	334.85
- Other Payables	143.56	1.43	144.99	78.25	-	78.25
Debt Securities	2,886.14	1,500.00	4,386.14	396.65	4,164.23	4,560.88
Borrowings (Other than debt securities)	17,986.27	52,740.38	70,726.65	9,210.03	34,551.13	43,761.16
Other financial liabilities	3,831.26	1,798.59	5,629.85	2,886.33	384.31	3,270.64
Total Financial Liabilities	25,888.77	56,042.04	81,930.82	12,918.53	39,099.67	52,018.20
Non-Financial Liabilities						
Current tax liability	12.92	-	12.92	27.89	-	27.89
Provisions	83.52	131.44	214.96	48.70	117.49	166.19
Other Non Financial Liabilities	132.79	-	132.79	90.70	-	90.70
Total Non-Financial Liabilities	229.23	131.44	360.67	167.29	117.49	284.78
Total Liabilities	26,117.99	56,173.48	82,291.47	13,085.83	39,217.16	52,302.98
Net	10,803.35	24,851.33	35,654.67	1,606.18	17,618.51	19,224.71

Capital Management

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholders value. The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. Capital Management Policy, objectives and processes are under constant review by the Board.



Note 37 - Change in liabilities arising from financing activities

(₹ in millions)

Particulars	As at April 1, 2022	Cash flows	Other*	As at March 31, 2023
Debt Securities	4,560.88	(176.79)	2.05	4,386.14
Borrowings other than debt securities	43,761.16	27,174.05	(208.56)	70,726.65
Total liabilities from financing activities	48,322.04	26,997.26	(206.51)	75,112.79

(₹ in millions)

Particulars	As at April 1, 2021	Cash flows	Other*	As at March 31, 2022
Debt Securities	7,093.03	(2,538.42)	6.27	4,560.88
Borrowings other than debt securities	31,002.26	12,089.40	669.49	43,761.16
Total liabilities from financing activities	38,095.29	9,550.98	675.76	48,322.04

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, conversation factor of derivative instruments.



Note 38 - Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

Ind AS 109, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

38.1 Financial instruments by category

Particulars	As at March 31, 2022				As at March 31, 2022			
	FVTPL	Amortised cost	FVTOCI	Total	FVTPL	Amortised cost	FVTOCI	Total
Financial assets								
Investments								
- Mutual funds	1,364.73	-	-	1,364.73	2,304.43	-	-	2,304.43
- Equity instruments	-	-	-	-	48.11	-	-	48.11
- Debt Instruments	-	-	-	-	-	247.66	-	247.66
- Pass Through Certificates	-	785.68	-	785.68	-	1,174.64	-	1,174.64
Trade receivables	-	322.34	-	322.34	-	93.26	-	93.26
Loans	-	94,753.52	-	94,753.52	-	62,708.03	-	62,708.03
Cash and cash equivalents	-	14,767.73	-	14,767.73	-	3,225.06	-	3,225.06
Bank Balances other than above	-	335.07	-	335.07	-	306.15	-	306.15
Other financial Assets	-	755.49	-	755.49	-	210.52	-	210.52
Total financial assets	1,364.73	111,719.84	-	113,084.56	2,352.54	67,965.32	-	70,317.86
Financial liabilities								
Derivative financial instruments	-	-	75.72	75.72	-	-	12.42	12.42
Borrowings (including Debt Securities)	-	75,112.79	-	75,112.79	-	48,322.04	-	48,322.04
Trade and other payables	-	1,112.45	-	1,112.45	-	413.10	-	413.10
Other financial liabilities	-	5,629.85	-	5,629.85	-	3,270.64	-	3,270.64
Total financial liabilities	-	81,855.08	75.72	81,930.81	-	52,005.78	12.42	52,018.20

(₹ in millions)

38.2 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Carrying Amount	Fair Value			
			Level 1	Level 2	Level 3	Total
As at March 31, 2023						
Financial assets						
Financial Investments at FVTPL						
Listed equity investments	7	1,364.73	-	1,364.73	-	1,364.73
Mutual funds		1,364.73	-	1,364.73	-	1,364.73
Total financial assets		1,364.73				1,364.73
Financial Liabilities						
Derivative financial instruments	15A	75.72	-	75.72	-	75.72
Total financial liabilities		75.72				75.72



(₹ in millions)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Carrying Amount	Fair Value			
			Level 1	Level 2	Level 3	Total
As at March 31, 2023						
Financial assets						
Cash and cash equivalents	3	14,767.73	-	-	-	14,767.73
Bank Balance other than above	4	335.07	-	-	-	335.07
Trade Receivable	5	322.34	-	-	-	322.34
Loans						
Loans to employees		3.43	-	-	3.43	3.43
Loans - SME & CF	6	94,750.09	-	-	92,796.32	92,796.32
Investments						
- Pass Through Certificates	7	785.68	-	-	785.68	785.68
Other financial assets	8	755.49	-	-	755.49	755.49
Total financial assets		111,719.83	-	-	94,340.92	109,766.06
Financial Liabilities						
Trade and other payable	13	1,112.45	-	-	1,112.45	1,112.45
Debt Securities	14	4,386.14	-	4,289.37	-	4,289.37
Borrowings other than Debt Securities	-	70,726.65	-	-	70,726.65	70,726.65
Other Financial Liabilities	16	5,629.85	-	-	5,629.85	5,629.85
Total financial liabilities		81,855.09	-	4,289.37	77,468.95	81,758.32

(₹ in millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Carrying Amount	Fair Value			
			Level 1	Level 2	Level 3	Total
As at March 31, 2022						
Financial assets						
Financial Investments at FVTPL						
Listed equity investments	7	48.11	48.11	-	-	48.11
Mutual funds		2,304.43	-	2,304.43	-	2,304.43
Total financial assets		2,352.54	48.11	2,304.43	-	2,352.54
Financial liabilities		12.42	-	12.42	-	12.42
Total financial liabilities		12.42	-	12.42	-	12.42



(₹ in millions)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2022						
Financial assets						
Cash and cash equivalents	3	3,225.06	-	-	-	3,225.06
Bank Balance other than above	4	306.15	-	-	-	306.15
Trade Receivable	5	93.26	-	-	-	93.26
Loans						
Loans to employees		1.13	-	-	1.13	1.13
Loans - SME & CF	6	62,706.90	-	-	62,984.63	62,984.63
Investments						
- Debt Instrument		247.66	-	-	247.66	247.66
- Pass Through Certificates	7	1,174.64	-	-	1,174.64	1,174.64
Other financial assets	8	210.52	-	-	210.52	210.52
Total financial assets		67,965.32	-	-	64,618.58	68,243.05
Financial Liabilities						
Trade and other payable	13	413.10	-	-	413.10	413.10
Debt Securities	14	4,560.88	-	4,452.63	-	4,452.63
Borrowings other than Debt Securities	-	43,761.16	-	-	43,761.16	43,761.16
Other Financial Liabilities	16	3,270.64	-	-	3,270.64	3,270.64
Total financial liabilities		52,005.78	-	4,452.63	47,444.90	51,897.53

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Short-term financial assets and liabilities For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity.



Note 39.1. Risk Disclosures

Group's risk is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and interest rate risk. It is the Group's policy to ensure that a robust risk awareness is embedded in its organisational risk culture.

39.2. Credit risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties.

39.2.1 Impairment assessment

39.2.1.1 Exposure at Default

The Exposure at Default is an estimate of the exposure at a future default date including the undrawn commitments. EAD is taken as the gross exposure under a facility upon default of an obligor. The principal outstanding, overdue principal, accrued interest, overdue interest less excess received from the customers is considered as EAD for the purpose of ECL computation.

The advances have been bifurcated into following three stages:

Stage 1 – All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances up to 0-30 days default under this category. Stage 1 loans also include facilities where the credit risk has reduced and the loan has been reclassified from Stage 2.

Stage 2 – All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets past due for 31 to 90 days are classified under this stage. Stage 2 loans also include facilities where the credit risk has reduced, and the loan has been reclassified from Stage 3.

Stage 3 – All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. more than 90 days Past Due is considered as default for classifying a financial instrument as credit impaired.

39.2.1.2 Significant increase in credit risk

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or lifetime ECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. The Group considers an exposure to have significantly increased in credit risk if contractual payments are more than 30 days past due.

39.2.1.3 Definition of default and cure

The Group considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes more than 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate inability to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation



It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the borrower makes necessary payments & the borrower is not 90 days past due after such payments. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

39.2.1.4 Probability of Default ("PD") estimation process

Probability of default ("PD") is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors.

- a) The Group has applied 12 months PD to stage 1 advances
- b) The Lifetime PD is computed using basic exponentiation technique after considering the residual maturity of the respective loan.
- c) PD of 100% is considered for Stage 3 assets.

Days past due are a primary input for the determination of the PD for exposures. The Group collects performance and default information about its credit risk exposures analysed by portfolio. For some portfolios, rating based published information is used.

The Group employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time. Such statistical models are selected considering the availability of information related to the probability of default for each product. This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors.

For the purpose of determination of impact of forward looking information, the Group applies various macro economic (ME) variables as stated above to each portfolio and assess the trend of the historical probability of defaults as compared to the forecasted probability of default. Based on the directional trend of output, management applies an overlay if required. Overtime, new ME variable may emerge to have a better correlation and may replace ME being used now.

The loans are segmented into homogenous product categories to determine the historical PD/LGD as per similar risk profiles, this segmentation is subject to regular review. For portfolios in respect of which the Group has limited historical data, external benchmark information is used to supplement the internally available data.

The Group does not have any historic data of default in case of Gold Loan portfolio, so it has relied upon the published data of competitors

39.2.1.5 Loss Given Default ("LGD")

Loss Given Default ("LGD") is defined as the loss rate on the exposure, given the borrower has defaulted. LGD is being calculated for all financial instruments under risk parameter approach by way of evaluation of historical data on defaults, recovery amounts, collateral liquidation, direct expenses, and opportunity cost for each default. LGD has been computed using the volatility-based model in case of Gold Loan portfolio.



39.2.1.6 Forward looking information

in its EGL models, the Group relies on a broad range of forward looking information as economic inputs, such as. GDP growth, Consumer Price Index, Unemployment rate, Lending Interest Rate etc The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material

During the current year, the Group has made refinement in the ECL model and said changes have been updated in the ECL policy which is duly approved by the audit committee.

39.2.3 Collateral and other credit enhancements

The Group holds collateral and other credit enhancements against certain of its credit exposures. The loans are collateralized against equitable mortgage of property, pledge of shares, hypothecation of assets, physical gold jewellery, undertaking to create security.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement. In case of defaults by customers, where the Group is unable to recover the dues, the Group through a legal process enforces the security and recovers the dues.



39.3. Liquidity risk and funding management

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets by monitoring future cash flows and liquidity on a daily basis.

Liquidity risk is managed in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors. The Asset Liability Management Policy is reviewed periodically to incorporate changes required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) of the Group formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

The table below summarises the maturity profile of the undiscounted cash flow of the Group's financial liabilities:

Current Year										
Particulars	upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total	
Debt Securities	-	2,386.16	581.99	220.14	77.31	306.94	306.86	1,268.27	5,657.67	
Borrowings	1,416.58	1,224.73	3,043.10	6,077.62	11,765.11	34,635.23	20,279.03	8,508.87	86,960.27	
Trade Payable	1,112.45	-	-	-	-	-	-	-	1,112.45	
Lease liability	33.98	33.92	41.24	94.36	201.31	813.06	733.79	1,128.80	3,080.46	
Other Financial Liability	3,663.09	-	38.61	-	-	-	-	-	3,702.60	
Previous Year										
Particulars	upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total	
Debt Securities	229.98	213.42	45.00	224.68	77.36	3,209.23	306.90	1,882.99	6,199.56	
Borrowings	412.14	824.82	1,381.84	2,916.70	6,240.42	23,049.92	12,871.24	5,023.27	52,720.35	
Trade Payable	413.10	-	-	-	-	-	-	-	413.10	
Lease liability	6.31	6.32	6.30	19.07	37.61	132.18	87.94	16.92	312.65	
Other Financial Liability	3,039.19	-	-	-	-	-	-	-	3,039.19	

39.4. Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the Group is providing loans to MSME Construction Finance, Indirect Lending and Housing Finance. The Group borrows through various financial instruments to finance its core lending activity. These activities expose the Group to interest rate risk.

Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Group's statement of profit and loss and equity.

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
		2021-22			
Loans (₹)	50 Basis point Up		429.65		321.15
	100 Basis point Up		859.30		642.30
	50 Basis point Down		(429.65)		(321.15)
	100 Basis point Down		(859.30)		(642.30)
Borrowings (₹)	50 Basis point Up		(355.52)		(265.74)
	100 Basis point Up		(711.04)		(531.48)
	50 Basis point Down		355.52		265.74
	100 Basis point Down		711.04		531.48

(₹ in millions)



		2021-22		₹ in millions)	
Loans (₹)	25 Basis point Up	Impact on Profit before Tax	159.58	Impact on equity	119.42
	50 Basis point Up		319.15		238.83
	25 Basis point Down		(159.58)		(119.42)
	50 Basis point Down		(319.15)		(238.82)
Borrowings (₹)	25 Basis point Up	Impact on Profit before Tax	(120.73)	Impact on equity	(90.34)
	50 Basis point Up		(241.46)		(180.68)
	25 Basis point Down		120.73		90.34
	50 Basis point Down		241.46		180.68

Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include maker-checker controls, effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

The Group maintains its capital structure in line with economic conditions and the risk characteristics of its activities and the board reviews the capital position on a regular basis.

Gearing ratio : Particulars		As at March 31, 2023	As at March 31, 2022
The gearing ratio at each date were as follows :			
Debt (I)	77,041.66		48,570.24
Cash and bank balances (II) (refer note 3)	14,767.73		3,225.06
Net debt (I - II)	62,273.92		45,345.18
Total equity	35,654.66		19,224.71
Net debt to equity ratio	1.75		2.36

* Debt includes debt securities, borrowings and lease liabilities.

Note 40A- Defined Contribution Plan

The Group's state governed provident fund scheme are defined contribution plan for its employees. The Contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from Group or retirement whichever is earlier. The benefit vests immediately on rendering of services by the employee.

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Employer's contribution to provident fund	163.93	57.61
Employer's contribution to National Pension Scheme	4.17	2.98
Total	168.10	60.59

Note 40B- Defined Benefit Plan

The Group has a defined benefit gratuity plan in India (funded). The Group's defined benefit gratuity plan is a final salary plan for its employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at separation/retirement. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

The following table sets out the status of the Defined Benefit Gratuity Plan as per the actuarial valuation by the independent Actuary appointed by the Group:

Principal assumptions used for the actuarial valuations are as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.20%	5.66%
Expected Rate of return on Plan Asset	7.20%	5.66%
Salary Escalation	9.00%	5.00%
Attrition Rate	For service 2 years and below 50.00% p.a. For service 3 years to 4 years 30.00% p.a. For service 5 years and above 20.00% p.a.	24.00%
Mortality Table	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Movements in the present value of the defined benefit obligation are as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Present value of benefit obligation at the beginning of the year	54.24	42.23
Current service cost	15.66	12.36
Interest cost	3.06	2.36
Past service cost (vested benefit)	-	-
Liability transferred in/ acquisitions	-	-
Remeasurement (gains)/losses	-	-
Benefit paid from the fund	(7.19)	(3.80)
Direct payment by the group	-	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	(13.05)	(2.14)
Actuarial (gains)/losses on obligations - due to change in financial assumptions	6.40	(0.15)
Actuarial (gains)/losses on obligations - due to experience	19.76	3.38
Present value of benefit obligation at the end of the year	78.88	54.24



Movements in the fair value of the plan assets are as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	41.09	35.84
Interest income	2.32	2.00
Contributions by employer	13.30	6.43
Assets transferred in/acquisitions	-	-
Expected contributions by the employees	-	-
Benefit paid from the fund	(7.19)	(3.80)
Remeasurement gain (loss)	-	-
Return on plan assets, excluding interest income	0.62	0.62
Fair value of plan assets at the end of the year	50.14	41.09

Amount recognized in the balance sheet from the Group's obligation in respect of its defined benefit plans is as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
(Present value of benefit obligation at the end of the year)	(78.88)	(54.25)
Fair value of plan assets	50.14	41.10
Funded status (surplus/ (deficit))	(28.74)	(13.15)
Net (liability)/asset recognized in the balance sheet	(28.74)	(13.15)

Net Interest Cost for current period:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Present value of benefit obligation at the beginning of the year	54.25	42.23
(Fair value of plan assets at the beginning of the year)	(41.10)	(35.84)
Net liability/(asset) at the beginning	13.15	6.39
Interest cost	3.06	2.35
(Interest income)	(2.32)	(2.00)
Net interest cost for the year	0.74	0.35

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Service cost:		
Current service cost	15.66	12.36
Expected Contributions by the employees	-	-
Past service cost (amortised) recognised	-	-
Past service cost (vested benefit) recognised	-	-
Net interest expense	0.74	0.36
Expense recognized	16.40	12.72

Amounts recognised in the other comprehensive income (OCI) in respect of these defined benefit plans are as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Return on plan assets (excluding amounts included in net interest expense)	6.86	(0.62)
Actuarial (gains) / losses on defined benefit obligations	5.63	1.09
Change in asset ceiling	-	-
Net (income)/expense for the year recognized in OCI	12.49	0.47



The fair value of the plan assets for India are as follows:

(₹ in millions)

Category of Assets	Gratuity Fund	
	As at March 31, 2023	As at March 31, 2022
Central Govt. Securities	-	-
State Govt. Securities	-	-
Debt Securities, Money Market Securities and Bank Deposits	-	-
Mutual Funds	-	-
Insurer Managed Funds*	50.14	41.10
Others	-	-
Total	50.14	41.10

Maturity analysis of benefit payments

(₹ in millions)

Projected benefits payable in future years from the date of reporting	As at March 31, 2023	As at March 31, 2022
1st following year	12.40	9.20
2nd following year	11.72	9.18
3rd following year	10.19	9.05
4th following year	10.19	7.32
5th following year	10.10	6.98
Sum of Years 6 To 10	32.93	18.22
Sum of Years 11 and above	26.40	7.63

The estimates of future salary growth, factored in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. Such estimates are very long term and are not based on limited past experience / immediate future. Empirical evidence also suggests that in very long term, consistent high salary growth rates are not possible. The said estimates and assumptions have been relied upon by the auditors.

Sensitivity analysis

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Sensitivity level	1% increase	1% increase	1% decrease	1% decrease
Impact on defined benefit obligation (in ₹)				
1) Discount rate	(3.17)	(1.78)	3.47	1.92
2) Future salary increases	3.11	1.85	(2.94)	(1.77)
3) Employee turnover	(0.98)	(0.51)	1.03	0.52

Note :

-The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

-The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

-Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

-There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



A. List of Related Parties and related party relationships:

Sl. No.	Name of the Related Party	Considering only parties with whom transaction has entered during the FY 2022-23
1	...	...

Sr. No.	Name of the Related Party
---------	---------------------------

Relationship

a) Enterprises over which Management and/or their relatives have control

- 1 Capri Global Holdings Private Limited
- 2 Parshwanath Buildcon Private Limited

b) Key Management Personnel

- 1 Mr. Rajesh Sharma
Managing Director
- 2 Mr. Beni Prasad Rautela
Independent Director
- 3 Ms. Bhagyam Ramani
Independent Director
- 4 Mr. Mukesh Kacker
Independent Director
- 5 Mr. Aay Ratan
Independent Director
- 6 Mr. Ajit Mohan Sharan
Independent Director
- 7 Mr. Debi Raj Dogra
Independent Director
- 8 Mr. T.R. Bajjala

c) Trust under common control:

- 2 CGCL Employees Group Gratuity Assurance Scheme.
3 CGHFL Employees Group Gratuity Assurance Scheme

B. Details of transactions during the year and closing balances as at the year end

[illegible]

(\$ in millions)

Note 42 - Segment Information (IND-AS 108)**Operating Segment:**

The Group operates mainly in the business segment of fund based financing activity. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of IND AS 108 on 'Operating Segments'.

Note 43 - In Accordance with IND AS - 33 Earnings Per Share

The computation of earning per share is set out below:

Particulars			For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit after tax as per Statement of Profit and Loss	(A)	(₹ in millions)	2,046.54	2,050.41
Weighted average number of equity shares for calculating Basic EPS	(B)	Nos.	184,990,406	183,575,044
Weighted average number of equity shares for calculating Diluted EPS	(C)	Nos.	187,098,040	185,553,681
Basic earnings per equity share (Face value of ₹ 2/- per share)	(A)/(B)	₹	11.06	11.69
Diluted earnings per equity share (Face value of ₹ 2/- per share)	(A)/(C)	₹	10.94	11.56

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
Weighted average number of equity shares for calculating EPS	Nos.	184,990,406	183,575,044
Add : Equity shares for no consideration arising on grant of stock options under ESOP	Nos.	2,107,634	1,978,637
Weighted average number of equity shares in calculation of diluted EPS	Nos.	187,098,040	185,553,681



Note 44 - Leases

The changes in the carrying value of ROU assets are as follows:

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying value		
Balance as at the beginning of the Year	352.94	296.79
Additions/Modifications	1,885.98	93.90
Terminations	64.46	37.75
Balance as at the end of the Year	2,174.46	352.94
Accumulated depreciation		
Balance as at the beginning of the Year	129.87	111.15
Depreciation	200.35	42.82
Terminations/modifications	26.98	24.10
Balance as at the end of the Year	303.24	129.87
Net Carrying Value at the end of the Year	1,871.22	223.07

The following is the movement in lease liabilities during the year:

(₹ in millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities		
Balance as at the beginning of the Year	248.20	211.74
Additions/Modification	1,815.91	83.23
Terminations/modifications	37.59	16.36
Finance expense	147.62	26.12
Payment of lease liabilities	245.27	56.53
Balance as at the end of the Year	1,928.87	248.20

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023, on an undiscounted basis:

(₹ in millions)

Tenure	31st March 2023	31st March 2022
Less than 1 year	404.82	20.05
1-3 years	813.06	44.51
3-5 years	733.79	216.40
More than 5 years	1,128.80	31.70
Total	3,080.47	312.66

The Group has adequate liquidity for payment of lease liabilities. The Group regularly monitor and pays lease rentals on timely manner as per the terms of respective leave and license agreement.

The Group has right to extend lease term as per mutually agreed terms laid down in respective leave and license agreement. The Group takes into account effect of extended lease term while recording the lease assets and lease liabilities accordingly.



Note 45 - Employee Stock Option

The Holding Company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2009 (ESOP 2009) to employees of the Holding Company and Subsidiary spread over a period 1 to 4 years.

Employee Stock Option Plans

A Summary of the general terms of grants under stock options plans are as under: -

Name of Plan	As at March 31, 2023		As at March 31, 2022	
	Number of options under the Plan	Range of Exercise Price	Number of options under the Plan	Range of Exercise Price
Employee Stock Option Plan	3,060,400	₹ 2 to ₹ 520	3,040,800	₹ 2 to ₹ 300

The activity of the Stock Plans is summarised below:

Particulars	Year ended			
	As at March 31, 2023		As at March 31, 2022	
	Numbers	Exercise Price/ Vesting Price (₹)	Numbers	Exercise Price/ Vesting Price (₹)
Outstanding at the beginning of the year	565,400	2.00	732,950	2.00
	199,500	70.00	285,000	70.00
	288,400	100.00	442,000	100.00
	22,500	130.00	50,500	130.00
	50,000	174.00	50,000	174.00
	20,000	194.90	20,000	194.90
	70,000	225.00	-	-
	875,000	250.00	-	-
	950,000	300.00	-	-
Granted	200,000	300.00	10,000	232.80
	75,000	425.00	370,000	225.00
	100,000	450.00	875,000	250.00
	25,000	500.00	950,000	300.00
	20,000	510.00	-	-
	10,000	520.00	-	-
Exercised	12,900	2.00	129,600	2.00
	157,500	70.00	85,500	70.00
	6,600	100.00	153,600	100.00
	6,000	130.00	-	-
Forfeited, expired and cancelled	27,900	2.00	37,950	2.00
	22,000	100.00	28,000	130.00
	2,500	130.00	10,000	232.80
	25,000	250.00	300,000	225.00
Outstanding at the end of the year	150,000	300.00	-	-
	524,600	2.00	565,400	2.00
	42,000	70.00	199,500	70.00
	259,800	100.00	288,400	100.00
	14,000	130.00	22,500	130.00
	50,000	174.00	50,000	174.00
	20,000	194.90	20,000	194.90
	70,000	225.00	70,000	225.00
	850,000	250.00	875,000	250.00
	1,000,000	300.00	950,000	300.00
	75,000	425.00	-	-
	100,000	450.00	-	-
	25,000	500.00	-	-
	20,000	510.00	-	-
	10,000	520.00	-	-



The weighted average fair value of the new ESOPs granted during the year is ₹ 470.72 per share (previous year ₹ 335.20 per share)

The following table summarises information about stock option plans

Exercise Price (₹)	Year ended			
	As at March 31, 2023		As at March 31, 2022	
	Numbers	Weighted Average Remaining Life (Months)	Numbers	Weighted Average Remaining Life (Months)
2.00	524,600	11	565,400	21
70.00	42,000	5	199,500	6
100.00	259,800	2	288,400	10
130.00	14,000	13	22,500	19
174.00	50,000	9	50,000	19
194.90	20,000	23	20,000	35
225.00	70,000	31	70,000	44
250.00	850,000	34	875,000	46
300.00	1,000,000	37	950,000	48
425.00	75,000	40		
450.00	100,000	40		
500.00	25,000	40		
510.00	20,000	41		
520.00	10,000	42		

Fair Value Methodology:

The fair value of the shares are measured using Black-Scholes-Merton formula. Measurement inputs include share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, dividend yield, expected volatility.

The following table summarizes the assumptions used in calculating the grant date fair value.

Particulars	As at March 31, 2023	As at March 31, 2022
Expected life of the options	2.5 to 5 Years	3 to 5 Years
Expected volatility	40% to 50%	50% to 60%
Dividend yield	0.18% to 0.30%	1%
Risk-free interest rate	7.09% to 7.39%	4.72% to 6.28%

Expected life of the options: Expected life of the options is the period for which the holding company expects the Options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised, and the maximum life is the period after which the options cannot be exercised.

Expected volatility: The measure of volatility used in ESOP pricing model is the annualised standard deviation of the continuously compounded rates of return (calculated by log function) on the share over a period prior to the date of grant corresponding to the expected life of the option.

Dividend yield: Dividend Yield has been calculated as an average of dividend yields of six financial years preceding the date of grant. The dividend yield for the year is derived by dividing the dividend per share by the share price as on dividend effective date.

Risk-free interest rate: The rate used to discount employee benefit obligations reflects the estimated timing of benefit payments and the currency in which the benefits are to be paid. We have used the Discount Rate which relates to the par-yield rate available on ZYC Government Securities (G. Sec.) for the tenure of the expected life of options. (Ref: G Sec. rates available through www.fbil.org.in with prices/yields published by FBIL).

The Weighted average market price of the ESOPs exercised during the year is ₹ 722.35 Per share (previous Year ₹ 530.71 Per share)



ESOP cost recognised in the Statement of Profit and Loss for March 31, 2022 ₹ 141.75 millions (March 31, 2021 ₹ 50.10 millions)

As at March 31, 2023 amount of ₹ 1.61 millions (as at March 31, 2022 ₹ 16.75 millions) being the difference between the exercise price and fair value of the options is receivable from the subsidiary company with which employees are employed.

Note 46 - Expenditure in Foreign Currency

Software Expenses ₹ 5.15 millions (March 31, 2022 ₹ 1.47 millions)
Professional Expenses ₹ 9.24 millions (March 31, 2022 ₹ Nil millions)

Note 47 - Contingent Liabilities

Income Tax matters under dispute: March 31, 2023 ₹ 141.65 millions (March 31, 2021 ₹ 115.18 millions)

Note 48 - Capital and Other Commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for March 31, 2023 ₹ 264.45 millions (March 31, 2022 ₹ 66.55 millions)

b) Amount payable towards acquisition of Property for March 31, 2023 ₹ 53.15 millions (March 31, 2022 ₹ 39.82 millions)

c) Other Commitments

Pending disbursements of sanctioned loans for March 31, 2023 ₹ 15,441.30 millions (March 31, 2022 ₹ 13,341.79 millions)

Note 49 - Fraud Reporting

The group has reported frauds aggregating March 31, 2023 ₹ 11.18 millions (March 31, 2022 nil) based on management reporting to risk committee and to the RBI through prescribed returns.

Note 50 - Details of all collateral used as security for liabilities

(₹ in millions)

Particulars	Carrying amount of financial assets pledged	
	As at 31st March, 2023	As at 31st March, 2022
Assets type		
Loans receivable as collateral under lending agreements	96,004.97	63,627.34
Loans receivable as collateral under PTC agreements	1,112.21	1,177.71
Receivables from investment in securities as collateral	1,038.21	2,554.12
Cash and other bank balance collateral under lending agreements	14,968.55	3,515.09



Note 51 A- Additional regulatory information under division III to schedule III as per notification dated March 24, 2021**(i) Revaluation of Property, Plant and Equipment:**

The Group confirms that, the title deeds of immovable properties are held in the name of the Group

(ii) Revaluation of Intangible Assets:

The Group has not revalued Intangible assets during the year.

(iii) Loans or Advances:

During the year, the Group has not provided any loans or advances granted to promoters, directors and KMPs.

(iv) Intangible assets under development ageing schedule:

Intangible Assets under development	Amount in Intangible Assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (Software)	136.98	11.06	-	-	148.04

(₹ in millions)

(v) Capital work in progress ageing schedule:

Capital work in progress	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (CWIP)	25.22	-	-	-	25.22

(₹ in millions)

(vi) Details of Benami Property held:

No proceedings have been initiated or pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and the rules made thereunder.

(vii) Security of current assets against borrowings:

Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

(viii) Wilful Defaulter:

The Group has not been declared as wilful defaulter by any bank or financial institution or other lender.

(ix) Relationship with Struck off Companies: There are no transaction with Struck off companies during the year.**(x) Compliance with number of layers of companies:**

The Group has complied with the requirements of number of layers as per Section 186 of Companies Act, 2013.

(xi) Compliance with approved Scheme(s) of Arrangements:

The Group has not entered into any scheme of arrangement.

(xii) Utilisation of Borrowed funds and share premium

Borrowed funds have been utilised for the purpose they have been sanctioned and share premium has been utilised in working capital.

(xiii)

(a) The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Group has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 51 B - Additional Disclosures**(i) Events after reporting date** - There have been no events after the reporting date that require disclosure in these financial statements.

Note 52 - Additional information pursuant to para 2 of general instructions for the preparations of Consolidated Financial Statements :

Name of the entity in the Group	Net Assets, i.e. total assets minus total liability		Share in Profit or Loss		Share in Other Comprehensive income		Share in total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ in millions)	As % of Consolidated Profit or Loss	Amount (₹ in millions)	As % of Consolidated other comprehensive Income	Amount (₹ in millions)	As % of total Comprehensive income	Amount (₹ in millions)
Parent								
Capri Global Capital Limited (net off elimination)	85.45%	30,465.92	69.71%	1,426.74	62.57%	(19.68)	69.83%	1,407.06
Subsidiaries								
Indian								
Capri Global Housing Finance Limited (net off elimination)	14.55%	5,188.74	30.29%	619.80	37.43%	(11.77)	30.17%	608.03
Total	100.00%	35,654.66	100.00%	2,046.54	100.00%	(31.45)	100.00%	2,015.09



Note 53 - Previous year figures

Previous year's figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

**In terms of our report attached
For M M Nissim & Co LLP**

Chartered Accountants

(Firm's Registration No. 107122W/W100672)



Gayatri Sonavane

Partner

Membership No. 114049

Place: Mumbai

Date: May 22, 2023



For and on behalf of the Board of Directors



Rajesh Sharma

Managing Director &

Chief Financial Officer

DIN 00020037

Place: Mumbai



Beni Prasad Rauka

Independent Director

DIN 00295213

Place: Mumbai



Yashesh Bhatt

Company Secretary

ACS-20491

Place: Mumbai

Date: May 22, 2023



PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to this Issue, will be included in the Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottees ⁽¹⁾	Percentage of the post-Issue issued and paid-up Equity Share capital held (%) ^{^(2)}
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]

[^] Based on beneficiary position as on [●], 2025.

Note:

1. Subject to receipt of funds and allotment in the Issue. The above table has been intentionally left blank and shall be updated in the Placement Document.
2. The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.

DECLARATION

The Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on the Company's business have been obtained, are currently valid and have been complied with. The Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

Rajesh Sharma

Managing Director

Date: [●]

Place: [●]

DECLARATION

We, the Board of the Company, certify that:

- (i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules made thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- (iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

SIGNED FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Rajesh Sharma

Managing Director

Date: [●]

Place: [●]

I am authorized by the Board *vide* its resolution dated August 3, 2024, and by the QIP Committee, a committee of the Board of the Company, *vide* resolution dated November 27, 2024, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the initial subscribers subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Rajesh Sharma

Managing Director

Date: [●]

Place: [●]

CAPRI GLOBAL CAPITAL LIMITED

Registered and Corporate Office:

502, Tower A, Peninsula Business Park, Senapati Bapat Marg
Lower Parel, Mumbai 400 013, Maharashtra, India

Tel: +91 22 4088 8100

Email: secretarial@capriglobal.in | **Website:** www.capri loans.in

CIN: L65921MH1994PLC173469

Contact Person:

Yashesh Pankaj Bhatt

Designation: Company Secretary and Compliance Officer

Tel: +91 9967542301; **E-mail:** Yashesh.Bhatt@capriglobal.in

Address: 502, Tower A, Peninsula Business Park, Senapati Bapat Marg
Lower Parel, Mumbai 400 013, Maharashtra, India

BOOK RUNNING LEAD MANAGERS

ICICI Securities Limited

ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India

JM Financial Limited

7th Floor, Cnergy
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India

Nuvama Wealth Management Limited

801- 804, Wing A, Building No. 3
Inspire BKC, G Block,
Bandra Kurla Complex, Bandra East
Mumbai 400 051
Maharashtra, India

STATUTORY AUDITORS OF OUR COMPANY

M/s M S K A & Associates, Chartered Accountants

SV Tower, No. 27, Floor 4
80 Feet Road, 6th Block, Koramangala
Bengaluru 560095
Karnataka, India

LEGAL COUNSEL TO OUR COMPANY

As to Indian law

Cyril Amarchand Mangaldas

5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013
Maharashtra, India

LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

As to Indian law

Talwar Thakore & Associates

3rd Floor, Kalpataru Heritage, 127, Mahatma Gandhi Road,
Kala Ghoda, Fort Mumbai,
Mumbai, Maharashtra, 400 001

As to US Law

Hogan Lovells (Middle East) LLP

19th Floor, Al Fattan Currency Tower
Dubai International Financial Centre
PO Box 506602
Dubai, United Arab Emirates

SAMPLE APPLICATION FORM

An indicative form of the Application Form is set forth below:

(Note: The format of the Application Form included herein below is indicative and for illustrative purposes only, and no Bids in this Issue should be made through the sample Application Form. The Company, in consultation with the Book Running Lead Managers, shall identify Eligible QIBs and circulate serially numbered copies of the Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of the Preliminary Placement Document and the Application Form, and not on the basis of the indicative format below.)

 Capri Global Capital Limited Registered and Corporate Office: 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India; Tel: +91 22 4088 8100; Contact Person: Yashesh Pankaj Bhatt, Company Secretary and Compliance Officer; E-mail: secretarial@capriglobal.in Website: www.capri Loans.in; Corporate Identity Number: L65921MH1994PLC173469 ISIN: INE180C01042 LEI: 335800TK9VGT1V3HMK74	APPLICATION FORM Name of Bidder: _____ Form No: _____ Date: _____
---	---

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹ 1 EACH (THE “EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE (“ISSUE PRICE”) AGGREGATING TO APPROXIMATELY ₹ [●] MILLION UNDERTAKEN IN ACCORDANCE WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”) AND IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE “COMPANIES ACT”), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY CAPRI GLOBAL CAPITAL LIMITED (THE “COMPANY”) (HEREINAFTER REFERRED TO AS THE “ISSUE”). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹153.93 AND OUR COMPANY MAY OFFER A DISCOUNT OF UP TO 5% ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.

Only Qualified Institutional Buyers (“QIBs”) as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (e) are residents in India or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (“FEMA Rules”); can submit this Application Form. However, foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) are not permitted to participate in the Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States, only to persons who are reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act; and (b) outside the United States, in offshore transactions in reliance upon Regulation S under the U.S. Securities Act (“Regulation S”) and the applicable laws of the jurisdiction where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections entitled “Selling Restrictions” and “Purchaser Representations and Transfer Restrictions” in the accompanying preliminary placement document dated June 9, 2025 (the “PPD”).

ELIGIBLE NON-RESIDENT QIBs CAN PARTICIPATE IN THE ISSUE IN COMPLIANCE WITH THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 (“FEMA RULES”). ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE AS PRESCRIBED UNDER THE FEMA RULES. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES.

To,

The Board of Directors
Capri Global Capital Limited
Registered and Corporate Office: 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, at the terms and price indicated below. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and: (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) hold a valid and existing registration under the applicable laws in India (as applicable); and (c) are not restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a Promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoter. Further, we confirm that we do not have any right under a shareholders’ agreement or voting agreement entered into

STATUS (Please tick)			
FI	Scheduled Commercial Banks and Financial Institutions	AIF	Alternative Investment Fund*
MF	Mutual Funds	IF	Insurance Funds
FPI	Eligible Foreign Portfolio Investors**	NIF	National Investment Fund
VCF	Venture Capital Funds**	SI-NBFC	Systemically Important Non-Banking Financial Companies
IC	Insurance Companies	OTH	Others (Please specify)
* Sponsor and Manager should be Indian owned and controlled. **Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue			

with the Promoter or persons related to Promoter of the Company, veto rights or right to appoint any nominee director on the Board of Directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the “SEBI Takeover Regulations”). We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each foreign portfolio investor (“FPI”) as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, “Eligible FPIs”), have submitted a separate Application Form, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Company is entitled, in consultation with ICICI Securities Limited, JM Financial Limited and Nuvama Wealth Management Limited (the “BRLM”), in its sole discretion, to accept or reject this Application Form without assigning any reason thereof

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the confirmation of allocation note (“CAN”), when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or in case of rejection of Bids or non-allocation of Equity Shares or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further understand, agree and consent that (i) our names, address, nationalities, contact details, email IDs, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; and; (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Mumbai (the “RoC”) as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of the BSE Limited and National Stock Exchange of India Limited (together, the “Stock Exchanges”), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections titled “Notice to Investors”, “Representations by Investors”, “Issue Procedure”, “Selling Restrictions” and “Transfer Restrictions” of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLMs, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section “Risk Factors” therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment and in compliance with the restrictions included in the section “Transfer Restrictions” in the PPD; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the BRLMs, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLMs. For the purposes of this representation: The expression ‘belong to the same group’ shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and ‘control’ shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations; (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office; and (10) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and/or submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB. We acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. We hereby represent that we are either (a) a “qualified institutional buyer” (as defined in Regulation 144A under the U.S. Securities Act) pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act, or (b) located outside the United States and purchasing the Equity Shares in an “offshore transactions”, as defined in and in reliance on Regulation S under the U.S. Securities Act and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. We confirm that we have read and agree with the representations, warranties and agreements contained in the sections entitled “Selling Restrictions” and “Transfer Restrictions” of the PPD.

BIDDER DETAILS (in Block Letters)		
NAME OF BIDDER*		
NATIONALITY		
REGISTERED ADDRESS		
CITY AND CODE		
COUNTRY		
TELEPHONE NO.		FAX NO.

MOBILE NO.	
EMAIL ID	
LEI	
FOR ELIGIBLE FPIs**	SEBI FPI Registration Number:
FOR MFs	SEBI MF Registration Number:
FOR AIFs***	SEBI AIF Registration Number:
FOR VCFs***	SEBI VCF Registration Number:
FOR SI-NBFC	RBI Registration Details:
FOR INSURANCE COMPANIES	IRDAI Registration Details:
FOR PENSION FUNDS	PFDA Registration Details:
<i>*Name should exactly match with the name in which the beneficiary account is held. Application Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the BRLM.</i> <i>** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.</i> <i>*** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue</i>	

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the BRLMs will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY [•]. (IST), [•], 2025 being the Bid closing Date	
Name of the Account	CAPRI GLOBAL CAPITAL LIMITED QIP ESCROW ACCOUNT
Name of the Bank	YES BANK LIMITED
Address of the Branch of the Bank	GROUND AND 1ST FLOOR MOTI MAHAL NEXT TO CITY BAKERY DR. ANNIE BEASANT ROAD, WORLI MUMBAI - 400 018
Account Type	ESCROW ACCOUNT
Account Number	000181000003486
LEI Number	335800TK9VGT1V3HMK74
IFSC	YESB0000001
Tel No.	+91 22 4088 8100
E-mail	secretarial@capriglobal.in

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of “Capri Global Capital Limited QIP Escrow Account”. Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

DEPOSITORY ACCOUNT DETAILS												
Depository Name (Please ü)	National Security Depository Limited								Central Depository Services (India) Limited			
Depository Participant Name												
DP – ID	I	N										
Beneficiary Account Number												
(16 digit beneficiary account. No. to be mentioned above)												
The Demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.												

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the BRLM shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		PRICE PER EQUITY SHARE (RUPEES)	
(In figures)	(In words)	(In figures)	(In words)
BID AMOUNT (RUPEES)			
(In figures)	(In words)		

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		FAX NO.	
EMAIL			

OTHER DETAILS	
PAN*	
Date of Application	
Signature of Authorised Signatory (may be signed either physically or digitally)**	

ENCLOSURES ATTACHED
Attested/ certified true copy of the following:
☐ Copy of PAN Card or PAN allotment letter
☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
☐ Copy of notification as a public financial institution
☐ FIRC
☐ Copy of IRDAI registration certificate for IC
☐ Intimation of being part of the same group
☐ Certified true copy of Power of Attorney
☐ Other, please specify

*It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.

**A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.

Note:

- (1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD, unless specifically defined herein.
- (2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLM.
- (3) This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or electronic form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.
- (4) The duly filed Application Form along with all enclosures shall be submitted to the BRLM either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in PPD.