

STEADY STRIDES EXPANDING HORIZONS

Annual Report 2023 - 2024





Corporate Overview **12**



Our Journey **16**



Business Overview **20**



CSR Initiatives **45**



Scan to see online Report

Investor Information

Market capitalisation as of March 31, 2024 : ₹166 Bn

CIN : L65921MH1994PLC173469

RBI Registration Number : B-13.01882

BSE Code : 531595

NSE Symbol : CGCL

Bloomberg Code : CGCL IN

AGM Date : September 19, 2024

AGM Venue :

The AGM of the Company is being conducted through the VC/OAVM facility

Contents

- 01 Theme Introduction
- 02 Key Highlights of FY2024
- 04 Message from the Chairman
- 08 Key Performance Indicators
- 12 Corporate Overview
- 18 Presence
- 20 Business Overview
- 34 Board of Directors
- 36 Operational Environment
- 39 Technology
- 42 Marketing and Branding
- 43 Stakeholder Engagement
- 44 ESG Initiatives
- 51 Management Discussion and Analysis
- 65 Directors' Report
- 132 Report on Corporate Governance
- 161 Standalone Financial Statement
- 279 Consolidated Financial Statement

Cautionary Statement

The statements in this report describe the Company's objectives and projections, which may be forward-looking statements within the meaning of applicable laws and regulations. The actual result might differ materially from those expressed or implied, depending on economic conditions, government policies and other incidental factors beyond the Company's control. The Company is not under any obligation to publicly amend, modify or revise any forward-looking statements based on any subsequent developments, information or events.

Theme Introduction

STEADY STRIDES EXPANDING HORIZONS

At Capri Global Capital Limited (CGCL), our relentless pursuit of profitability across a diversified business portfolio is driven by strategic market expansion and operational optimisation. Our forward-thinking initiatives, such as launching a car loan origination subsidiary and securing a composite license for insurance distribution, have diversified our income streams and strengthened our financial resilience. These strategies ensure steady growth, enhance business granularity, and consistently deliver value to our shareholders.

This year's theme, "Steady Strides, Expanding Horizons", encapsulates our ongoing efforts to balance consistent, sustainable growth with an ambitious vision for the future. By meticulously planning each strategic move, we ensure consistent growth, enhance granularity across all business verticals, and maximise shareholder value. Our resolute commitment to excellence, steady growth, and superior returns pave the way for a bright future for all stakeholders.

By emphasising our strategic achievements and financial resilience, we lay a robust foundation for future stability and success. As we continue to expand our horizons, we remain committed to making steady strides that benefit our stakeholders.



Key Highlights of FY2024

Capri Global in Numbers

In FY2024, we have further strengthened our position as a leader in the financial services sector by making significant strides in financial growth, enhancing operational performance, and driving digital innovation. We have also advanced our dedication to sustainable business practices, ensuring that our growth is both inclusive and responsible.

STEADFAST FINANCIAL GROWTH

₹156,530 Million

Assets Under Management (AUM)

₹160,112 Million

Disbursals

₹37,659 Million

Net Worth (excluding DTA)

₹9,867 Million

Net Interest Income

8.4%

Net Interest Margin

₹2,794 Million

Profit After Tax (PAT)

2.1%

Return on Average Assets

7.6%

Return on Average Equity

1.9%

Gross NPA

1.1%

Net NPA

DYNAMIC OPERATIONAL EXPANSION

| | | | |
|------------------------|------------------------------------|----------------------------|-----------------------------------|
| 935 Branches | 100% In-house Collection | 10,060 Employees | 23 Lender Relationships |
|------------------------|------------------------------------|----------------------------|-----------------------------------|

CREDIT RATINGS

★ Infomeric: AA (Stable) ★ Acuite: AA- (Stable) ★ CARE: A+ (Stable) ★ CRISIL: A1+

ROBUST TECHNOLOGICAL PROWESS



Capri Loans

An Android application for customers to track loan status, make payments, and access statements



Pragati App

A mobile application designed for the sales team to capture leads, verify customers, and submit applications



Capri Business Partner App

A mobile application for business partners to manage financial interactions and streamline loan processes



LOS and Flex Cube LMS

An integrated solution for loan processing, underwriting, disbursal, accounting, and reporting



Collect Xpress

A web and mobile-based platform designed to facilitate the collections process for delinquent loans



Entire Tech Footprint Cloud-Based

The entire technological infrastructure is based on cloud computing



Built Own Data Analytics Platform

Developed proprietary Optical Character Recognition (OCR) and Know Your Customer (KYC) engines



Built Own OCR and KYC Engine

OCR system enables better prediction



Built Own Car Loan Leads App

An application that works seamlessly with multiple banks to generate car loan leads



Data Warehouse

A single source of truth that enables business insights through a centralised data repository



DSA Platform

A platform to create alternative leads across all business areas

ADVANCING SUSTAINABLE COMMITMENT

203,314

People benefitted

71,893

Women empowerment & sustainable livelihood beneficiaries

315

Animal Welfare Beneficiaries

114,256

Health initiatives

980

Plantations

17,165

Children from underprivileged communities benefitted





Message from the Chairman

Dear Shareholders,

STEADY STRIDES EXPANDING HORIZONS

Amid global economic turmoil, the Indian economy remains a beacon of hope and a strong growth driver, with solid fundamentals, financial and price stability, and positive growth momentum. India ended FY2024 with 8.15% GDP growth for the third time in a row, surpassing all expectations. The country also benefits from favourable demography, strong private consumption, high gross fixed capital formation, a supportive policy environment, and responsible monetary management by the Reserve Bank of India (RBI). The sustained focus on strengthening the twin-balance sheets has started paying rich dividends, propelling economic expansion. The stock markets remained strong, gold prices were high, and the Indian rupee was the most stable among emerging market currencies. The Indian economy is expected to continue its march forward in FY2025, registering a GDP growth of at least 7-7.25%.



Building Stronger Futures Through Innovation and Inclusion

As we reflect on the past fiscal year, I am proud to share that Capri Global has continued its trajectory of robust growth and innovation – an illustrative reflection of “Steady Strides, Expanding Horizons”. Our commitment to customer-centric solutions and technological advancements has set us apart in an increasingly competitive landscape.

I am pleased to present to you, our Annual Report for FY2024.

KEY HIGHLIGHTS: FINANCIAL PERFORMANCE

During FY2024, we achieved significant milestones, with our AUM crossing the ₹150 Billion target to reach ₹157 Billion, marking a consecutive year of 40%+ growth.

As of March 31, 2024, our Gold Loan AUM stood at ₹35 Billion, just 20 months after launching this business. In addition, our housing finance segment experienced significant growth, with the AUM expanding by 53% Y-o-Y to ₹41 Billion. We anticipate sustained growth in this segment, maintaining a growth rate of over 30%. Our Construction Finance business remains robust, buoyed by positive prospects in crucial areas such as Mumbai, Ahmedabad and Pune.

However, we maintain a cautious risk management strategy, keeping the mix at or below 20% of the consolidated AUM and focussing on affordable housing projects. Additionally, our car loan distribution, in partnership with ten commercial banks surged by 67% Y-o-Y, generating a gross fee income of ₹2.3 Billion.

STRATEGIC PATHWAYS TO GROWTH

Strategic investments in technology, talent, distribution networks, and branch expansions remain at the core of our growth strategy. We continue to expand our physical branch network across MSME, gold loan, and car loan distribution segments, enabling deeper market penetration. Additionally, we have created an exclusive sub-segment within MSME to cater to EWS and LIG with Micro-LAP products, providing small loans to meet immediate needs. Our initiatives also include funding for rooftop solar panels, focussing on residential and small entrepreneurs to promote environmental sustainability.

HARNESSING TECHNOLOGY AND INNOVATION

Technology continues to be a cornerstone of our strategy. Several initiatives launched at the beginning of FY2024, such as our in-house-developed Loan Origination System (LOS), Customer App and Collection module, along with Oracle’s FLEXCUBE Loan Management System (LMS) have enhanced our operational efficiency and customer service. These advancements have streamlined our digital onboarding process, particularly for MSME lending and Affordable Housing Loans, leading to improved turnaround times and reduced per-file processing costs. Our proprietary AI-driven risk-based pricing model has also contributed to better net interest margins. The Collection module, with its state-of-the-art features, analyses historical payment trends using AI and machine learning to maximise recovery. AI-powered bot calling, route optimisation, and real-time tracking of collection employees have optimised our Collection team’s performance.

Furthermore, our Customer App provides comprehensive services, enabling easy access to all relevant documents, self-service repayment, and top-up loans based on eligibility within 60 seconds.

“

Our Gold Loan AUM stands at **₹35 Billion** as of March 31, 2024, within just 20 months of launching this business.

Our housing finance segment also witnessed remarkable growth, with the AUM expanding by **53% Y-o-Y to ₹41 Billion.**



”

ADVANCING FINANCIAL INCLUSION

By providing accessible loans to underserved segments like MSMEs, women entrepreneurs, and first-generation business owners, we promote economic growth, social empowerment, and financial inclusion.

Our efforts facilitate business expansion, job creation, and reduce regional imbalances, fostering equitable wealth distribution. We cater extensively to tier 3 and tier 4 cities, offering loans with minimal paperwork and no prior financial history requirements, thus empowering underserved regions.

DEDICATED TO ESG EXCELLENCE

Capri Global is dedicated to sustainability through robust ESG initiatives. Our environmental policies, including the Environment Management Policy and ESG Lending Policy, guide our efforts to reduce our carbon footprint. Upgrades to energy-efficient lighting, HVAC systems, and a comprehensive e-waste management programme have significantly minimised our environmental impact. All gold loan branches are now equipped with inverter air conditioners using R32 refrigerant, supporting India's National Action Plan on Climate Change.

Our social initiatives focus on fostering a safe, inclusive, and engaging workplace. Policies like the Equal Opportunity and No Discrimination Policy and Human Rights Policy ensure fair treatment and ethical practices across our organisation. We have also made substantial contributions to community

“ Our environmental policies, including the Environment Management Policy and ESG Lending Policy, **guide our efforts to reduce our carbon footprint.** ”



development, impacting over 71,893 women, providing education to 17,165 individuals, and supporting health initiatives that served over 114,256 people.

Governance initiatives at Capri Global are guided by strong oversight through key board committees, ensuring effective management and accountability. We have implemented comprehensive policies, including the Code of Conduct, Whistle Blower Policy, Anti-Sexual Harassment Policy, Insider Trading Code, among others. Furthermore, we conduct mandatory training for Anti-Money Laundering and regular training on Risk Management and Governance to promote ethical behaviour and compliance with legal standards.

“ We prioritise **strong relationships with customers, employees, investors, vendors, and communities,** recognising that each group plays a vital role in our operations. ”



EMPOWERING WOMEN AND SUPPORTING COMMUNITIES

At Capri Global, empowering women and supporting community development are core elements of our mission. We provide accessible loans to women entrepreneurs, enabling them to start and expand their businesses, promoting economic independence, and contributing to gender equality. Our financial products are designed to be inclusive, catering to women who may not have prior financial history or formal income documentation. Additionally, we invest in educational programmes and scholarships, particularly in underserved areas, to improve access to quality education and foster future generations of leaders. Our healthcare programmes provide essential medical services and promote health awareness, improving overall community well-being.

NURTURING TALENT FOR GROWTH

Our approach to talent management and development ensures a skilled workforce that supports our business objectives. Strategic hirings, extensive recognition and reward programmes, and digital onboarding processes are just a few of our initiatives. We also emphasise continuous learning and knowledge-sharing through induction training, apprentice training programmes, and leadership development programmes. These efforts ensure that our employees are well-equipped to contribute to our success.

BUILDING STRONG STAKEHOLDER RELATIONSHIPS

Our stakeholder relationships are paramount to our success. We prioritise strong relationships with customers, employees, investors, vendors, and communities, recognising that each

group plays a vital role in our operations. To ensure customer satisfaction, we continually seek feedback and tailor our solutions accordingly. We support employee growth through continuous learning and development programmes, build investor trust with transparent communication, maintain fair partnerships with vendors, and actively support the communities in which we operate.

FUTURE-FORWARD

Our long-term vision includes targeting an AUM of ₹500 Billion by FY2029, representing a CAGR of 25%+ over the next five years. We aim to achieve high-teen returns on equity (RoE) by leveraging our technological and data science capabilities to lower cost-to-income ratios. Fee income from car loan distribution, insurance distribution, and co-lending partnerships will further enhance our RoE.

In closing, I extend my gratitude to our shareholders, employees, and stakeholders for their unwavering support and trust. Together, we will continue to scale new heights, driven by innovation, customer focus, and a commitment to sustainable growth.

Sincerely,
L.V. Prabhakar
 Chairman
 Capri Global Capital Limited



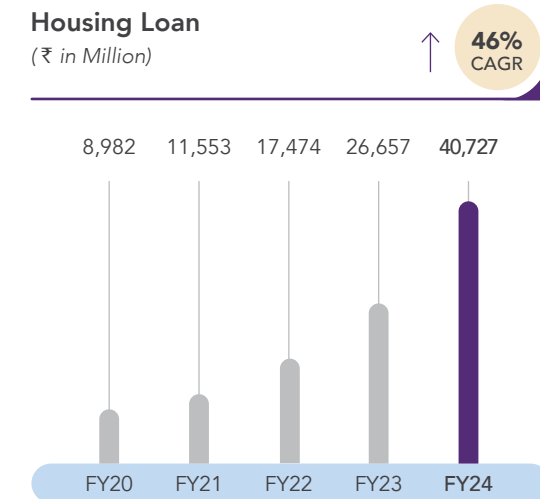
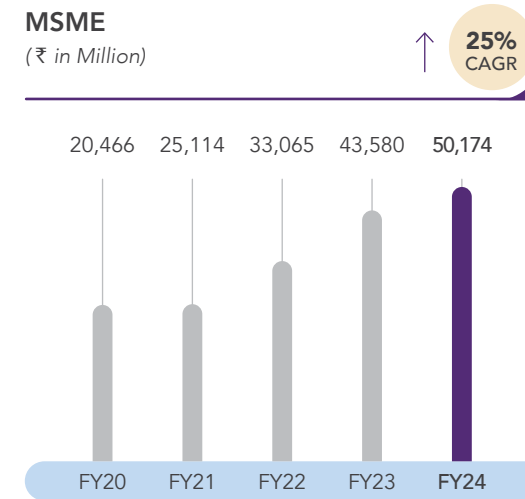
Key Performance Indicators

Remarkable Financial Progress

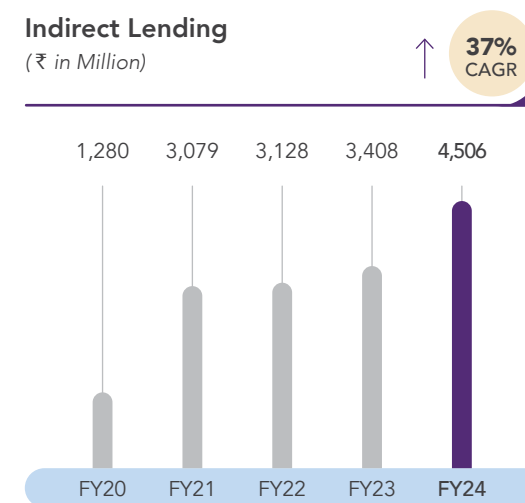
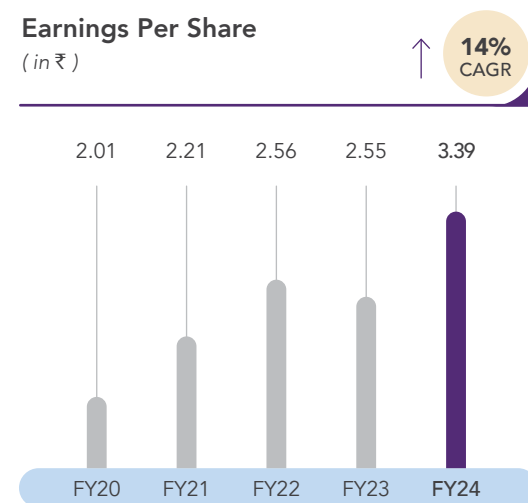
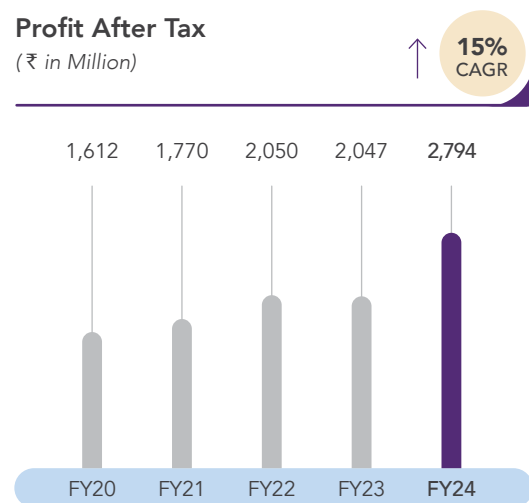
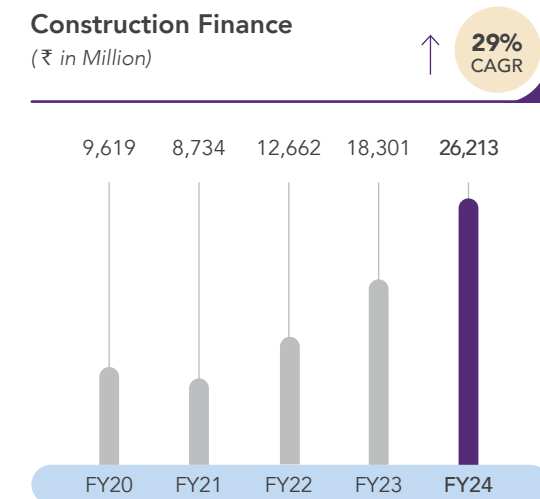
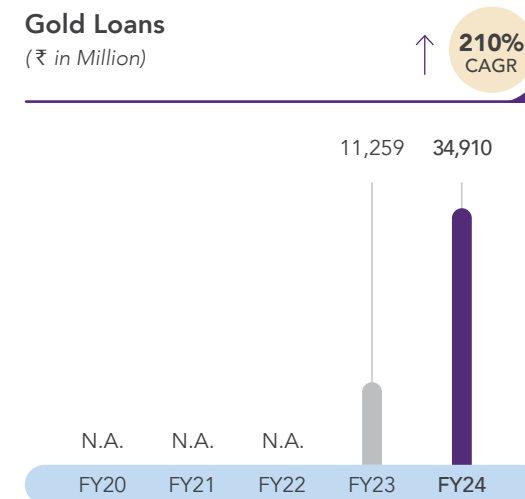
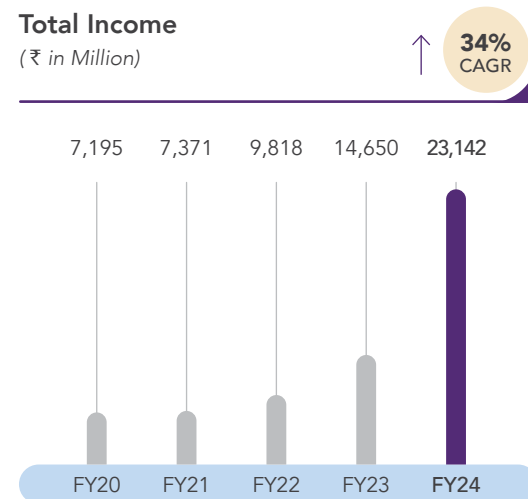
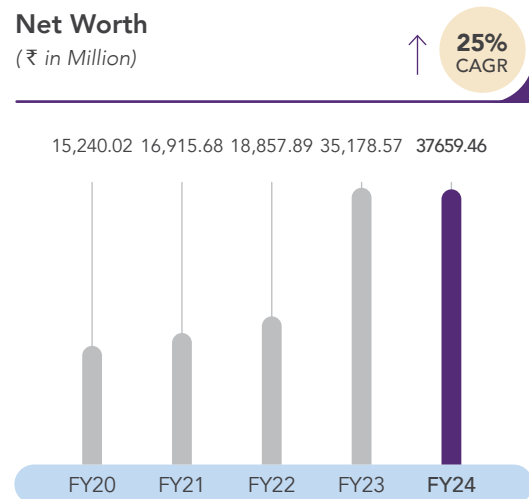
During FY2024, we achieved substantial financial growth, with a 52% Y-o-Y increase in consolidated AUM, reaching ₹156,530 Million, and a 36% rise in profitability driven by the gold loan and housing sectors. Additionally, our entry into insurance distribution has further enhanced our market presence and operational efficiency.



ASSETS UNDER MANAGEMENT



FINANCIAL PERFORMANCE

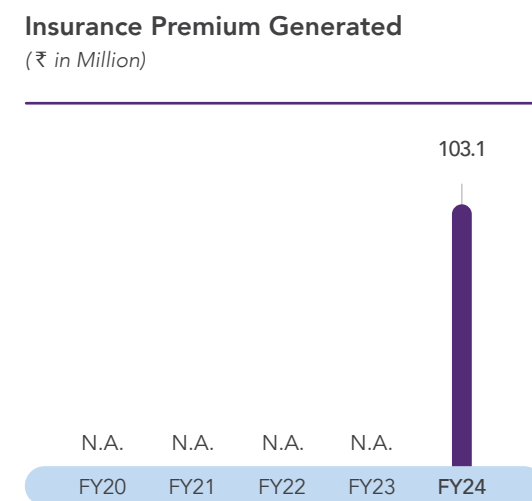
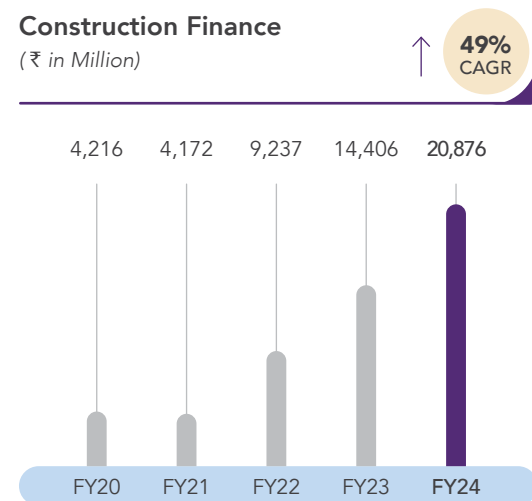
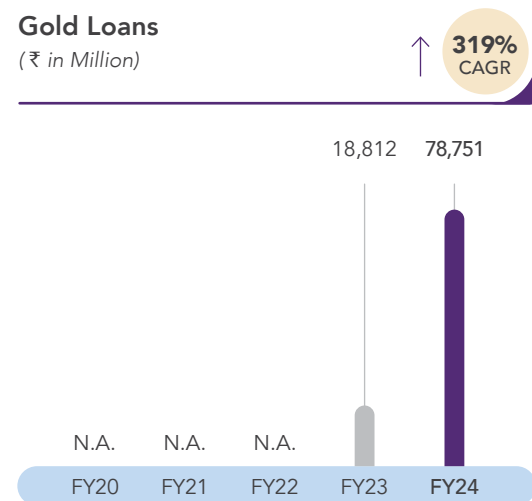
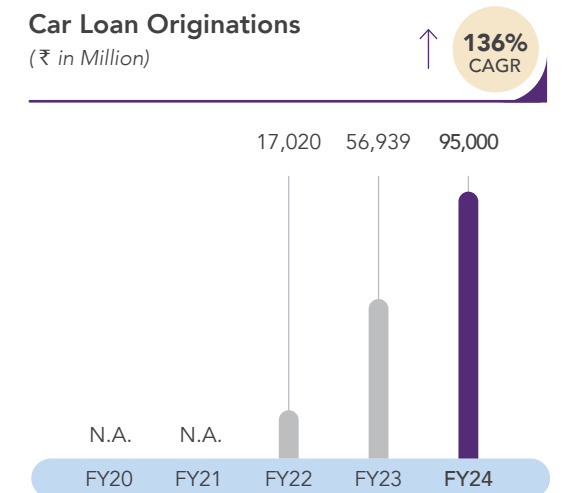
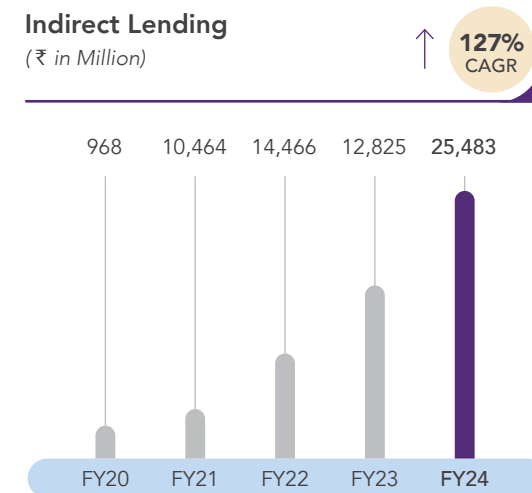
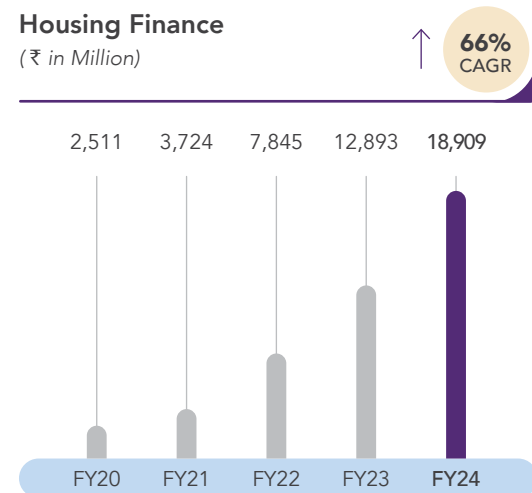
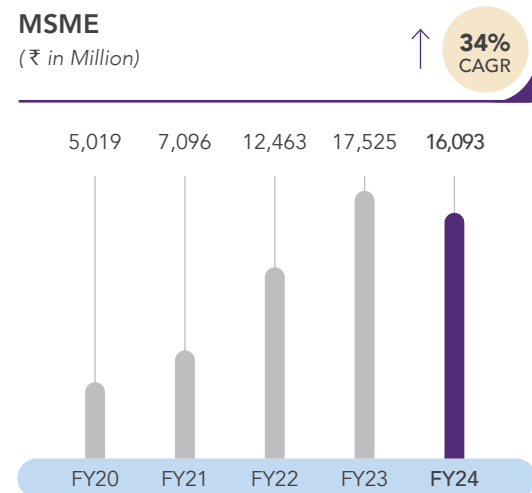


Historical numbers have been restated for the share split and bonus issue





DISBURSALS



Corporate Overview

Strategic Expansion and Sustained Progress



At Capri Global, we are committed to inclusivity and collaboration, striving to create a lasting impact and drive positive change that enriches lives and shapes a brighter future.



46,586

Businesses financed until 31 March 2024

40,333

Dream homes financed until March 31, 2024

378,812

Total live accounts

80.7%

Customers have increased their credit bureau scores after availing loans from CGCL

62%

Customers are first-generation entrepreneurs

28.8%

Benefactors were first-time borrowers (i.e. with no Credit Bureau scores)

As a notable Non-Banking Financial Company (NBFC), we offer a diverse lending portfolio across high-growth segments, including MSMEs, Affordable Housing, Gold Loans, and Construction Finance across North and West India. We also generate fee-based income by distributing car loans and insurance products.

With our wholly-owned subsidiary, Capri Global Housing Finance Limited (CGHFL), we make housing finance easily accessible to those without access to formal credit channels. Leveraging technology and smart analytics, our wide-ranging product portfolio caters to the diverse needs of our customers and drives financial inclusion. This contributes substantially to the government's "Housing for all" agenda.

We aim to continue our growth trajectory by expanding our product offerings, leveraging technology, and deepening our market presence. By providing accessible and affordable financial services, we are dedicated to playing a significant role in India's financial ecosystem, particularly focusing on empowering underrepresented and previously underserved communities.

Emphasising our ESG principles, we direct most of our loans towards new-to-credit customers and women borrowers. This commitment promotes **financial empowerment and creates a positive social impact**, reflecting our dedication to fostering sustainable growth and development.

VISION

To create an inclusive & transformative credit ecosystem for equal & fair access to capital for both individuals & organisations and help them fulfil their potential.

MISSION

To empower more people and businesses with our versatile loan offerings. We believe in building pathways of prosperity for all towards a brighter & inclusive financial future.

VALUES

The Determined and Enterprising

Access to capital creates opportunities. However, in our country, most of it is held by a few and rarely reaches those who genuinely need it. We aim to bridge this gap through our services.

Capital as a Change for Good

The right capital at the right time has the potential to create opportunities and trigger the cycle of change for good. Enriching lives beyond financial returns to give families access to health, education opportunities and a better quality of life. Every day, we act as a catalyst for this change.

Collective Social Growth and Well-being

The well-being of society at large does not stem from the wealth of a few but from the economic and social progress of all. The loans we give to the MSME sector and the provision of affordable housing to the underserved have a domino effect that goes well beyond the scope of our customers.

People Take Priority

We see the individual behind the business as a human first and a customer second. We are motivated by the financial and social well-being of the lives we touch and their families. We believe that their personal progress will get us across the finish line.

Identity Beyond Economic Status

Every person has the potential to change his or her life. Our role is to give them the support they need to take the reins. We hope to level the playing field for the economically weaker segments of society who remain underserved. Rather than labelling individuals without a credit history as credit unworthy, we assess a customer's repayment capabilities through a unique discussion-based approach.

One Team. One Purpose.

We have 10,000+ dedicated employees, numerous departments, and multiple locations—all united by a single goal. Each of us has a unique role to play as we work towards delivering opportunities for change.



WHO WE CATER TO

MSMEs



Traders



Small manufacturing units



Private schools



Restaurants



Other businesses

Individuals



First-generation business owners



Independent non-professionals



Underprivileged female borrowers



MARKET SEGMENT PRESENCE & AUM OF BUSINESS FY2024

Indirect Lending

4,506

AUM value (in ₹ Million)

3%

Construction Finance

26,213

AUM value (in ₹ Million)

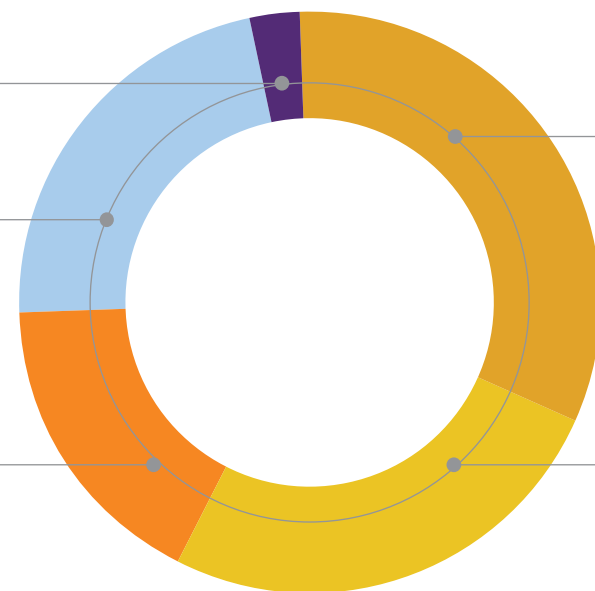
17%

Housing Finance

40,727

AUM value (in ₹ Million)

26%



MSME

50,174

AUM value (in ₹ Million)

32%

Gold Loans

34,910

AUM value (in ₹ Million)

22%

LENDING PARTNERS





OUR JOURNEY

2011

The Beginnings

- Raised ₹4.45 Billion equity capital
- Started the Construction Finance business

2013

Spreading Our Wings

- Forayed into the MSME lending business

2016

Broadening Horizons

- Expanded branches to five states
- Crossed the ₹10 Billion AUM mark
- Secured CARE A+ rating

2017

Rising Higher

- Started the Housing Finance business
- Expanded reach to 66 branches with 1,350 employees

2021

Exhibiting Resilience During Tough Times (COVID-19 pandemic era)

- Crossed the ₹50 Billion AUM mark
- Ventured into third-party distribution of new car loans
- Established co-lending tie-up with SBI and Union Bank
- Expanded reach to 110 branches across 11 states and UTs
- Employee count strengthened further to 2,800+

2022

Diversifying Offerings

- Announced foray into Gold Loans in February
- Launched the Gold Loan business in August

2023

Revolutionising Credit, Changing Lives

- Expanded reach to 736 branches across 15 states and UTs
- Commenced Gold Loan business and attained robust momentum within 8 months of launch with
 - AUM touching ₹11.3 Billion
 - A network spanning 562 branches across 7 states and UTs
- Crossed the ₹100 Billion AUM mark
- Employee count strengthened further to 9,000+
- Certified as Great Place to Work® for the second year in a row

2024

Steady Strides, Expanding Horizons

- The car loan distribution subsidiary became operational in Q3 FY24
- Received a composite license from the Insurance Regulatory and Development Authority of India (IRDAI), allowing the Company to distribute life, non-life, and health insurance policies
- Enhanced the technological capabilities, including the deployment of advanced analytics and AI to optimise various aspects of its operations and customer services
- Certified as Great Place to Work® for the third year in a row





Presence

Expanding Our Reach and Impact

We have significantly expanded our presence in FY2024, now operating 935 branches primarily across Northern and Western India. This extensive network demonstrates our commitment to providing financial services to underserved and unbanked segments. These efforts are complemented by a robust capital adequacy ratio and a diversified product portfolio that includes loans and insurance products, driving inclusive financial growth and empowerment.

KEY HIGHLIGHTS FY2024

935

Total branches

13 States and UTs

Geographical presence

199

New branches added

750 Branches

Gold loan network across 9 states and UTs

181 Branches

Urban retail business network (MSME and Housing) across 12 states and UTs

13 Branches

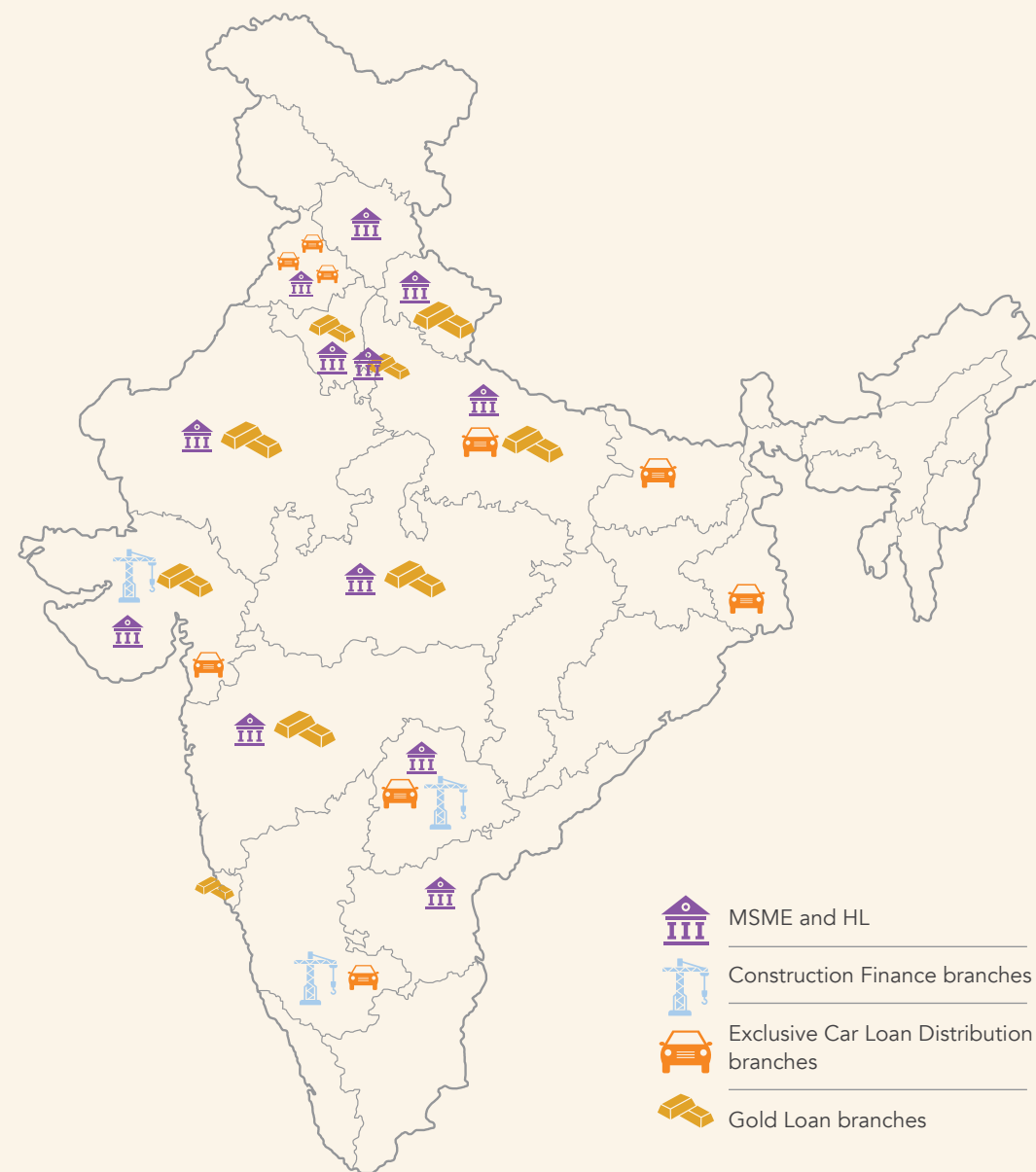
New non-gold loan businesses

788 Locations

Car loan distribution network

Dedicated Tech Centre

In Gurugram



OVERALL PRESENCE



Construction finance branches

- Bengaluru • Ahmedabad
- Hyderabad



Exclusive car loan distribution branches

- Amritsar • Jalandhar
- Hyderabad • Chandigarh
- Lucknow • Patna
- Kolkata • Bengaluru • Surat



Gold loan branches

- Rajasthan • Madhya Pradesh
- Gujarat • Haryana
- Maharashtra • Delhi
- Uttar Pradesh • Uttarakhand
- Goa



Business Overview

Pioneering Financial Inclusion with Custom Solutions

At Capri Global, we are proud to have built a diversified business model that has enabled us to become a leader among India's most widely extended non-deposit-taking and systemically important Non-Banking Financial Companies. Our focus on financial inclusion has been a key driver of this success as we strive to bridge the financial gap for underserved communities nationwide.



We offer a wide range of financial services to cater to the needs of small business owners, homeowners, and individuals across India.

MSME

~53%

Average LTV[^]

15.7%

Portfolio Yield*

Construction Finance

1.5X

Average LTV[^]

16.4%

Portfolio Yield*

Car Loan

₹95 Billion

Value of car loans originated

94,636

Number of car Loans originated

₹1.1 Million

Average Ticket Size

[^]Average of quarterly disbursal LTV during FY2024

*Average of quarterly weighted yield during FY2024

Housing Finance

~52%

Average LTV[^]

12.7%

Portfolio Yield*

Indirect Lending

1.05X

Asset Cover

14.9%

Portfolio Yield*

Insurance

20,000+

Total Lives Covered

₹103 Million

Total premium generated

Gold Loan

~71%

Average LTV

18.9%

Portfolio Yield*



MSME



The MSME segment is crucial to our business strategy and substantially contributes to our AUM. We recognise that many of our MSME customers have limited access to formal credit systems, hindering their growth and potential. To address this issue, we offer customised financial solutions tailored to the needs of small business owners, including provision store owners, retail outlet owners, handicraft manufacturers, and those providing essential services like education, transportation, and healthcare.

OUTLOOK

Looking ahead, we anticipate continued growth in the MSME segment, supported by the increasing number of MSMEs and the government's ongoing support initiatives. Our strategic focus will remain on expanding our market presence in semi-urban and rural areas, leveraging digital technologies, and maintaining robust risk management practices. We are confident that our MSME segment will continue to be a key driver of our overall business performance, delivering significant value to our stakeholders.

FINANCIAL IMPACT

8.8%

Login unit growth

1.38%

Sanctions unit growth

0.67%

WIRR growth

HIGHLIGHTS

₹50.17 Billion

AUM

₹16.09 Billion

Disbursements

31,814

Live accounts

₹1.69 Million

Average Ticket Size

₹1.31 Million

Average POS

15.13%

AUM Y-o-Y growth rate

52.8%

Average LTV

76.96%

Maximum LTV

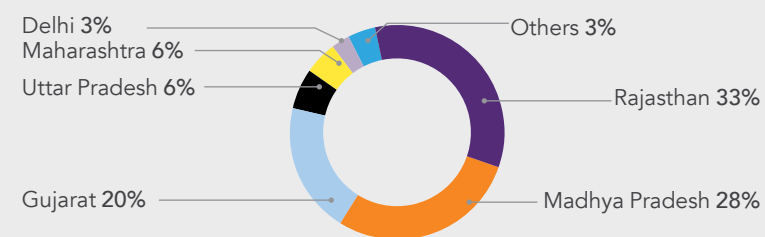
15.7%

Portfolio Yield

Up to 15 Years

Tenure

GEOGRAPHICAL DISTRIBUTION (VALUE-WISE)



PRODUCT PORTFOLIO

Business loan against residential, commercial, or industrial properties

SECURITY

First and exclusive charge on collateral property with clean and marketable titles

CO-LENDING

In FY2024, we achieved a total MSME Co-lending business of ₹8.45 Billion, compared to ₹4.0 Billion in FY2023, marking a year-on-year growth of 117%. Our total Housing Co-lending business was ₹3.2 Billion in FY2024.

The RBI consistently emphasises the importance of strengthening co-lending businesses through digital platforms. In FY2024, we launched our co-lending business using an end-to-end digital approach and onboarded several new co-lending partners.

- We attained a 235% Y-o-Y growth in our co-lending business through new partnerships with co-lending partners.
- Moreover, we expanded our co-lending services to include gold loan products, in addition to MSME and home loan products.

₹18.31 Billion

AUM

40,347

Portfolio-loan Count

₹17.22 Billion

Cumulative Amount Disbursed



HOUSING FINANCE



Capri Global Housing Finance Limited is committed to enabling financial empowerment and self-sufficiency for urban, informal, and lower-income groups through home ownership. We contribute to the nation's "Housing for All" mission by fostering homeownership and driving inclusive growth across India's diverse landscape. We focus on tier 2 and tier 3 cities and serve middle to lower-middle-income groups.

MARKET CONTEXT

In 2024, the housing loan market in India evolved significantly due to various influencing factors:

- Interest Rates**
 Influenced by the Reserve Bank of India's (RBI) monetary policies, which impacted the interest rates offered by banks and financial institutions on housing loans.
- Digital Transformation**
 The sector witnessed increased adoption of digital platforms for loan processing, approval, and disbursement, making the process faster and more convenient for customers.
- Government Initiatives**
 Programs like Pradhan Mantri Awas Yojana (PMAY) and affordable housing schemes drove demand, particularly in the affordable housing segment.
- Competition**
 Fierce competition among banks and NBFCs led to attractive offers and customised loan options for customers.

- Changing Consumer Behaviour**
 A shift towards home ownership over renting, influenced by urbanisation and changing lifestyle preferences.
- Regulatory Changes**
 Regulatory measures by the RBI and other bodies impacted lending norms, risk management practices, and capital requirements.

OPPORTUNITIES AND LEVERAGED INITIATIVES

- Government Schemes**
 Programmes like PMAY and the new housing scheme for the middle class provided significant opportunities by promoting affordable housing and offering interest rate subsidies.
- Digital Adoption**
 Enhanced digital capabilities allowed us to streamline loan processing and improve customer experience.
- Shift to Semi-Urban and Rural Markets**
 Targeting less saturated markets with high growth potential, shifting focus from urban to semi-urban and rural areas.
- Infrastructure Development**
 Benefitted from the government's focus on infrastructure projects, driving demand for housing loans in newly developed areas.

FINANCIAL IMPACT

36.45%
Login unit growth

30%
Sanctions unit growth

1.02%
WIRR growth

HIGHLIGHTS

₹37.54 Billion
AUM excluding co-lending

43.33%

AUM excluding co-lending Y-o-Y growth

₹18.91 Billion
Disbursements

32,024
Live accounts

₹0.2-15 Million
Ticket Size

₹1.6 Million
Average Ticket Size

₹40.73 Billion
AUM including co-lending

52.78%

AUM including co-lending Y-o-Y growth

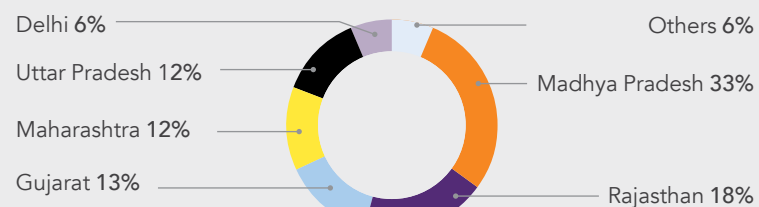
46.66%
Disbursements Y-o-Y growth

52%
Average LTV

12.7%
Portfolio Yield

Up to 25 Years
Tenure

GEOGRAPHICAL DISTRIBUTION (VALUE-WISE)



Salaried 36%

Self-employed 64%

PRODUCT PORTFOLIO
Home loans for the purchase of residential units, construction and extension, renovation of homes, plot purchases, and home equity loans

SECURITY
First and exclusive charge on mortgage property with clean and marketable titles

STRATEGIC INITIATIVES
Penetrating New Markets: Focused on expanding our reach in tier 2, tier 3, and tier 4 cities, where growth potential is high, and major NBFCs are less concentrated.

Digital Transformation: Embraced digital platforms for loan processing, enhancing customer convenience and operational efficiency.

Government Schemes: Leveraged government initiatives like PMAY to drive demand and provide affordable housing finance solutions.

Product Innovation: Introduced customised loan products to meet the evolving needs of our customers, ensuring competitive offerings in the market.

OUTLOOK
Looking ahead, we anticipate continued growth in the housing finance segment, supported by sustained government initiatives, evolving consumer behaviour, and favourable economic conditions. Our strategic focus will remain on expanding our market presence, leveraging digital technologies, and maintaining robust risk management practices. We are confident that the housing finance segment will continue to be a key driver of our overall business performance, delivering significant value to our stakeholders.



GOLD LOAN



MARKET CONTEXT

The global economic landscape has experienced a significant rise in gold prices due to geopolitical uncertainties, inflationary pressures, and currency fluctuations. These factors have positively influenced the gold loan market, rendering it an attractive option for both borrowers and lenders.

OUR GOLD LOAN OFFERING

At Capri Global, we offer affordable gold loans against gold jewellery for loan amounts of up to 75% of gold's market value. This segment provides customers with a convenient and accessible way to borrow against their gold jewellery. Capri Gold Loan borrowers can repay their loans through the bullet repayment option by paying interest at regular intervals or through upfront interest payments.

FINANCIAL IMPACT

- Interest Income**
Interest income from gold loans saw a significant increase, with the portfolio yield reaching 18.9% in Q4 FY24, reflecting a favourable interest rate environment. Our average interest rate on gold loans remained competitive, attracting a diverse range of customers.
- Non-Performing Assets (GNPA)**
We maintained a low NPA ratio of 0.95% in the gold loan segment, highlighting the secured nature of these loans and our effective credit risk management practices.

HIGHLIGHTS

- Loan Book Growth**
Our gold loan portfolio reached a total value of ₹28,236 Million in FY2024. This growth is attributable to a 33% year-on-year increase in the number of branches, reaching 750 branches in FY2024, and strong demand for gold-backed loans.
- Customer Base Expansion**
We expanded our customer base by more than 300% by adding 3.07 Lakhs new gold loan customers in FY2024, resulting in total customer base of 4.2 Lakh served. We had 3.15 Lakhs live accounts at the end of Q4 FY24. This growth reflects our enhanced outreach efforts and the increased attractiveness of gold loans as a secure borrowing option.
- Loan-to-Value (LTV) Ratio**
Our Portfolio LTV ratio remained stable at 71.5%, ensuring a prudent risk management approach while offering competitive loan amounts to our customers.

STRATEGIC INITIATIVES

- Branch Network Expansion**
We opened 188 new branches dedicated to gold loans in FY2024, in addition to the existing 562 branches. This expansion, primarily in underserved rural and semi-urban areas of Uttar Pradesh, Uttarakhand, Rajasthan, Gujarat, and Maharashtra, has enhanced our accessibility and customer reach.
- Digital Transformation**
 - We launched the Capri Loans App, a mobile application enabling customers to manage their loans digitally. With a user base of 1.3 Lakh and 20,000 active daily users, this initiative has significantly improved customer convenience.
 - Customers have conducted over 2 Lakh transactions totalling ₹2.34 Billion through the app, showcasing its popularity and ease of use.
 - Our cloud-native Loan Origination System (LOS) and Loan Management System (LMS) provide high availability and scalability, with data at rest encrypted to ensure a secure and seamless transaction experience for borrowers.
 - We have developed state-of-the-art in-house AI models to enhance branch efficiency in customer identification, further improving our service delivery and customer experience.
 - Our digital collection services offer maximum convenience to our customers. Through our online platforms such as the Capri Loans app or website, users can easily repay their loans using a variety of channels, including UPI, Internet Banking, and Debit Card.
 - Additionally, customers have the flexibility to settle their dues conveniently through payment apps integrated with the Bharat Bill Payment System (BBPS). We actively encourage our customers to embrace digital payment methods for their ease and efficiency.
- Co-lending**
- We have established partnerships with four banks—Indian Overseas Bank (IOB), UCO Bank, Central Bank of India (CBI), and Yes Bank—for co-lending arrangements aimed at serving customers in the Priority Sector Lending (PSL) category.

₹34.91 Billion
AUM

₹78.8 Billion
Disbursements

3.2 Lakh
Live accounts

₹0.12 Million
Ticket Size at Disbursal

71.5%
Average LTV

18.9%
Portfolio Yield

210%
Y-o-Y growth rate

319%
Y-o-Y growth rate

₹0.11 Million
Average Ticket Size outstanding

75%
Maximum LTV

10.84
Security (Tonnage)

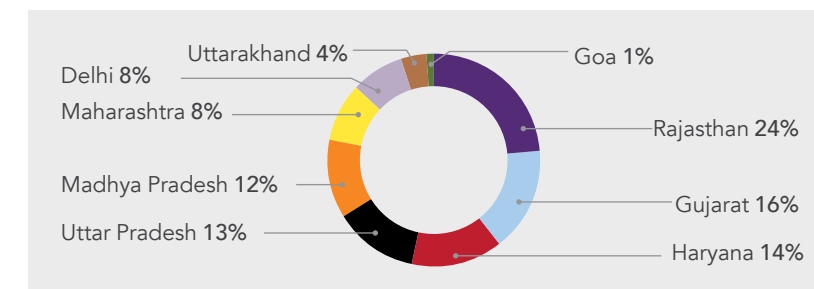
Up to 1 Year
Tenure

PRODUCT PORTFOLIO
Loan against gold jewellery

SECURITY
Hypothecation of gold ornaments (18- to 22-carat gold) with a maximum LTV of 75%

OUTLOOK
Looking ahead, we anticipate continued growth in the gold loan segment, supported by the expansion of gold loan branches and increasing customer demand. Our strategic focus will remain on expanding our market presence, leveraging digital technologies, and maintaining robust risk management practices to ensure sustainable growth.

📍 GEOGRAPHICAL DISTRIBUTION (VALUE-WISE) | 750 Branches in 9 States



CONSTRUCTION FINANCE



Capri Global offers flexible financing options to small and medium-sized real estate developers. The services include construction-linked loans backed by a comprehensive project selection and credit appraisal framework and robust monitoring mechanisms for end-use tracking and project milestones. This helps the borrowers complete the construction of their homes, with the loan amount disbursed according to the stage of construction. Competitive rates are offered for high-quality, multi-family real estate projects, focusing on quicker turnaround times and adherence to industry best practices, ensuring repeat business.

The Construction Finance segment performed exceedingly well last year, with a year-on-year AUM growth of 43% to approximately ₹26.21 Billion and stable asset quality. Additionally, we maintained industry-leading yields for the product by meeting the structured requirements of developers and quickly turning around sanctions.

The portfolio is well diversified across 246 loan accounts and is geographically dispersed across six major cities, with minor exposures in three additional cities.

HIGHLIGHTS

₹26.21 Billion
AUM

₹20.88 Billion
Disbursements

246
Live accounts

₹20-600 Million
Ticket Size

₹98.4 Million
Average Ticket Size

16.4%
Portfolio Yield

Less than 7 Years
Tenure

PRODUCT PORTFOLIO

Construction-linked loans to small and mid-sized real estate developers.

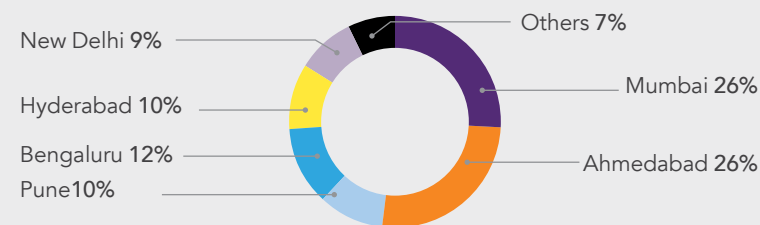
SECURITY

Exclusive lending with escrow mechanism, minimum 1.5x of loan outstanding.

OUTLOOK

This business is directly correlated with the state of the economy and the real estate cycle. Currently, we are in a real estate upcycle, and it is expected that this business will perform well. Over the years, we have built a stable team of seasoned professionals with extensive experience in real estate. This expertise enables us to understand developers' requirements and provide structured solutions effectively.

GEOGRAPHICAL DISTRIBUTION (VALUE-WISE)



INDIRECT LENDING

At Capri Global Capital Limited (CGCL), we have leveraged a strategic co-lending model to enhance our indirect lending business. This approach involves partnerships with major banks like SBI, Bank of India, Central Bank of India, UCO Bank, Union Bank, Indian Overseas Bank, and YES Bank to provide loans across various segments, including MSMEs, affordable housing, and gold loans. Our co-lending mechanism is based on RBI's guidelines, ensuring a robust and regulated framework.

We retain 20-30% of the co-originated loans on our balance sheet, while the co-lending partners (CLPs) hold the remaining portion. This allows us to expand our lending capacity while effectively managing risk. The credit costs associated with the co-originated loans are proportionately shared with our CLPs, distributing the financial burden and enhancing sustainability. We earn a spread and loan service fee from the CLPs on the co-originated loans, contributing significantly to our revenue stream. As we achieve scale, we realise better Return on Equity (RoE), optimising capital efficiency and driving growth.

HIGHLIGHTS

₹4.51 Billion
AUM

₹25.48 Billion
Disbursements

14.9%
Portfolio Yield

1-3 Years
Tenure

₹30-1000 Million
Ticket Size

₹50 Million
Average Ticket Size

1.05x
Asset cover

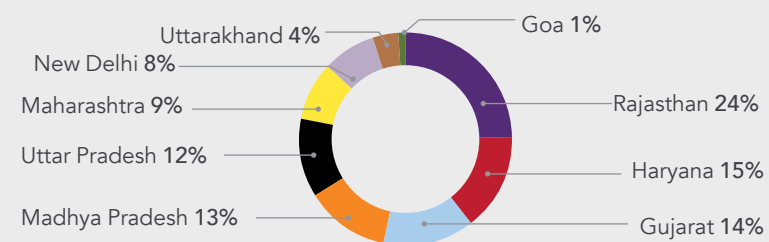
PRODUCT PORTFOLIO

- Financing to other NBFCs engaged in
 - MSME lending and microfinance
 - Fintech-based NBFCs

SECURITY

Hypothecation of receivables with a minimum 1.05x cover

GEOGRAPHICAL DISTRIBUTION (VALUE-WISE)



CAR LOANS



The Car Loan segment at Capri Global has experienced remarkable growth in FY2024. Our focus on expanding our reach, enhancing our product offerings, and forming strategic partnerships has positioned us strongly in the car loan market. We are committed to providing accessible and competitive car financing solutions to our diverse customer base, including low-income and agri-based income groups.

FINANCIAL IMPACT

In 2023, the car loan market in India evolved significantly due to various influencing factors:

- Business Volume**
The car loan business grew by 67%, clocking ₹95 Billion in FY2024 compared to ₹56.94 Billion in the previous year.
- Gross Fee Earned**
The segment generated a gross fee of ₹2.30 Billion.

| | | |
|---|---|---|
| 94,636 Number of Car Loans Originated | ₹95 Billion Value of Car Loans Originated | 67% Y-o-Y increase in loan originations in FY2024 |
|---|---|---|

HIGHLIGHTS

94,636

Customers Benefitted

1.1%
on originated loans

Net Fee Earned

8%

Net Income Contribution

₹2.30 Billion

Gross Fee Earned

₹1.1 Million

Average Ticket Size

PARTNER BANKS

Commenced car loan origination for HDB Financial Services during Q4FY24

HDB Financial Services

New partnership in car loan distribution



PAN-INDIA COVERAGE THROUGH PRESENCE IN



788
Locations in

34
States & UTs

OUTLOOK

Looking forward, we are optimistic about the continued growth of the Car Loan segment. To ensure growth and sustainability, we will expand geographically, increasing our footprint in Southern India and enhancing penetration in tier 3 and tier 4 towns. We will diversify our product offerings with insurance and used car loans, establishing additional revenue streams.

We will leverage our digital arm, Car Lelo, by implementing digital marketing strategies, including SEO, SEM, and social media, to attract online customers. We are partnering with various banks and NBFCs to offer diverse loan options. To strengthen our distribution network, we are hiring additional manpower in Southern India and tier 3 and tier 4 towns. Additionally, we are closely tracking the conversion of leads generated through the Car Lelo portal.

With these initiatives, we anticipate a growth of 20% to 30% over last year's volume.



INSURANCE



We launched our insurance segment after receiving the Corporate Agency License from IRDAI in December 2023. Partnering with 12 insurance companies (6 Life, 2 General, 4 Health), we provide customised insurance solutions to our customers and plan to add 8 more companies in FY2025. Emphasising digital adoption, we introduced the “Bima Saral” Insurance Portal, enabling our team to complete the insurance process digitally from start to finish. To enhance our sales capabilities, we have onboarded over 75 IRDAI Certified Specified Persons and aim to add 200+ new SPs in FY2025.

During the year, we covered over 20,000 lives, generating a total premium of ₹103.10 Million and revenue of ₹63.10 Million, as reported by IRDAI. Additionally, we launched group health insurance products with flat premiums, offering affordability and simplified options to customers.

FINANCIAL IMPACT

20,000+

Total lives covered

₹63.10 Million

Total revenue generated

₹103.10 Million

Total premium generated

₹31.8 Million

Life insurance premium generated

₹47.9 Million

Health insurance premium generated

₹23.2 Million

Property insurance premium generated

HIGHLIGHTS

150+

Claims serviced

75

IRDAI-certified specified persons

Bima Saral

Insurance Portal for digital onboarding

200+

New SPs to be onboarded in FY2025



TENURE

Our Life Insurance and Property Insurance have tenures up to 10 years, while Health Insurance is provided yearly, requiring renewal each year.

₹25,000

Average Ticket Size for Life Insurance

₹4,000

Average Ticket Size for Health Insurance

₹8,000

Average Ticket Size for Property Insurance

Pan-India

Geographic distribution

OUTLOOK

Looking ahead, we anticipate significant growth in our insurance segment, driven by expanding partnerships, enhanced digital capabilities, and increasing consumer awareness. Our strategic focus will remain on leveraging our digital platforms, expanding our product offerings, and maintaining a strong customer-centric approach. We are confident that the insurance segment will continue to be a key contributor to our overall business performance, delivering substantial value to our stakeholders.



Board of Directors

Resilient and Visionary Leadership Team

Our leadership philosophy is built on principles that form the foundation of our organisation's success. With a resolute commitment to integrity, accountability, and vision, we navigate challenges with resilience and confidently drive forward.



L.V. PRABHAKAR
Chairman

Mr. L.V. Prabhakar is the esteemed Chairman of Capri Global Capital Limited, effective from April 29, 2024, bringing a wealth of experience in banking and finance. With a distinguished career spanning several decades, Mr. Prabhakar has held senior management roles in various prestigious institutions. He served as the Managing Director and CEO of Canara Bank and Chairman of Canara ROBECO Asset Management Co. Ltd. and held key positions at Punjab National Bank, PNB MetLife Insurance, and PNB Housing Finance.

Mr. Prabhakar's expertise extends across financial inclusion, SME and retail credit, new business initiatives, treasury, and human resources. His significant contributions include serving on the boards of several institutions, such as IndusInd Bank and the National Bank for Financing Infrastructure and Development (NaBFID). He holds a Master's degree in Agriculture and is a Certified Associate of the Indian Institute of Bankers (CAIIB).



MR. RAJESH SHARMA
Managing Director

With nearly three decades of experience in capital markets and financial advisory services, Mr. Rajesh Sharma, a Chartered Accountant, is a financial expert. As a first-generation entrepreneur, he has successfully navigated various financial segments, including corporate finance, investment banking, merchant banking, and asset financing. His contributions have been instrumental in strengthening the company's capabilities, driving growth, and enhancing profitability.

Mr. Sharma is deeply committed to ethics, economic empowerment and fostering equitable growth. His extensive knowledge of debt markets serves as a valuable asset for the company, enabling informed decision-making and strategic planning. A forward thinker and keen observer, he plays a pivotal role in the stakeholder value-creation process. Mr. Sharma's vision extends to positioning Capri Global as one of India's premier financial institutions, driven by innovation, integrity, advance technology and sustainable growth practices.



MR. RANGANATHAN
Independent Director

Mr. Ranganathan has around four decades of experience in the finance, management and customer-focused contribution to corporate profitability. His career included experience with Citicorp Finance (India) Limited as Financial Controller & Company Secretary and was further involved in due diligence and strategic investments by Citigroup. He served as Senior Vice President – Finance/Country Controller for Citibank N A and represented the bank at various industry/regulatory forums.

Mr. Ranganathan held the position of CFO and Director at Bank of America - Merrill Lynch (Mumbai) from June 2007 until January 2011. He was also associated with Edelweiss Financial Services Limited as President and Group CFO and with ECL Finance Limited as Managing Director. Currently, he is a partner with K.S. Aiyar and Co., Chartered Accountants. Mr. Ranganathan is a Chartered Accountant, Company Secretary, Cost Accountant and has completed his LLB in General Law.



MR. AJIT SHARAN
Independent Director

A graduate of IIT Delhi, Mr. Sharan holds postgraduate degrees in Business Administration from Louisiana State University, USA, and Development Economics from the University of Wales, UK. He has served the Government of India as a member of the Indian Administrative Service since 1979. Throughout his career, Mr. Sharan has held various senior roles within the State Government of Haryana and the Government of India. He served as Principal Secretary for the state's Power, Finance, Technical Education, and Urban Development departments. Additionally, he held the position of Joint Secretary in the Department of Banking and Insurance at the central government level, significantly contributing to opening of the insurance sector and initiating reforms.

Mr. Sharan's expertise extends to serving as Secretary to the Government in the Ministries of Sports and AYUSH. He serves as an Independent Director on the Board of Dabur India Limited, where his experience and insights contribute to strategic governance.



MR. DESH RAJ DOGRA
Independent Director

Mr. Desh Raj Dogra is an MBA in Finance from the Faculty of Management Studies (FMS), University of Delhi, and has a postgraduate degree in Agriculture from Himachal Pradesh University. With four decades of experience in the financial sector and credit administration, he is also a Certified Associate of the Indian Institute of Bankers. Mr. Dogra retired as the Chief Executive Officer and Managing Director at Credit Analysis and Research Limited (CARE) in August 2016. Till September 2016, he served as Vice Chairperson and Public Interest Director at Metropolitan Stock Exchange of India Ltd. Before his tenure at CARE, he worked with Dena Bank for over 15 years.

Mr. Dogra's contributions extend beyond his executive roles; he serves as an Independent Director on the Boards of several prominent companies, including S Chand and Company Ltd., Asirvad Micro Finance Ltd., M Power Micro Finance Pvt Ltd, IFB Industries Ltd., and Axiscades Technologies Ltd.



MS. NUPUR MUKHERJEE
Independent Director

Ms. Nupur Mukherjee has a deep understanding of data-driven solutions, cloud and AI technologies, which are crucial in delivering automation and generating cost efficiencies. She has been associated with some of the top Indian technology companies and is currently serving as Director of various technology companies. She has held the position of Global Managing Director at Standard Chartered Bank and Barclays in India, South East Asia, China, and Europe, where she was responsible for several critical technology practices.

Ms. Mukherjee holds various degrees and certifications, including Certified Independent Director from the Indian Institute of Corporate Affairs and Global ESG professional. She is a Certified Prompt Engineer (2023) from Oxford University, and has completed executive programmes in Strategic Execution and Design Thinking from Stanford University (2016) and Data Science for Managers from Johns Hopkins University (2018). She is a Chartered Management Accountant (UK, 2013), and holds a B.Com (Hons.) in Mathematics and Computer Applications from the University of Mumbai (1999). Additionally, she holds numerous professional certifications, including PMP from the PMI Institute USA, PRINCE2 Practitioner (UK OGC), DEVOPS Certified Expert (EXIN), and certifications in Cloud AWS Solution Architect, Azure Solution Architect, Analytics, and Salesforce Marketing Cloud.



MR. SHISHIR PRIYADARSHI
Independent Director

Mr. Shishir Priyadarshi has over four decades of rich and versatile experience in various national and global institutions. As an IAS officer of the UP cadre, he served in the administrative services for over two decades. In his distinguished career, he became the first Indian civil servant to serve as a Director of the World Trade Organization (WTO). Mr. Priyadarshi has an exceptional academic record, including being a topper and gold medalist during his postgraduation. He holds an MA in Economics from the University of Reading, UK, and an MSc in Nuclear Physics from Delhi University.

Operational Environment

Leveraging Sectoral Growth Opportunities

As the global financial landscape continues to evolve, Capri Global is strategically positioned to leverage new opportunities arising from market expansions. The dynamic environment, characterised by rapid technological advancements, changing regulatory frameworks, and shifting customer preferences, requires a proactive and adaptive approach. We capitalise on these developments by focusing on key sectors like MSMEs, which play a vital role in India's economy, contributing significantly to GDP and export growth. Our targeted strategies and robust operational framework enable us to navigate the complexities of today's financial ecosystem, ensuring sustained growth and resilience.

1 MSME

The MSME sector is critical for India's economic growth, contributing significantly to GDP and job creation. As of March 2024, the number of MSMEs registered on the Udyam portal reached 4,00,42,875. The gross bank credit deployed to MSMEs under priority sector lending in October 2023 was US\$ 279.18 Billion, marking a 22.8% increase from the previous year. Government support through various schemes and initiatives facilitated easier access to credit, technological upgrades, and market linkages, driving the sector's growth. Despite these advances, funding for MSMEs remains scarce, highlighting the need for focused financial solutions.

→ How we leverage this opportunity

- **Expanding Reach:** Focusing on tier 2 and tier 3 cities with high growth potential.
- **Customised Financial Solutions:** Offering tailored financial products to support small business owners.
- **Enhanced Customer Support:** Providing loans against residential, commercial, or industrial properties with a clear title.
- **Digital Transformation:** Implementing digital platforms for streamlined loan application and management processes.

2 HOUSING LOAN

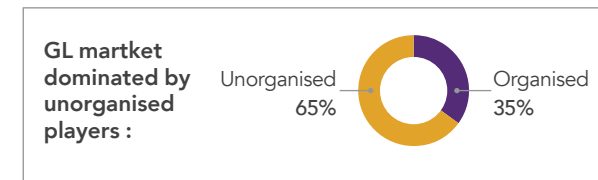
The Indian housing loan market saw substantial growth in the past year driven by several key factors. The Reserve Bank of India's (RBI) monetary policies significantly impacted interest rates, influencing borrowing costs and loan affordability. The adoption of digital platforms by lenders improved the efficiency of loan processing, approval, and disbursement, enhancing customer convenience. Government initiatives such as Pradhan Mantri Awas Yojana (PMAY) and various affordable housing schemes boosted demand in the affordable housing segment. Intense competition among banks and NBFCs led to attractive loan offers and customised options for borrowers. Changing consumer preferences towards home ownership, driven by urbanisation and lifestyle changes, further increased demand. Regulatory changes also played a role in shaping lending norms and risk management practices.

→ How we leverage this opportunity

- **Targeting Tier 2 and Tier 3 Cities:** We focus on penetrating less saturated markets, shifting from urban-centric to semi-urban and rural areas.
- **Government Schemes:** Leveraging programmes like PMAY to promote affordable housing and provide interest rate subsidies.
- **Digital Capabilities:** Enhancing digital platforms for streamlined loan processing and improved customer experience.
- **Focus on Affordable Housing:** Offering tailored financial solutions to Lower Income Group (LIG) and Economically Weaker Sections (EWS).
- **Infrastructure Development:** Meeting increased demand for housing loans in newly developed areas due to government projects.

3 GOLD LOAN

The gold loan market in India experienced growth driven by rising gold prices, geopolitical uncertainties, inflationary pressures, and currency fluctuations. Gold prices, projected to range between ₹57,500 and ₹65,000 in 2024, increased demand for gold loans, especially in rural areas where gold serves as an accessible credit option and safe-haven asset. Despite the sector being largely unorganised, the gold loan industry is expected to grow at a robust CAGR of 15% to 20% in the coming years. Indian households, holding approximately 24,000 to 25,000 tonnes of gold, contribute to the stable annual gold demand, with gold jewelry being a major asset pledged for loans.



→ How we leverage this opportunity

- **Branch Network Expansion:** Opened 188 new branches dedicated to gold loans, enhancing accessibility in underserved areas.
- **Digital Transformation:** Launched the Capri Loans App for digital loan management, improving customer convenience.
- **Brand Presence:** Leveraging our strong presence in North and West India to establish trust in the gold loan market.

4 CONSTRUCTION FINANCE

In 2023, the construction sector in India grew by 9.6% in real terms, fuelled by government focus on infrastructure development and rising household incomes. The Ministry of Statistics and Programme Implementation (MoSPI) reported a 9.3% year-on-year increase in total gross fixed capital formation (GFCF) and a 10.5% year-on-year rise in the construction industry's value addition. The government's budget for FY2024 increased capital expenditure by 37.4%, reaching ₹10 Trillion (\$124.8 Billion), further driving growth in the sector.

→ How we leverage this opportunity

- **Selective Project Financing:** Implementing a robust framework for selecting and appraising construction projects.
- **Risk Mitigation:** Providing a cash flow cover of 2.5 times and an asset cover of two times to ensure project viability.





5 CAR LOAN

The car loan market saw significant growth in FY2024, driven by a rising demand for SUVs, particularly in tier 3 and tier 4 towns, digitalisation trends, and geographical expansion. Vehicle loans from banks grew by 137% over the last three years, reaching ₹5,080 Billion. This made vehicle loans the second-largest loan category after home loans. The shift towards digital loan processing and the growing preference for vehicle loans over home loans also contributed to this market's expansion.

→ How we leverage this opportunity

- **Digital Platforms:** Launched Car Lelo, an online car loan platform for easy rate comparisons and applications.
- **Geographical Expansion:** Partnered with new financial institutions to expand operations in new locations.
- **Customer Segmentation:** Focused on low-income and agriculture-based income groups with specific loan products.

6 INSURANCE

The Indian insurance industry grew significantly due to increasing awareness of financial security, rising healthcare costs, evolving consumer preferences, and regulatory support. In FY2024, the non-life insurance sector saw a 12.78% increase in gross direct premium, reaching ₹2.89 Trillion. General insurers experienced notable growth, with private sector insurers growing faster than public sector insurers. Digital adoption and strategic partnerships further streamlined the insurance process, making it more accessible and user-friendly for consumers.

→ How we leverage this opportunity

- **Digital adoption:** Launched the "Bima Saral" Insurance Portal for seamless digital onboarding and claims processing.
- **Branch network leveraging:** Utilising our network of 900+ branches to offer simplified insurance solutions.
- **Enhanced customer access:** Providing insurance products through our customer app and website.
- **Regular training:** Continuous training for our sales team to improve service quality and customer satisfaction.



Technology

Leveraging Technology for Growth and Innovation

At Capri Global, we have embraced technology as a cornerstone of our growth strategy, building a robust support infrastructure, "Capri 2.0". This infrastructure leverages an in-house tech team, artificial intelligence, machine learning, and data analytics to drive innovation and enhance our service offerings. Our commitment to technological advancement ensures that we remain at the forefront of the financial services industry, providing seamless and efficient solutions to our customers.

KEY TECHNOLOGY ENABLERS



In-House Tech Team



Artificial Intelligence



Machine Learning



Data Analytics

SIGNIFICANT TECHNOLOGICAL ADVANCEMENTS

The technological advancements at Capri Global have resulted in several significant outcomes:

- **Entire Tech Footprint is Cloud-Based**
Transitioned our entire technology infrastructure to the cloud, ensuring scalability and reliability.
- **Built Own OCR and KYC Engine**
Developed proprietary OCR and KYC engines to streamline customer verification and onboarding processes.
- **Data Analytics Platform**
Launched our own data analytics platform to derive business insights and drive decision-making.
- **Car Loan Leads App**
Created an app that works seamlessly with multiple banks to manage car loan leads.
- **Datawarehouse**
Established a single source of truth through a data project that enables business insights.

KEY INITIATIVES IN FY2024

In FY2024, we implemented several key technological initiatives aimed at transforming our operations and improving customer experience. These initiatives include:

- **Capri Loans App**
An Android application that allows customers to track loan status, make payments, and access statements. This app has significantly reduced turnaround time (TAT) and errors in the loan application and disbursal process, while also collecting over ₹1 Billion with 40,000 daily active users.
- **Pragati App**
A mobile application designed to capture leads, verify customers, and submit applications. Features like geo-tagging and document scanning have improved the First-Time Right (FTR) rate by over 70%.
- **LOS and Flex Cube LMS**
A core system that manages the entire loan lifecycle from origination to closure. This system enhances the speed, accuracy, and compliance of loan management processes.
- **Collect Xpress**
A web and mobile-based platform that facilitates the collections process for delinquent loans, integrating AI and ML to optimise collections performance and recovery.



TECH-DRIVEN GROWTH

Technology has been a critical focus area for us, with several initiatives going live at the beginning of FY2025, including our in-house developed Loan Origination System (LOS), Customer App, Collection module, and Loan Management System (LMS) by Oracle, namely FLEXCUBE.

These technological and data science capabilities will enable us to improve turnaround times through a seamless digital onboarding process, particularly for MSME lending and Affordable Housing Loans, leading to enhanced sales productivity. Additionally, they will optimise costs by reducing per-file processing expenses, while our proprietary AI risk-based pricing model will enhance the net interest margin.

Our state-of-the-art in-house Collection module boasts unique features, such as analysing historical payment trends, including PTP status, leveraging AI, ML, and analytics to maximise recovery. Other features like AI-powered bot calling, route optimisation, and real-time tracking of collection employees optimise the performance of our Collection teams.

For end-user servicing, our in-house developed app offers comprehensive services to our customers, including easy access to all relevant documents (such as MITC, SOA, and Loan Agreements), self-service repayment options, and top-up loans based on eligibility in just 60 seconds.

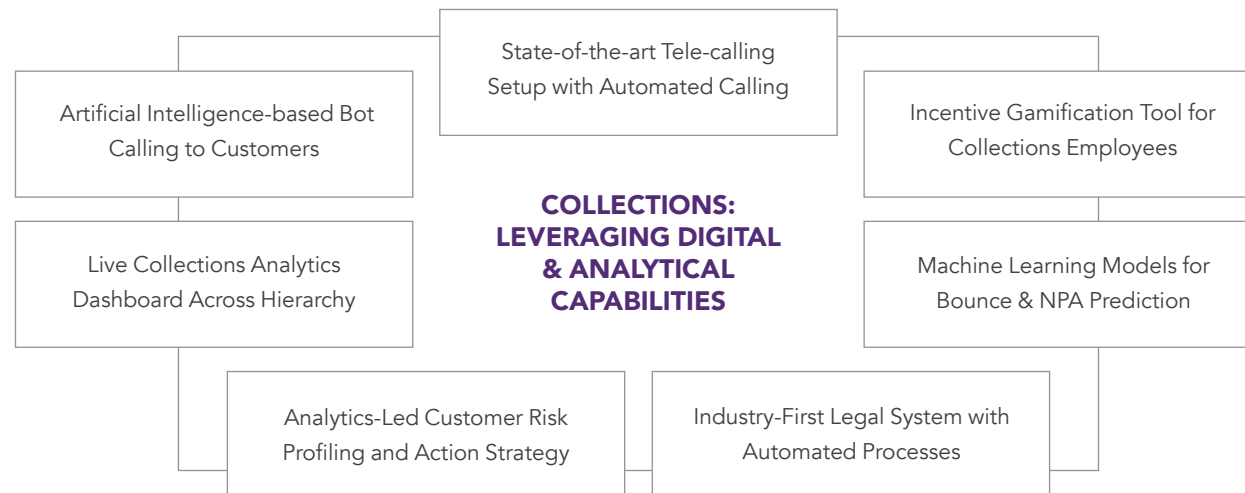
THE STRATEGIC PILLARS OF COLLECTIONS

- 1 Best-in-Class Customer Engagement Quality**

 - Trainings for courtesy and problem-solving led communications
 - Live monitoring of customer discussions with on-roll trainers
- 2 Culture of Proactive Collections Action**

 - Monthly tracking of contacts made, invalid repayment accounts, and customer outreach programmes for information updates
 - Penalty collection drives focused on high-risk defaulters
 - Emphasis on EMI reminders for non delinquent accounts
- 3 Industry-First Post Delinquency Processes**

 - Automated legal process with TAT tracking and escalations
 - Legal-like letters and legal tele-calling action for high-risk pre-NPA delinquent accounts
 - Legal training to enable collections managers to act as legal managers in the context of secured lending groups



FUTURE INNOVATIONS AND DEVELOPMENTS

In FY2024, we implemented several key technological initiatives aimed at transforming our operations and improving customer experience. These initiatives include:

- ChatBot on Whatsapp**
Leverages GenAI for future initiatives, enhancing customer interaction and service efficiency.
- CLM Analytics Model**
A seamless end-to-end model for co-lending mechanisms, optimising partnership efficiency.
- In-House Key Business Critical Platforms**
Our company has developed and implemented several key business-critical platforms to enhance customer experience, streamline operations, and improve efficiency across various processes.
- Cross-Sell Analytics**
Utilises data analytics to identify and capitalise on cross-selling opportunities for various products.



Marketing and Branding

Boosting Brand Engagement with Innovative Campaigns

At Capri Global, brand-building efforts and innovative campaigns are driven by a sustained commitment to exemplify our vision of creating an inclusive and transformative credit ecosystem. Through strategic marketing, digital engagement, and community outreach, we continuously enhance our brand visibility and resonance. Our campaigns leverage effective mediums like sports and creative storytelling to highlight our dedication to financial inclusion, thereby reinforcing our role as a catalyst for economic growth and stability. Each effort is a step towards cementing Capri Global as a trusted and visionary leader in the credit landscape.

Our sponsorship of the Gujarat Titans during IPL 2023 and the launch of our new brand positioning, "Farz Nibhaatey Hain," exemplify our approach. These efforts increase brand recognition and build trust and loyalty among our potential customers, ensuring long-term growth and market leadership.

GUJARAT TITANS IPL 2023 SPONSORSHIP

As an associate sponsor of the Gujarat Titans during IPL 2023, our logo featured prominently on the team's right chest, resulting in media exposure valued at over ₹4.46 Billion, according to a YouGov Sports report. This partnership was highlighted across multiple media channels: Jio Cinema (14 matches with 306 Million impressions), radio (12,000 seconds in Ahmedabad and 7 on-ground activations), and outdoor advertising (45 spots across 8 cities in Gujarat). We produced three digital films featuring Gujarat Titans players, which were aired on Jio Cinema and other digital platforms, achieving over 126 Million impressions on YouTube, Instagram, and Facebook.

NEW BRAND POSITIONING: "FARZ NIBHATEIN HAIN"

We introduced our new brand positioning, "Farz Nibhatein Hain", with brand ambassador Mr. Pankaj Tripathi. This campaign included three television films aired across various TV channels, reaching over 40% of our target audience in key markets. To further increase awareness, the campaign was amplified on digital platforms, garnering 119.2 Million impressions. The new brand positioning was also implemented at all branch locations, updating branding elements such as posters, danglers, and leaflets.



"Farz Nibhatein Hain"

Stakeholder Engagement

Fostering Stakeholder Relationships

At Capri Global, our foremost priority has always been to create sustainable value for our stakeholders. We believe that active and continuous engagement with our stakeholders is crucial to our success. By fostering open communication, we gain valuable insights that help shape our business strategies and drive.

| | WHY THEY ARE IMPORTANT TO US | HOW WE ENGAGE WITH THEM |
|--|--|--|
|  <p>Customers</p> | Customers are the pivotal cornerstone of organisational advancement concerning Assets Under Management (AUM) and revenue. | Our feet-on-street and branch staff extend comprehensive support to our customers throughout the loan procedure, from the initial stages to completion. We also leverage our technological and digital expertise to ensure a smooth and effortless journey for our customers. |
|  <p>Employees</p> | The employees constitute the foundation of CGCL's operations, mainly due to the Company's dependence on internal sourcing business. | We have designed attractive incentive systems encompassing both financial and non-financial incentives. Additionally, we offer comprehensive training and development initiatives, career growth prospects and a vibrant work atmosphere that nurtures individual and professional growth. |
|  <p>Lending Partners</p> | Our lending partners play a vital role in our journey of financial expansion. | We have a specialised Treasury Unit that consistently interacts with our lending associates. This team evaluates and collaborates with our lending partners to fulfill business needs and guarantee seamless collaborations. |
|  <p>Investors</p> | Investors have facilitated the expansion of institutional ownership in publicly traded stocks. We garnered robust backing from our existing and new investors, who subscribed to our Rights Issue worth ₹14,400 Million. | We consistently interact with investors through post-earnings conference calls, individual consultations, visits to branches and attendance at investor conferences. |
|  <p>Consultants</p> | Our consultants have significantly enhanced our products and procedures through their valuable contributions. | We collaborate with top consultants specialising in auditing, advisory, and technology to harness their expertise within their respective domains. |
|  <p>Communities</p> | Our business operates seamlessly in collaboration with the resident communities. | Our ESG initiatives aim to enhance our positive impact on the environment and society, striving for improvement and advancement. |

Environment

Driving Environmental Sustainability

At Capri Global, our commitment to environmental sustainability is demonstrated through a variety of initiatives and policies designed to minimise our ecological footprint and promote responsible resource management.



POLICY IMPLEMENTATION

We have implemented an Environment Management Policy and a Standard Operating Procedure (SOP) for banning single-use plastic. Additionally, we maintain detailed records of our carbon emissions from electricity usage and have calculated our carbon footprint for the financial year, with the details published in our Business Responsibility and Sustainability Report (BRSR).

KNOWLEDGE SERIES AND AWARENESS

The ESG team initiated a knowledge series to spread awareness among employees on material ESG issues, including employee safety, judicious use of water, reducing pollution, and environmental conservation. To keep these issues in focus, desktop screensavers and wallpapers were changed to environmental themes.

CARBON NEUTRALITY EFFORTS

We are working towards a Net Zero roadmap by identifying decarbonisation levers and implementing robust carbon reduction and offsetting strategies. This includes procuring energy-efficient inverter air conditioners using R32 refrigerant, and fire extinguishers certified under OHSAS 18001. We also prioritise products that meet stringent environmental criteria, such as gold pouches made from deformable recyclable plastic.

SUSTAINABLE PRACTICES

Our efforts extend to eliminating single-use plastic bottles from our branches and procuring recyclable materials like low-density polyethylene for gold pouches. These practices contribute to the circular economy and reduce plastic waste.

CLIMATE RISK INTEGRATION

We integrate climate change risk into our business risk and ESG due diligence processes for loan portfolios. By considering factors such as project type, location, sensitivity, and scale, we evaluate the extent of environmental and social risks and impacts associated with each borrower. This approach ensures that our investments are resilient and aligned with sustainable practices.

EMPLOYEE TRAINING AND ENGAGEMENT

As part of our Learning and Development module, the ESG team conducted training for over 9,000 employees on ESG topics and the National Guidelines for Responsible Business Conduct (NGRBC). An introductory session on these topics was also conducted for Board members.



Social

Empowering Positive Societal Transformation

At Capri Global Capital, our mission is to empower communities, with a special focus on women, by providing essential financial support often inaccessible in India.

COMMUNITY DEVELOPMENT

At Capri Global Capital Limited, our mission is to empower communities, with a special focus on women, by providing essential financial support often inaccessible in India.

Each year, CGCL refines its action plan across three main areas: Education, Women Empowerment & Sustainable Livelihood, and Health. This strategy addresses the unique challenges faced by different segments of society and ensures comprehensive support and development.

We aim to remove barriers to gender equality and ensure the empowerment of women is a cross-cutting theme in all our initiatives.

203,314

CSR beneficiaries

EDUCATION

At Capri Global, our educational initiatives are designed to create better opportunities for those in need. Our holistic approach to education and youth empowerment includes coding courses for students, teachers, and external learners, equipping them with essential future skills. We offer comprehensive skills training, and host exhibitions and workshops to showcase participants' creations. Additionally, we partner with organisations to beta test educational card games and collaborate with a video-making agency to enhance our digital library, ensuring a rich and interactive learning experience.

17,165

Students' lives have been positively impacted

In FY2024, we made significant strides in enhancing educational opportunities for children from diverse backgrounds. Key initiatives include:

- After-School Coaching and Skills Enhancement**
 - Supported students in Government Schools, particularly in grades 1-7.
 - ASER assessments revealed improvements in basic reading and math skills.
 - Delivered quality education using joyful pedagogy and activity-based learning.
 - Provided teaching materials, uniforms, shoes, and library access.
- Infrastructure and Digital Literacy**
 - Improved school infrastructure and introduced dynamic learning aids.
 - Promoted digital literacy and enhanced Foundational Literacy and Numeracy (FLN).
 - Established Science, Technology, Engineering, and Mathematics (STEM) labs in government schools.
 - Active School Management Committees and regular assessments led to notable academic performance improvements.
- Support for Marginalised Students**
 - Provided scholarships for marginalised students.
 - Digitalised vocational labs with smart TVs and pre-loaded content.
 - Emphasised engaging girls to complete higher education, fostering financial independence.
 - Bridged the digital gap to enhance vocational education.





WOMEN EMPOWERMENT & SUSTAINABLE LIVELIHOOD

Under the thrust area for FY2024, Capri Global's interventions have epitomised our commitment to holistic empowerment and inclusive growth. Here are some key interventions:

- Uplifting Women Street Vendors Programme**
 - Through the Specialised Accelerated Intensive Learning (SAIL) programme, women received extensive training to enhance their skills, including the art of pickle making, creating new income opportunities.
- Financial Literacy**
 - Women engaged in interactive sessions on financial services, learning the importance of savings and bookkeeping for their businesses.
 - Daily personal mentoring and support provided by dedicated community mobilisers.
- Entrepreneurial Support**
 - Women were equipped with personalised QR code stands for seamless digital payments and received zero-interest loans to invest in their businesses, fostering sustainable economic growth within their communities.
- Self-Help Groups (SHGs)**
 - In Ujjain and Maheshwar, new SHGs were formed to promote affordable credit access and skill development.
 - Women received social media training, e-commerce activation, and participated in exhibitions to thrive in the digital marketplace.
 - The in-house **Microlekha Software** ensured 100% monthly data recording with 95% accuracy, generating community microfinance reports, with all federations registered as social welfare societies.

- Business Sakhis Initiative**
 - Identified and trained 100 Business Sakhis through intensive orientation and capacity-building training, equipping them with essential business skills.
 - Post-training, these women invested an advance of ₹5,000, acquired products, and began selling within their villages, earning an additional monthly income of ₹4,000 to ₹6,000.
- Collaboration with Reliance Smart**
 - The creation of **SIS stores** resulted in ₹12 Million in sales for FY2024.
 - Solar panels and borewell installations reduced daily costs by ₹300-400, promoting sustainability.
 - New product ranges including Ginger, Garlic, and Green Chilli Powders, Buttermilk, Curd, and Groundnut Oil diversified offerings.
- Holistic Community Development**
 - Village-level planning and capacity building for agroecological practices, livestock management, and Natural Resource Management (NRM).
 - Comprehensive livelihood understanding and demonstration of Nutri Gardens to promote sustainable living.
 - Water conservation efforts, cattle camps, and school infrastructure upgrades, including new hand wash stations and school toilets, were pivotal in creating healthier and more sustainable communities.

These initiatives have transformed lives, created sustainable income streams, and fostered community well-being.

71,893

Beneficiaries under women empowerment & sustainable livelihood

HEALTH

At Capri Global, we are dedicated to advancing healthcare in underserved regions, ensuring that quality health services are accessible to those who need them most. In FY2024, we focused on providing comprehensive healthcare solutions through various targeted interventions

114,256

People's health positively impacted

5,500

Lives impacted by cancer awareness camps, sessions, workshops, and peer support groups

13,798

Females given precise tracking and follow-up of ANC, PNC, and infant care

- Mobile Medical Units (MMUs)**
 - Deployed two fully equipped MMUs to 48 underserved villages, enhancing access to affordable, quality healthcare.
 - Offered primary, preventive, curative, promotive, and referral services directly at villagers' doorsteps.
 - Aimed to improve key health indicators such as Infant Mortality Rate (IMR), Maternal Mortality Rate (MMR), and life expectancy in coordination with District Public Health Systems.

- Antenatal and Postnatal Care (ANC and PNC)**
 - Focused on expectant mothers through the M-Mitra mobile technology programme.
 - Provided a free mobile voice call service that sent timed and targeted preventive care information weekly/bi-weekly directly to enrolled women during pregnancy and infancy in their chosen language and timeslot.
 - Management of Chronic Diseases**
 - Ensured comprehensive management of hypertension and diabetes.
 - Achieved 100% non-communicable disease screening.
 - Support for Breast Cancer Patients**
 - Provided prostheses and bras to breast cancer patients, boosting body image and confidence.
 - Conducted workshops and campaigns on breast cancer awareness, self-examination, and emotional support, promoting holistic empowerment for cancer survivors.
- By focusing on these targeted health initiatives, we have significantly advanced healthcare services in underserved regions, ensuring comprehensive and continuous care for various health needs and improving overall community well-being.

59,109

Women benefitted through quality health services by Mobile Medical Units (MMU) in remote rural areas.





PRIORITISING HEALTH, SAFETY, AND DIVERSITY

Enhancing Occupational Health and Safety

At Capri Global, we prioritise the creation and maintenance of a safe work environment through a Board-approved Policy on Employee Health and Safety. Our commitment to Occupational Health and Safety (OHS) spans across all branches, ensuring compliance with legal requirements and providing comprehensive training and resources to empower employees to work safely. We continuously monitor workplace conditions and conduct proactive risk assessments to promptly identify and mitigate potential hazards. Our approach extends beyond physical safety to encompass the overall well-being of all employees, including those in field roles. We support this with flexible work arrangements and comprehensive health benefits.

We actively engage employees through various campaigns and initiatives aimed at raising awareness and promoting a culture of safety. Fire safety campaigns, health awareness drives, and other proactive measures are in place to foster a safer working environment. By focusing on continuous improvement and active stakeholder engagement, we ensure that Capri remains a safe and supportive workplace for all employees.

Promoting Diversity and Inclusion

At Capri Global, Diversity and Inclusion (D&I) are fundamental principles that reinforce our organisational ethos. Guided by our Equal Opportunity & No Discrimination Policy and Human Rights Policy, we are dedicated to creating a workplace where every individual feels valued, respected, and empowered to thrive. Our D&I initiatives are designed to cultivate awareness about the benefits of embracing diversity and promoting inclusion in all aspects of our operations.

We adhere to the principle of meritocracy, making hiring decisions based solely on role requirements, qualifications, skills, and experience. Our commitment to human rights extends beyond internal operations to our broader supply chain and community engagements, advocating for equitable treatment and dignity for all individuals.

Our D&I efforts go beyond recruitment practices, influencing our workplace culture, interactions, and decision-making processes. We encourage open dialogue and provide platforms for marginalised voices to be heard, ensuring that every employee feels valued and respected. As we continue to implement D&I programmes, we remain dedicated to fostering a culture of belonging where every individual can bring their authentic selves to work, contribute their unique perspectives, and realise their full potential. Together, we strive to build a more inclusive and equitable future for all.

Governance

Building a Transparent and Ethical Governance Framework

Capri Global's governance initiatives focus on maintaining high standards of integrity, transparency and accountability across our operations.

ROBUST GOVERNANCE MECHANISMS

We recognise the critical importance of robust governance mechanisms to address environmental and social dimensions with rigour. Our Anti-Bribery and Anti-Corruption Policy, aligned with our Employee Code of Conduct and other policies, ensures compliance with anti-bribery and anti-corruption legislation in India. This policy fosters a culture of transparency and accountability, reinforcing our commitment to integrity and fairness.

COMPREHENSIVE APPROACH

In integrating environmental and social dimensions into our governance mechanisms, we adopt a comprehensive approach that spans all levels of our organisation. Regular monitoring, assessment, and proactive management of environmental and social risks ensure alignment with our broader business objectives and stakeholder expectations.

COLLABORATION AND ADVICE

By fostering collaboration between business units and offering relevant advice on the implications of business decisions, we strive to integrate environmental and social considerations into our core operations. Through these comprehensive ESG initiatives, Capri Global is dedicated to creating long-term value for all stakeholders while safeguarding the planet and promoting social equity.

ESG Integration

To ensure that Environmental, Social, and Governance (ESG) principles become an integral part of our organisational culture, we have established an internal ESG Steering Committee. This committee is dedicated to overseeing the comprehensive implementation of ESG initiatives across all levels of the organisation. Its responsibilities include setting ESG goals, monitoring progress, ensuring compliance with relevant regulations, and driving continuous improvement in our ESG performance.

To further embed ESG values within our workforce, we have instituted mandatory, rigorous training programmes on various ESG-related topics for all employees. These training programmes are designed to enhance awareness,

understanding, and commitment to ESG principles, equipping our employees with the knowledge and skills needed to contribute effectively to our ESG objectives. By fostering a culture of sustainability and ethical governance, we aim to align our operations with best practices and make a positive impact on the environment, society, and our stakeholders.

Policy Framework

Establishment of eight key policies approved by the Board, including Anti-Bribery and Anti-Corruption, ESG Lending Policy, Equal Opportunity and No Discrimination, and Human Rights.

Occupational Health and Safety (OHS)

Commitment to creating a safe work environment through comprehensive training, supervision, and compliance with legal requirements.

Diversity and Inclusion

Promotion of a workplace where diversity is valued, and discrimination is prohibited, guided by our Equal Opportunity and No Discrimination Policy and Human Rights Policy.

Tax Transparency

Our approach to Tax Transparency underscores our commitment to responsible tax practices and regulatory compliance. Through meticulous tax risk management aligned with our business strategy, we prioritise full compliance with taxation laws and uphold integrity in tax compliance, payments, and reporting.



Statutory Reports

| | |
|------------------------------------|-----|
| Management Discussion and Analysis | 51 |
| Directors' Report | 65 |
| Report on Corporate Governance | 132 |

Management Discussion and Analysis

1. Economic Overview

1.1. Global Economy

As we reach the midpoint of the decade, the global economy shows some encouraging signs, as highlighted in the latest report from the World Bank. One positive development is the reduced risk of a worldwide recession, largely due to the robust performance of the U.S. economy. Developing countries continue to advance, demonstrating resilience in navigating challenges and maintaining momentum. However, this period marks the slowest half-decade of GDP growth in 30 years, driven by increasing geopolitical tensions and their resulting economic hazards.

Global trade growth in 2024 is expected to be only half the average in the decade before the pandemic. Developing economies, particularly those with poor credit ratings, will likely face high borrowing costs due to global interest rates remaining four-decade highs in inflation-adjusted terms. According to the World Bank, global growth is projected to be slow for the third consecutive year, dropping from 2.6% in 2023 to 2.4% in 2024.

To achieve global development goals and effectively tackle climate change by 2030, developing nations must significantly increase their investment efforts, requiring an additional \$2.4 trillion annually. However, without a comprehensive policy package, such an increase is unlikely. The expected per capita investment growth in developing economies between 2023 and 2024 is projected to be just 3.7%, barely over half the rate of the previous two decades.

The Global Economic Prospects report highlights that developing nations can gain significant economic benefits by accelerating per capita investment growth to at least 4% and sustaining it for six years or more. During such investment booms, the convergence pace with advanced-economy income levels quickens, poverty rates decline faster, productivity growth quadruples, inflation rates decrease, fiscal and external positions improve, and access to the internet expands significantly.

(Source: Global Economic Prospects, Jan 2024, World Bank)

1.2. Indian Economy

The National Statistical Office (NSO) has projected India's GDP growth rate for FY 2024 at 7.3%, which is higher than the 7.2% growth recorded in FY 2023 and surpasses the

Reserve Bank of India's (RBI) earlier estimate of 7%. This robust growth is driven by substantial public investment and a vibrant services sector despite a slowdown in merchandise exports due to weaker global demand.

(Source: PIB)

According to the RBI reports, retail inflation is expected to average 5.1% for FY 2024, marking a continued downward trend facilitated by falling international commodity prices and effective government interventions. On the external front, FY 2024 is anticipated to benefit from robust export performance in services and merchandise sectors, alongside reduced oil prices. These factors are expected to decrease the current account deficit, supported by stable capital inflows and balanced foreign trade, ensuring a steady Indian Rupee.

(Source: RBI)

The decline in global inflationary pressures and proactive government measures are expected to further bolster India's economic growth. The private non-financial sector has seen a steady decline in debt since mid-2021, along with improved debt quality. The World Bank projects India's GDP growth at 6.4% for FY 2024, maintaining its position as the fastest-growing major economy in the world.

(Source: PIB)

Inflation in India is anticipated to be influenced by extreme weather conditions, such as heatwaves and potential El Niño effects, volatility in international commodity prices and the pass-through of input costs to output prices. With balanced risks, inflation is expected to moderate to around 5-6% in FY 2024.

(Source: RBI)

2. Review of the Financial Services Industry

The financial services sector in India is presently in an exciting phase, marked by transformative changes and dynamic shifts. This sector includes commercial banks, insurance companies, new-age fintech startups, non-banking financial companies (NBFCs), co-operatives, pension funds, mutual funds, and other smaller financial institutions.

Over the past few years, the sector has witnessed consistent upward trends, with significant growth in banking, insurance, and asset management. This growth is driven by multiple factors. Increased banking and financial services penetration,

especially in previously underserved semi-urban and rural areas, has significantly contributed towards growth. Additionally, rapid digitalisation has revolutionised the sector, enhancing accessibility and efficiency.

2.1. Non-Banking Financial Sector (NBFCs)

The Non-Banking Financial Company (NBFC) sector in India has shown significant growth, reaching approximately USD 380 Billion in FY 2024. This expansion underscores the sector's crucial role in the financial landscape, driven by increasing demand for specialised financial services from Micro, Small, and Medium Enterprises (MSMEs), which often face challenges in securing loans from traditional banks. The sector has benefitted from robust economic activities, substantial credit disbursements, particularly by institutions like SIDBI, and an enhanced focus on lending to underserved segments.

Moreover, the profitability of NBFCs has improved, marked by higher net interest margins and better asset quality. The adoption of digital tools has significantly enhanced operational efficiency, collections, fraud management, and customer outreach, helping bridge the credit gap for MSMEs more effectively. Supported by favourable policy measures and government initiatives, the NBFC sector continues to drive financial inclusion and economic development in India, despite challenges such as high borrowing costs due to elevated global interest rates.

Key Trends and Developments

- Growth and Expansion

The NBFC sector has been a key driver in providing financial services to segments often underserved by traditional banks. The sector's size, reaching USD 326 Billion in 2023 highlights its expanding role in the financial system. This growth is supported by the increasing demand for specialised financial services from MSMEs, which have limited access to traditional banking services.

- Bank Credit and Mutual Fund Exposure

Banks' credit exposure to NBFCs rose by 23.6% year-on-year to ₹13.8 lakh crore in July 2023, indicating growing confidence in the NBFC sector. This increase coincides with the phased reopening of the economy post-pandemic, reflecting a robust recovery and expansion in lending activities.

Meanwhile, mutual funds' debt exposure to NBFCs surged by 60.1% to ₹1.81 lakh crore in July, with investments in Commercial

Papers (CPs) crossing the ₹1 lakh crore mark for the first time since August 2019. This suggests a growing reliance on NBFCs for funding, potentially impacting the financial stability of both sectors.

- Diverse Funding Landscape

While large NBFCs depend on capital markets for funding, mid-sized and smaller ones rely on banks as their primary funding source. This indicates a diverse funding landscape within the NBFC sector, catering to different players' varying needs and capacities.

- Impact of HDFC Merger

There has been a consistent upward trend in bank credit to NBFCs in the second half of FY 2022, accelerating through FY 2023 and into the first quarter of FY 2024. However, NBFCs' overall borrowings decreased by 3.3% on a month-on-month basis, primarily due to the merger of HDFC with its subsidiary HDFC Bank on July 1, 2023, which impacted the borrowing dynamics within the sector.

- Corporate Debt Exposure

Corporate debt exposure to NBFCs rose 33.6% year-on-year to ₹76,000 crore in July, although the share in total corporate debt to NBFCs slightly contracted. This highlights a nuanced shift in the sector's funding strategies and financial interactions.

Future Outlook

The NBFC sector's resilience and adaptability are evident from the significant increase in CP investments, underscoring its continued importance in meeting the diverse financing needs of the economy despite challenges such as mergers that may temporarily impact borrowings. The financial services industry in India, particularly the NBFC segment, is expected to maintain its growth momentum, driven by the sustained demand for specialised financial services and continuous digital advancements.

(Sources: Economic Times, World Bank Global Economic Prospects Report, World Bank Press Releases)

2.2. MSME

Globally, micro, small, and medium-sized enterprises (MSMEs) comprise 95% of companies and employ 60% of the global workforce. In India, the MSME sector's contribution to the country's gross domestic product (GDP) stood at approximately 30% in 2024, consistent with the previous year but lower than the pre-pandemic peak of 31%

in 2018-19. This sector plays a crucial role in the economy, employing around 123 Million people, with significant concentrations in states like Maharashtra, Tamil Nadu, Uttar Pradesh, Karnataka, and Telangana.

Government Initiatives and Support

In 2020, Union Minister stated that the government aimed to increase the contribution of MSMEs to GDP from 30% to 50% and their share in exports from 49% to 60% within five years. The interim budget has allocated ₹22,137.95 crore to the MSME sector, focusing on establishing new clusters and technology centres. Additionally, the government has introduced several schemes and programmes to support MSMEs, including the Prime Minister's Employment Generation Programme (PMEGP) and the Emergency Credit Line Guarantee Scheme (ECLGS).

Financial Allocations and Programmes

Despite a reduction in the allocation for the Emergency Credit Line Guarantee Scheme to ₹10,162.92 crores from ₹14,000 crores in the previous financial year, other initiatives have received substantial funding. New technology centers have been allocated ₹450 crores, the Micro and Small Cluster Development Program received ₹400 crores, and the PM Vishwakarma scheme was granted ₹4,824 crores. The allocation for the coir sector has marginally increased to ₹103.10 crores.

Export Performance

India's exports have increased by 44%, reaching over \$450 Billion in FY 2023 from \$313 Billion in FY 2020. The share of MSME-related products in total exports was around 45.56% in FY 2024, indicating a slight recovery from the pandemic-induced decline.

Future Outlook

The government's continued focus on the MSME sector through budget allocations and targeted programmes is expected to foster growth and resilience. The MSME sector is poised to play a crucial role in India's economic development and global competitiveness by addressing the need for timely financing, technological upgrades, and skill development.

(Source: PIB, IBEF, WTO)

2.3. Affordable Housing

The affordable housing sector in India continues to be a critical focus for the government, especially in addressing the needs of the middle class and economically weaker sections. The FY 2024 interim budget placed significant emphasis on housing

schemes and infrastructure development. The government has committed to constructing two more crore affordable houses over the next five years under the PM Awas Yojana (Grameen), complementing the three crore houses already in progress. This initiative underscores the government's dedication to addressing housing shortages and enhancing living standards across various socio-economic groups.

Recent Developments and Government Initiatives

The interim Budget for 2024 has emphasised housing, particularly for the middle class, with a significant focus on infrastructure development. This has led to optimistic projections within the real estate sector. The government aims to construct an additional two crore affordable houses over the next five years under the PM Awas Yojana (Grameen), supplementing the three crore houses already underway. This highlights the government's commitment to addressing housing needs across various socio-economic groups.

Financial Allocations and Market Projections

The budget allocation for the Pradhan Mantri Awas Yojana (PMAY) has substantially increased for FY 2025. The outlay has surged by 49% from the previous fiscal year, reaching ₹1 trillion (approximately \$12 Billion), up from ₹79,000 crore in FY 2023. This significant increase strengthens housing infrastructure and facilitates home-ownership for a broader population segment.

Additionally, the government has focused on extending support through the PM-SVANidhi program, which provides micro-credit to street vendors. This initiative has benefited 7.8 Million vendors, with 230,000 securing credits for the third time, reflecting efforts to enhance financial inclusion and support small businesses.

Market Outlook

The affordable housing market in India is expected to grow from USD 54.26 Billion in 2023 to USD 57.62 Billion in 2024 at a compound annual growth rate (CAGR) of 6.2%. This growth is driven by increasing demand, government initiatives, and strategic investments in the housing sector. The emphasis on green and sustainable building practices is also expected to contribute to affordable housing development, reducing operational costs for residents and improving living conditions.

(Source: Forbes, Live mint)

2.4. Construction Finance

The construction sector in India witnessed a 10.7% real-term expansion in FY 2024, driven by the government's continued emphasis on infrastructure development and a strong housing market. This growth was supported by increasing household incomes, a critical housing shortage in major urban areas, and robust population growth.

Key Data and Financial Allocations

According to data from the Ministry of Statistics and Programme Implementation (MoSPI), India saw a 9.3% year-on-year (YoY) increase in total gross fixed capital formation (GFCF) during the initial nine months of 2023. During the same period, the construction industry's value addition rose by 10.5% YoY. In the FY 2023-24 budget, the government raised its allocation for capital expenditure by 37.4%, reaching ₹10 trillion (approximately \$124.8 Billion).

Infrastructure Development and Project Monitoring

The construction sector's growth trajectory is expected to continue, with projections indicating an average annual growth rate of 5.9% from 2024 to 2027. This growth will be fueled by significant investments in transportation, electricity, housing, and industrial sectors. As of November 2023, the Infrastructure and Project Monitoring Division (IPMD) of MoSPI is overseeing a portfolio of 1,788 projects with an estimated completion cost of ₹29.1 trillion (\$362.8 Billion). The largest share of these projects is in road transport and highways (55.6%), followed by railways (13.8%), petroleum (8.7%), coal (7%), power (5.5%), and water resources (2.3%).

Future Outlook

The Indian government has continued to prioritise infrastructure investment to stimulate economic growth and enhance quality of life. In the Interim Budget 2024-25, the capital investment outlay for infrastructure increased 11.1% to ₹11.11 lakh crore (approximately \$133.86 Billion), representing 3.4% of GDP. This increase is part of a broader strategy to achieve significant economic milestones, including making India a \$5 trillion economy by 2027.

(Source: PIB, MOSPI)

2.5. Gold loans

In India, the second-largest consumer of gold globally, various factors such as a depreciating rupee, strong international

prices, and consistent demand from the physical and jewellery sectors are projected to drive the demand for the precious metal. Anticipated prices for gold in 2024 range between ₹57,500 to ₹65,000 per 10 grams. This surge in demand is expected to extend to the gold loan market, reflecting the impressive performance of the commodity market.

Growth in Loan Volumes

The gold loan market in India is experiencing significant growth, driven by the increasing appetite for safe-haven assets and the escalating value of gold, especially in rural areas where gold serves as a readily accessible source of credit. Despite 65% of the unorganised market, India's gold loan sector is predicted to grow at a compound annual growth rate (CAGR) of 15% to 20%.

Market Trends and Projections

- **Increased Demand:** Factors such as geopolitical tensions, economic uncertainties, and rate cuts in major economies will likely sustain high gold prices, further fueling the demand for gold loans. Gold's performance, which saw a gain of more than 12% in 2023, is expected to continue its upward trajectory.
- **Technological Advancements:** The gold loan sector has also seen the entry of new players leveraging advanced technologies like AI and data analytics for improved risk assessment and streamlined loan approval processes. This technological shift is expected to drive further growth in the market.
- **Rural Penetration:** In rural areas, gold remains a critical asset for securing loans. The organised sector, including public and private banks, NBFCs, and small finance banks, is gradually expanding its reach, offering competitive interest rates and flexible loan tenures.

Government Initiatives and Market Expansion

Government initiatives and supportive policies have played a crucial role in the expansion of the gold loan market. Efforts are ongoing to mobilise India's substantial private gold reserves and promote gold loans as a reliable financial product. The market is expected to see continued growth, driven by both organised and unorganised segments.

Outlook

The outlook for India's gold loan market in 2024 remains positive, buoyed by rising gold prices, the allure of safe-haven assets, and increased demand from various central banks. The sector is set for further expansion, fueled by technological innovations, government initiatives, and increased per-gram gold rates. As new players enter the market and existing ones expand their services, the gold loan sector is poised to meet the growing credit needs of India's population.

(Source: Livemint)

2.6. Car Loan Distribution

The trend of Indians opting for car loans has continued to rise significantly in FY 2024. Finance penetration for passenger vehicles (PVs) has increased to 80-83% compared to 77-80% in 2023. This growth reflects a robust recovery from the pandemic-induced setbacks, thanks to various measures by the government and the central bank, such as incentivising state-run banks to extend loans to both dealers and buyers.

The post-pandemic period saw a continuous upswing in auto loan disbursements and the total amount of funds lent, leading to higher interest revenue for lenders. In Q1 of FY 2024 alone, domestic sales of passenger vehicles surged by 9.4% compared to the same period last year, with a record production and export of units. This growth is attributed to increased urban demand, festive sales, and improved supply chain conditions, alongside the rising middle class and enhanced financial inclusion initiatives.

Market Trends and Financial Dynamics

The automotive sector is a cornerstone of India's economic growth, contributing 7.5% to the nation's overall GDP. The remarkable transformation in the vehicle financing landscape owes itself to various factors, ranging from evolving consumer behaviour to the proliferation of fintech enterprises. The car loan market in India is forecasted to grow at a CAGR of over 8%, expected to reach \$60 Billion by FY 2026.

Moreover, the government's persistent efforts to mainstream electric vehicles (EVs) are another significant catalyst for the surge in automobile demand and subsequent financing. Both at the central and state levels, strategic policies are being devised to achieve maximum EV penetration by 2030, with a targeted growth rate of 10 to 15%. Recent surveys indicate India's increasing readiness to embrace EVs as personal transportation options. In the fiscal year 2022-23, EV sales soared to 1.16 Million

units, marking a staggering 154% year-on-year growth from the preceding fiscal year.

Government Initiatives and Consumer Trends

The Indian government has been proactive in promoting the adoption of EVs, offering various incentives and subsidies to encourage consumers. These initiatives have boosted car sales and significantly impacted the auto loan market. The increase in disposable incomes, greater credit availability, and a growing middle class have also contributed to this upward trend in car loans. Additionally, technological advancements in digital banking have made the loan application process more streamlined and accessible, further driving the market.

Future Outlook

With a large population and expanding automobile demand, the Indian auto loan market is poised for sustained growth. The shift from combustion engine vehicles towards EVs, product launches, and government subsidies is expected to continue promoting car sales, consequently boosting the car loan market. The presence of NBFCs in non-metro and rural areas has also played a significant role in increasing market share, catering to the diverse financing needs across different regions of the country.

(Source: MI, Research and Markets)

2.7. Insurance

India's insurance sector has evolved remarkably over the past two decades. As traditional financial safety nets embedded in joint family systems have faded, the quest for a suitable alternative has been gradual. Initially, the lack of prevalent insurance awareness hindered immediate adoption. However, the landscape has since transformed with the integration of technology and the maturation of regulatory frameworks led by the Insurance Regulatory and Development Authority of India (IRDAI).

Growth and Market Trends

India's insurance sector is projected to record the fastest growth among the G20 countries, with total premiums expected to rise at an average rate of 7.1% in real terms during 2024-2028. In comparison, the growth rate for the global insurance market will be around 2.4%. The life insurance business is expected to grow by 6.7%, driven by rising demand for term life cover among the middle-income group and increased adoption of Insurtech. Meanwhile, the non-life segment is estimated to grow by 8.3% due to economic growth, improved distribution channels, government

support, and a favourable regulatory environment, with health premiums forecasted to rise by 9.7%.

Sector Challenges and Regulatory Support

For FY 2024, life insurance growth is estimated to have slowed to 4.1% from 5.9% in 2023 due to a decline in risk awareness as the pandemic faded and recent changes in tax norms for high-ticket policies. Additionally, the non-life insurance industry will likely dip to 7.7% from 9% due to high interest rates and elevated retail and medical inflation.

Along with an expanding economy and insurance market, India also faces increased exposure to natural catastrophes, with low protection against these risks. According to Swiss Re, 93% of exposures are uninsured, presenting a major challenge in bridging the protection gap due to limited awareness and perception of risks. Economic losses from natural disasters have increased, driven mainly by economic growth and rapid urbanisation. Major cities with high population and asset-value concentrations are exposed to multiple natural hazards.

Future Outlook and Government Initiatives

The "Insurance for All by 2047" initiative, launched by IRDAI in November 2022, along with robust economic growth, is expected to support the development and expansion of the insurance sector. The initiative aims to enhance insurance penetration and ensure broader coverage against various risks.

(Source: Business Standard, Life Insurance International)

2.8. Digital Lending

India's digital lending ecosystem is rapidly growing, strengthened by significant regulatory and technological advancements to enhance efficiency and bring organised credit to Millions of Indians. The government's push for digitisation and the rise of fintech is propelling the digital lending landscape, projected to surpass \$720 Billion by 2030.

Market Dynamics and Trends

The digital lending market in India is experiencing robust growth, with increased participation from traditional financial institutions and non-traditional players. This growth is supported by a favourable regulatory environment that encourages collaboration and innovation. As of 2024, the digital lending market is expected to reach

\$453.32 Billion, with an estimated annual growth rate of 11.90%.

Rising financial and digital literacy, particularly in rural areas, along with increasing smartphone penetration and high-speed internet, now allows over 50% of the population to access digital lending products easily. Infrastructure developments like Aadhaar and expanded eKYC have simplified access to various digital lending products, contributing to the sector's expansion.

Key Products and Solutions

Popular products like Buy Now Pay Later (BNPL), invoice-based lending, POS financing, and P2P lending are gaining traction. To meet the country's credit demand, digital lending players are enhancing their capabilities to build unified platforms that streamline operations and enable efficient scaling.

In the MSME segment, which contributes 38% to the GDP, digital connectivity and technological adoption are expected to meet 20% of the sector's total credit demand by 2026. Government efforts to enhance financial inclusion provide better access to capital, positioning digital lending players to meet diverse credit needs.

Technological Advancements

Advances in digital finance, facilitated by India Stack a comprehensive digital identity, payment, and data management system have allowed Millions to make real-time payments via smartphones. India Stack has significantly reduced user verification costs and revolutionized mobile payments through the Unified Payments Interface (UPI). Lenders can access consumer and business bank accounts via single APIs, leveraging UPI extensions to market credit products to a broader audience. As the digital lending industry progresses with India Stack advancements, the informal economy and rural population will benefit the most, with faster and cheaper credit-boosting businesses and rural incomes.

Future Outlook

The digital lending market in India is poised for continued growth, driven by technological innovations, government initiatives, and an increasing shift towards digital financial solutions. As the market expands, it is expected to address a wider array of credit needs, providing more inclusive financial services to the diverse population of India.

(Source: MI, ET insights)

3. Company overview

Since 2011, Capri Global Capital Limited (CGCL) has been instrumental in advancing financial inclusion across India, primarily serving North, Central and West India. Our diverse portfolio includes MSME, Affordable Housing, Gold Loans, Construction Finance, Indirect Lending, Digital lending, Insurance and Car Loan Distribution. As of FY 2024, we have achieved an impressive Assets Under Management (AUM) of ₹156.53 Billion. Our extensive distribution network now comprises 935 branches across 13 states and union territories, solidifying our presence and accessibility.

We have embarked on a comprehensive digital transformation journey to enhance operational efficiency and effectively reach underserved markets. This strategy has optimised our branch network and improved customer service through IT enablement. Our perseverance and strategic initiatives have established strong brand equity in the NBFC sector, positioning us as a key player in India's financial ecosystem. We aim to expand our product offerings and strengthen our digital capabilities to drive sustainable growth and enhance shareholder value.

3.1. Operational Performance

3.1.1. Segmental Performance

A. MSME Loans

Capri Global has significantly impacted the MSME sector in India through its focused and efficient lending practices. By leveraging a deep understanding of the informal segment and faster processing times, CGCL has effectively catered to self-employed individuals and small enterprises such as provision stores, retail outlets, and handicraft businesses. This direct approach has enhanced client engagement and service personalization. Financially, CGCL has shown robust performance with Assets Under Management (AUM) of ₹50,174 Million in FY 2024, a 15% year-over-year growth, compared to ₹43,580 Million in FY 2023. Despite a slight decrease in disbursements to ₹16,093 Million in FY 2024 from ₹17,525 Million in FY 2023, CGCL managed 31,814 accounts, focusing on loan ticket sizes of ₹1-2 Million. This strategic focus on the ₹1-2 Million segment aligns with stronger asset quality trends, underscoring CGCL's vital role in supporting and promoting financial inclusion and growth within the MSME sector.

In FY 2024, we achieved a total MSME Co-lending business of ₹8,446 Million, compared to ₹3,885 Million in FY 2023, marking a Y-o-Y growth of 117%.

B. Affordable Housing

Capri Global Housing Finance Limited, a wholly-owned subsidiary of Capri Global Capital Limited (CGCL), has capitalised on the underpenetrated mortgage market driven by rising urbanisation and increasing housing demand. Launched in 2016, the subsidiary serves the middle and lower-middle-income populations in Tier 2 and 3 cities through a robust network of 162 branches. This focus addresses a significant housing shortage, with over 90% of the demand arising from the Lower Income Group (LIG) and Economically Weaker Sections (EWS). Benefiting from the synergy within the Urban Retail sales team, Capri Global Housing Finance has achieved impressive growth in its affordable housing Assets Under Management (AUM). As of FY 2024, the AUM stands at ₹40,727 Million, marking a 53% year-over-year increase from ₹26,657 Million in FY 2023. Disbursements also saw substantial growth, reaching ₹18,909 Million in FY 2024, a 47% rise from ₹12,893 Million in FY 2023. The average ticket size in FY 2024 is ₹1.2 Million for the loan book and ₹1.6 Million for disbursements, with a total of 32,024 accounts. These figures reflect Capri Global Housing Finance's significant role in expanding access to affordable housing and meeting the rising demand in India's growing economy.

C. Gold Loan

The company has demonstrated remarkable growth in its gold loan segment, capitalising on the stable and substantial household demand for gold in India. With Indian households estimated to hold 24,000-25,000 tonnes of gold, translating to roughly 50% of the country's nominal GDP as of 2020, the potential for gold loans is immense. However, only 4-5% of household gold holdings have been monetised through gold loans. CGCL has tapped into this opportunity, achieving an impressive Assets Under Management (AUM) of ₹34,910 Million in FY 2024, marking a 210% year-over-year increase from ₹11,259 Million in FY 2023. Disbursements surged to ₹78,751 Million in FY 2024, a 319% rise from ₹18,812 Million in FY 2023. Interest income from gold loans saw a significant increase, with the portfolio yield reaching 18.9% in Q4 FY 2024.

With 314,704 live accounts, CGCL's gold loan segment has significantly expanded, highlighting its strategic success in leveraging India's gold demand and household gold holdings for financial growth.

D. Construction Finance

Capri Global has established itself as a reliable provider of construction-linked loans to small and midsize real estate developers. The company's success in this segment can be attributed to its comprehensive framework for project selection and credit appraisal. CGCL ensures strict project milestones and end-use tracking adherence through a robust monitoring mechanism.

With a focus on risk mitigation, the company maintains a cash flow cover of 2x and an asset cover of 1.5x, ensuring the stability and security of its lending portfolio. This prudent approach has contributed to the company's impressive performance in the construction-linked loan segment.

In FY 2024, the Company recorded Assets Under Management (AUM) of ₹26,213 Million, marking a 43% year-over-year increase from ₹18,301 Million in FY 2023. Disbursements also saw substantial growth, reaching ₹20,876 Million in FY 2024, a 45% rise from ₹14,406 Million in FY 2023. Additionally, we maintained industry-leading yields for the product by meeting the structured requirements of developers and quickly turning around sanctions. With 246 number of accounts, CGCL's impact on the construction-linked loan market is noteworthy, reflecting its strategic focus and effective risk management practices.

E. Indirect Lending

The company engages in indirect lending by financing other NBFCs involved in MSME lending, microfinance, and fintech-based NBFCs. The ticket size for these loans ranges from ₹30 Million to ₹1,000 Million at sanction, with an average ticket size (ATS) of ₹50 Million on an outstanding basis. These loans typically have a tenor of 1-3 years. Security includes the hypothecation of receivables with a minimum cover of 1.05x. The portfolio yield stands at 14.9%. CGCL's Assets Under Management (AUM) are ₹4,506 Million, with total disbursements amounting to ₹25,483 Million.

F. Car Loan Distribution

The car loan business experienced remarkable growth in FY 2024, with a 67% increase in business volumes, reaching ₹95,000 Million, with a gross fee earning of ₹2,300 Million compared to ₹56,939 Million the previous year. This success is attributed to expanding operations into 338 new locations, now totalling 788 nationwide and forming strategic partnerships with banks and NBFCs. The distribution network was strengthened by adding 11,000 new channel partners, facilitating loans for low-income and agriculture-based groups.

Capitalising on the growing demand for SUVs in tier 3 and tier 4 towns and the trend towards digitalisation, the company launched the online platform Car Lelo, enhancing customer experience by offering easy loan comparisons and applications.

G. Co-Lending

Under the co-lending arrangement, CGCL co-originate MSME, Affordable Housing and Gold loans and retains 20-30% of a co-originated loan on its balance sheet while the remaining 80-70% is held by the co-lending partner bank on its balance sheet. CGCL earns a fixed spread or service fee on the co-originated loan retained by partner banks on their balance sheet.

We first entered into co-lending partnerships during FY 2022 with Union Bank of India for MSME and State Bank of India for Affordable Housing. During FY 2023, we expanded the co-lending partnership with State Bank of India to start offering MSME loans. Additionally, we also entered into co-lending agreements with Punjab and Sind Bank (MSME and Affordable Housing), and UCO Bank (Affordable Housing). Our total co-lending partnerships stood at 8 across leading commercial banks.

As highlighted earlier, the co-lending AUM under MSME increased during FY 2024 to touch ₹8,446 Million from ₹5,004 Million in FY 2023. Co-lending AUM under Affordable Housing increased during the year to touch ₹3,185 Million from ₹465 Million in FY 2023. During the year, we started Co-lending partnership in Gold Loan business with AUM touching ₹6,674 Million in FY 2024. During the year, we also onboarded

new Co-lending partners for MSME and Affordable Housing. In line with RBI's emphasis on strengthening the Co-Lending business through digital mode, during the year we have started our Co-Lending business through digital mode. Going ahead, co-lending shall be an important growth driver.

H. Insurance

In FY 2024, Capri demonstrated strong operational performance in its insurance business. After receiving the Corporate Agency License from IRDAI in December 2023, Capri partnered with 12 insurance companies (6 life, 2 general, and 4 health) and plans to add 8 more in FY 2024-25. The launch of the "Bima Saral" Insurance Portal enabled complete digital processing of insurance policies. The sales team was enhanced with over 75 IRDAI Certified Specified Persons (SPs), with plans to onboard more than 200 additional SPs in the next fiscal year. Capri covered over 20,000 lives, generating a total premium of ₹103.1 Million (life insurance: ₹31.8 Million, health insurance: ₹47.9 Million, property insurance: ₹23.2 Million) and achieved revenue of ₹63.1 Million. The company also processed over 150 claims while maintaining a customer-first approach and introduced group health insurance products with a flat premium.

3.2. Financial Performance

Capri Global has demonstrated remarkable financial resilience and growth from FY 2019 to FY 2024, showcasing its strategic prowess and commitment to excellence. The net worth surged from ₹15,240.02 Million in FY 2020 to an impressive ₹37,659.46 Million in FY 2024, highlighting our robust financial health with a notable CAGR of 25%. This growth is further underscored by total income, which nearly tripled from ₹7,195 Million in FY 2020 to ₹23,142 Million in FY 2024, achieving a strong 34% CAGR.

Profit after tax (PAT) figures show sustained profitability, rising from ₹1,612 Million in FY 2020 to ₹2,794 Million in FY 2024, with a 15% CAGR. This consistent growth underscores our operational efficiency and strategic initiatives to maximise shareholder value. Earnings per share (EPS) also reflect this upward trajectory, moving from ₹2.01 in FY 2020 to ₹3.39 in FY 2024, demonstrating our focus on enhancing investor returns.

Assets under management (AUM) have expanded significantly across various segments. The MSME segment grew from ₹20,466 Million in FY 2020 to ₹50,174 Million in FY 2024, achieving a CAGR of 25%. Housing loans skyrocketed from ₹8,982 Million in FY 2020 to ₹40,727 Million in FY 2024, reflecting a CAGR of 46%. The introduction of gold loans in FY 2023 saw rapid growth, reaching ₹34,910 Million in FY 2024. Construction finance also showed robust growth, increasing from ₹9,619 Million in FY 2020 to ₹26,213 Million in FY 2024. Indirect lending grew from ₹1,280 Million in FY 2020 to ₹4,506 Million in FY 2024, marking a CAGR of 37%.

Disbursal activities have also shown significant expansion, driven by strategic initiatives. MSME disbursements increased from ₹5,019 Million in FY 2020 to ₹16,093 Million in FY 2024, with a CAGR of 34%. Housing finance disbursements grew from ₹2,511 Million in FY 2020 to ₹18,909 Million in FY 2024. Gold loans, introduced in FY 2023, reached ₹78,751 Million in FY 2024. Construction finance disbursements increased from ₹4,216 Million in FY 2020 to ₹20,876 Million in FY 2024. Indirect lending saw remarkable growth, from ₹968 Million in FY 2020 to ₹25,483 Million in FY 2024. Starting in FY 2022, car loan originations grew to ₹95,000 Million in FY 2024, and the new insurance premium segment generated ₹103.1 Million in FY 2024.

Focusing on the MSME sector, tailored products, and market penetration strategies in housing and construction finance have driven significant growth. The rapid success of new ventures, such as gold and car loans, showcases the company's ability to innovate and capitalise on market opportunities. Leveraging technology and innovation has been key to offering seamless financial solutions and driving sustainable growth.

Financial performance from FY 2019 to FY 2024 reflects the company's strategic acumen and commitment to delivering exceptional value. As we continue to expand and innovate, we are poised to set new benchmarks in the financial services industry, driving sustainable growth and creating lasting value for our stakeholders.

3.3. Strategic Outlook

Business Overview

Capri Global exhibited robust growth in FY 2024, driven primarily by our focus on the retail segments, including MSME, Affordable Housing, and Gold Loans.

These segments collectively accounted for a significant portion of the consolidated AUM, underscoring our strategic emphasis on retail lending. The wholesale segment, comprising Construction Finance and Indirect Lending, maintained its stability, contributing approximately 20% to the consolidated AUM, anchored by the momentum in retail growth.

Additionally, the non-fund-based business, notably the Car Loan distribution vertical, scaled up rapidly over the past two years, significantly boosting the company's net income. In FY 2024, the net fee income from car loan distribution represented a substantial 28% of the non-interest income, reflecting this segment's successful expansion and integration into our portfolio.

Our strategic initiatives in digital transformation and strategic partnerships have further strengthened our market position, ensuring sustainable growth and a diversified income stream. We focus on leveraging technology and enhancing the customer experience as a pivotal aspect of our business strategy.

A. MSME

As the company looks ahead, it is poised to further increase the support for Micro, Small, and Medium Enterprises (MSMEs) through a diversified product portfolio. Business loans secured against residential, commercial, or industrial properties are a cornerstone of this commitment. With ticket sizes ranging from ₹0.2 to 20 Million, the company aims to cater to the diverse financial needs of MSMEs across different scales of operation.

In FY 2024, the company's focus on incremental disbursements led to an average ticket size of ₹1.7 Million, affirming the relevance of its offerings within the MSME ecosystem. The company intends to sustain this momentum by offering flexible tenors of up to 15 years, providing ample time for expansion and financial management for MSMEs.

The RBI consistently emphasises the importance of strengthening the co-lending business through digital platforms. In FY 2024, we launched our co-lending business using an end-to-end digital approach and onboarded several new co-lending partners. Through new partnerships with co-lending partners, we attained a 235% Y-o-Y growth in our co-lending business. Moreover, we expanded our co-lending services to include gold

loan products, in addition to MSME and home loan products.

B. Affordable Housing

The company encompasses affordable housing solutions, offering home loans for various purposes, including purchasing residential units, construction extensions, renovation, plot purchases, and home equity loans. With ticket sizes ranging from ₹0.2 to 15 Million and an average ticket size of ₹1.6 Million on incremental disbursements, it caters to diverse housing needs. These loans feature flexible tenors of up to 25 years, providing extended repayment periods. Additionally, the company requires a first and exclusive charge on the mortgaged property, ensuring clean and marketable titles for added security.

C. Gold Loans

The company provides gold loans and offers financing against gold jewellery. The ticket size ranges from ₹3,000 to ₹3 Million, with an Average Ticket Size (ATS) of ₹0.12 Million at disbursement and ₹0.11 Million on the portfolio. Recognising the importance of flexibility, the Company's gold loan products come with a tenor of up to 1 year, giving borrowers ample time to manage their finances effectively.

The Company opened 188 new branches dedicated to gold loans in FY 2024, in addition to the existing 562 branches. This expansion, primarily in underserved rural and semi-urban areas of Uttar Pradesh, Uttarakhand, Rajasthan, Gujarat, and Maharashtra, has enhanced our accessibility and customer reach.

The Company launched the Capri Loans App, a mobile application enabling customers to manage their loans digitally. Customers have conducted over 2 Lakh transactions totalling ₹234 Crore through the app, showcasing its popularity and ease of use.

We have established partnerships with four banks—Indian Overseas Bank (IOB), UCO Bank, Central Bank of India (CBI), and Yes Bank—for co-lending arrangements aimed at serving customers in the Priority Sector Lending (PSL) category.

Security is paramount in their gold loan offerings. The company requires the hypothecation of gold ornaments,

typically 18 to 22-carat gold, serving as collateral, with a maximum Loan-to-Value (LTV) ratio of 75%, striking a balance between risk mitigation and fair access to credit.

D. Construction Finance

The company specialises in providing tailored construction finance solutions to small and mid-sized real estate developers. Its loan offerings, ranging from ₹20 Million to ₹600 Million, are designed to meet the unique needs of developers at various project stages. With a flexible tenor of less than 7 years, developers have the time to complete their projects while managing cash flows effectively. Security is ensured through exclusive lending with an escrow mechanism, maintaining a minimum 1.5x coverage of the loan outstanding. Mitigating risk for both developers and the company. This business is directly correlated with the state of the economy and the real estate cycle. Currently, we are in a real estate upcycle, and it is expected that this business will perform well. Over the years, we have built a stable team of seasoned professionals with extensive experience in real estate. This expertise enables us to understand developers' requirements and provide structured solutions effectively.

Through construction Finance solutions, the company aims to foster the growth and success of small and mid-sized real estate developers, contributing to developing vibrant and sustainable communities.

E. Indirect Lending

The company specialises in indirect lending, offering financing solutions to other Non-Banking Financial Companies (NBFCs) engaged in MSME lending & microfinance, as well as fintech-based NBFCs. This segment of our product portfolio is tailored to support the growth and expansion of NBFCs operating in these sectors.

Indirect lending involves providing financial support to NBFCs, allowing them to extend credit to their clients. We offer flexible ticket sizes ranging from ₹30 Million to ₹1,000 Million at sanction, with an Average Ticket Size (ATS) of ₹50 Million on an outstanding basis. This enables NBFCs to meet various financing needs within their client base.

The tenor for these loans typically ranges from 1 to 3 years, providing NBFCs the flexibility to manage their lending activities effectively while ensuring alignment with their business models and client requirements.

To mitigate risk and safeguard the interests of both the NBFCs and the company, receivables hypothecation with a minimum 1.05x cover is required. Through Indirect lending solutions, the company empowers NBFCs to reach underserved segments, drive financial inclusion, and contribute to economic growth in their respective sectors.

F. Car Loan Distribution

The Car Loan segment at Capri Global has experienced remarkable growth in the financial year FY 2023/24. To ensure growth and sustainability, the Company will expand geographically, increasing our footprint in southern India and enhancing penetration in Tier 3 and Tier 4 towns. We will diversify our product offerings with insurance and used car loans, establishing additional revenue streams.

The Company will leverage its digital arm, Car Lelo, by implementing digital marketing strategies, including SEO, SEM, and social media, to attract online customers. We are partnering with various banks and NBFCs to offer diverse loan options. With these initiatives, we anticipate a growth of 20% to 30% over last year's volume.

G. Insurance

Capri Global's strategy focuses on leveraging a dedicated field sales force and digital platforms for efficient insurance solutions. They aim to provide seamless access to a wide range of insurance products through their customer app and website. In Life Insurance, with an average ticket size of ₹25,000, Capri Global enhances digital capabilities for easy policy purchases and claims. For Property Insurance (₹8,000 average ticket size) and Health Insurance (₹4,000 average ticket size), they diversify offerings by partnering with multiple insurers. Investments in digital transformation ensure a user-friendly and secure platform, while rigorous training equips the sales force for efficient service. Customer engagement is strengthened through loyalty programs, targeted marketing, and educational content.

4. Human Resource

We deeply value our skilled workforce as indispensable contributors to our journey towards sustainable expansion. We actively strive to attract, retain, nurture, and recognise talent within our organisation. We put extra effort into identifying and nurturing talent from smaller towns. Our foremost aim is to establish a secure, supportive, collaborative, and healthy work environment that promotes our staff's personal and professional growth.

Our team is centred around people and prioritises career progression, ensuring our work environment remains inclusive, adaptable, and vibrant. We enrich knowledge and competencies through regular employee training and development at every level. We sustain elevated employee drive and contentment levels by implementing diverse motivational schemes and offering timely, fitting rewards and acknowledgements.

We undertake numerous initiatives to instil a strong sense of business ethics and social responsibility within our workforce. Our ongoing endeavours to align employee objectives with the company's overarching goals nurture a productive work ethos. This approach integrates our employees into the broader vision of fostering positive social impact, thus reaffirming our dedication to sustainable advancement.

5 Information Technology

Recognising the pivotal role of technology in the ever-evolving work landscape, we have embraced technological advancements to transform the operations of NBFCs. Technology has facilitated paperless, real-time processing and execution, empowering us to deliver an enhanced customer experience, improved efficiency, and reduced turnaround time. Our proprietary tech platforms enable us to boost profitability while upholding safety standards. We continued harnessing data science throughout the past year to augment our business capabilities.

Technology has helped us smooth the customer experience with faster loan processing at all stages. Even as we moved most of our processes to cloud-based systems, our strong risk-monitoring and risk-management framework kept them secure. Cloud-based data access improved business flexibility by letting us access information from anywhere. Besides improving business operations and services, technology made digital sourcing and data-driven decisions easier.

Our IT infrastructure comprises a sophisticated amalgamation of specialised applications from reputable vendors. Applications like Credit Risk Classification (CRC) scorecards and bureau scrubs contribute to our analytics-driven underwriting, while tools for digitised workflow management include mobility applications and verification and screening tools. We have implemented integrated payment

solutions through our self-service portal, centralising MIS and data mart capabilities. Machine learning algorithms and our automated reconciliation tool are integral to our debt collection mechanism.

We aspire to transition into a technology-centric organisation, where our internally developed critical business systems have facilitated the establishment of a highly productive tech-product office in Gurgaon. Our comprehensive consumer app is a one-stop solution for various customer concerns, elevating the overall customer experience.

6. Risk Management

We have established a sturdy risk management framework and mitigation strategy at the business unit level. These systems enable us to promptly identify risks, assess their impact accurately, and develop suitable mitigation measures. Regular reviews of portfolio parameters and trends help us maintain asset quality standards. The Risk Management Committee of the Board offers detailed insights into incremental asset portfolios, aiding in risk identification, assessment, and mitigation. Our Board has sanctioned an Asset Liability Management (ALM) Policy to evaluate liquidity gap and interest rate sensitivity risks, with the Asset Liability Management Committee (ALCO) overseeing its implementation.

We have implemented a robust credit model and assessment process to ensure the creditworthiness of our customers. Detailed analyses of borrowers' financials and business profiles enable us to gauge crisis impacts effectively. We've bolstered portfolio concentration on risk monitoring and devised structured approaches to address specific geographical and industry-related risks. Our commitment to fostering a resilient risk management culture is evident through the following:

- The swift adoption of technology: We swiftly transitioned to digital processes, enhancing organisational agility.
- Data-driven decision-making: We leverage data analytics for informed and rapid decision-making while safeguarding against risks, enhancing stakeholder communication, fostering cross-team collaboration, and promoting organisational agility.
- Focused portfolio monitoring: We closely track metrics like cheque bounce ratio, total delinquency, roll forwards, and collection efficiency to detect early warning signs and respond promptly to changing macro and microenvironmental factors.

Strategic measures have been initiated across multiple fronts to fortify the business against risks and set the stage for future growth. A robust credit policy has been implemented, meticulously tailored to assess creditworthiness amidst highly impacted profiles and industries. This policy enables meticulous

selection of new borrowers, thus mitigating potential risks associated with volatile sectors. Complementing this effort, the credit assessment process now incorporates mandatory site visits and an exhaustive evaluation methodology, ensuring comprehensive due diligence.

Concurrently, there is a strong focus on developing the workforce through regular training programs, including branch and regional sessions, coupled with utilising online learning platforms. This emphasis on upskilling employees aims to enhance operational efficiency and decision-making capabilities. Furthermore, leveraging data digitisation has become integral to facilitating informed decision-making. Using data dashboards and trend analysis tools, valuable insights are gained to identify opportunities and potential risks. Collectively, these initiatives bolster the business's resilience, enabling it to navigate challenges effectively and position itself for sustainable growth in the future.

| Risks | Mitigation measures |
|---|--|
| <ul style="list-style-type: none"> • Credit risk Customers may be unable to meet their financial obligations due to various challenges, such as severe liquidity crises, insolvency, economic downturns, fraudulent activities, or other reasons. This could lead to a rise in our Non-Performing Assets (NPAs), which could adversely impact our financial condition, particularly with respect to the quality of assets and adequacy of capital. | <p>We have developed comprehensive lending guidelines for every industry, which we follow carefully. Our thorough, structured and standardised credit assessment comprises customer interactions, on-field inspections, credit bureau evaluations, in-house technical and legal inspections, appropriate loan-to-value ratios, effective training programmes, and term insurance coverage. These measures, along with thorough reference checks and assessments of business sustainability, assist us in reducing the likelihood of default. All loans are protected by mortgages with a unique first charge on collateral assets. Moreover, our Fraud Control Unit assists in identifying potential fraud and analysing forensic documents.</p> |
| <ul style="list-style-type: none"> • Operational Risk Possible hazards to business operations may arise due to inefficient oversight of internal processes, personnel, and systems, resulting in operational risks. External factors may also pose a threat to business operations. | <p>Our sophisticated operational oversight system is supported by specialists who oversee our internal regulatory framework, which is aligned with our underwriting and collection protocols. Our consumer interface is also exceptionally agile, guaranteeing effective client interaction through swift feedback mechanisms. We recognise the need for proper document storage and retrieval for audit and statutory requirements.</p> |
| <ul style="list-style-type: none"> • Liquidity Risk An unfavourable occurrence could lead to inadequate liquid assets, restricted financial market accessibility, or a substantial increase in our capital expenses, which could pose risks to our organisation. Measuring and managing liquidity needs are vital for the effective operations of a company. The importance of liquidity transcends individual institutions, as a liquidity shortfall in one institution can have repercussions on the entire system. Experience shows that assets commonly considered liquid, like government securities and other money market instruments, could become illiquid when the market and players are unidirectional. Therefore, liquidity has to be tracked through maturity or cash flow mismatches. | <p>To manage liquidity, we have a team of seasoned treasury professionals who oversee daily fund tracking, allocation, and liquidity management. They provide quarterly reports to the Asset Liability Management Committee (ALCO) members, forecasting liquidity scenarios for the next six months. Our long-term funds, which have 5-10 years of repayment, are obtained from banks and financial institutions. With a robust Capital to Risk (Weighted) Assets Ratio (CRAR) of 26.62%, we are well-positioned to secure funds for our growth.</p> |
| <ul style="list-style-type: none"> • Strategic and Business Risk Possible changes in the overall economic or commercial environment may have an unfavourable impact on choices and financial gains if not adequately mitigated. Augmented rivalry, heightened financing expenses resulting in customer niches also pose potential hazards. | <p>Our company's strategy, business, and risk departments closely monitor global economic, sector, and competitive developments, enabling prompt and well-informed strategic determinations. We brainstorm, devise, and execute plans suitable to our requirements and capabilities to diminish uncertainties. Management is proactive in its approach towards changes in the economic/business environment, as business strategies are regularly discussed with senior officials so that adequate steps can be taken. Also, important strategic matters are referred to the Board, which consists of members with diversified experience in the respective fields, for intense deliberations to derive the benefit of collective wisdom. To excel amid competition, we design bespoke financing options that revolve around our client's necessities.</p> |

| Risks | Mitigation measures |
|---|--|
| <ul style="list-style-type: none"> Interest rate risk Since the Company operates in the lending sector, it is susceptible to interest rate risk that may emerge due to a potential mismatch between the asset and liability maturities. Interest rates are subject to various influences, such as the monetary policies of the Reserve Bank of India, domestic and international economic conditions, geopolitical circumstances, inflation, and more. | <p>Our company's Asset Liability Management Committee (ALCO) assesses and examines interest rate fluctuations quarterly. Considering multiple factors, it establishes the Long-Term Rate of Return (LTRR) or base lending rate. Our portfolio primarily consists of variable interest rates. Our approach to managing interest risk is comprehensive and flexible to changing market situations. The immediate impact of changes in interest rates is on the Company's earnings by changing its Net Interest Income (NII). The Company shall manage this risk on NII by pricing its loan products to customers at a rate which covers interest rate risk. The company shall adopt a prudent & conservative risk mitigation strategy to minimise interest risk.</p> |
| <ul style="list-style-type: none"> Regulatory and Compliance Risk As a non-deposit-taking systematically significant NBFC (NBFC-NDSI), we come under the regulatory purview of the Reserve Bank of India (RBI). As a publicly listed firm, we must follow the regulations laid down by the Securities and Exchange Board of India (SEBI). We are bound by several guidelines established by diverse regulatory agencies. Inadequate compliance or misinterpretation of these regulations could result in non-compliance. We must also remain prepared to adjust to changes in existing laws or the introduction of new ones. | <p>To stay updated with regulatory changes and ensure prompt and effective implementation and adherence to all relevant rules and regulations, we have a dedicated compliance department led by a senior executive. We comply with Capital Adequacy Norms, Fair Practice Code, Asset Classification, KYC/PMLA Guidelines, Provisioning Norms, Corporate Governance framework, and timely reporting with RBI/SEBI/Stock Exchanges/Ministry of Corporate Affairs, etc. Our robust internal audit and control mechanism assists us in monitoring and upholding comprehensive compliance.</p> |
| <ul style="list-style-type: none"> Information Technology Systems Risk To facilitate our operational procedures, communication channels, client information, and loan documentation, we utilise information technology infrastructures, encompassing Enterprise Resource Planning (ERP) systems, loan administration software, data storage facilities, and mobile applications. Replication in the technology employed or insufficiency in adequate technological assistance could present hazards to the expansion of our enterprise. | <p>We employ resilient information protection mechanisms to shield confidential client information and deter cyber risks. This encompasses state-of-the-art technology, regulatory protocols, data backup protocols, limited application entry, and consistent system enhancements to uphold the most recent security benchmarks. As a component of our Business Continuity Strategy, we uphold a remote Disaster Recovery Location and frequently revise and fortify security regulations for essential applications.</p> |

7. Environmental, Social and Governance (ESG) initiatives

At Capri Global, we are dedicated to integrating ESG initiatives into our operational framework. We recognise that ESG considerations are fundamental to our enduring prosperity and eco-friendly expansion, and our objective is to foster a beneficial influence on society and the environment

8. Internal controls

Our robust internal oversight mechanism facilitates the protection of assets and the attainment of peak efficiency across all tiers. We have established an internal regulatory structure tailored to the scale and sector of our operations. This framework encompasses policies, protocols, and clearly outlined risk and control matrices, all of which are automated. We adhere to the most stringent credit assessment criteria and pertinent laws and regulations, guided by a resilient internal governance framework that bolsters both financial and transactional reporting

processes. The Audit Committee conducts routine internal reviews to ensure adherence to exemplary standards. Periodically, internal auditors evaluate the effectiveness of our internal control mechanisms. Our statutory auditors are tasked with verifying and maintaining rigorous oversight over financial reporting.

9. Cautionary statement

The statements outlined in this report delineate the Company's goals and forecasts, which could constitute forward-looking statements in accordance with relevant laws and regulations. Actual outcomes may significantly deviate from those articulated or inferred, contingent upon economic circumstances, governmental directives, and other ancillary variables beyond the Company's influence. The Company bears no compulsion to publicly adjust, alter, or amend any forward-looking statements based on subsequent developments, disclosures, or occurrences.

Directors' Report

Dear Members,

The Directors of the Company have the pleasure in presenting 30th Annual Report together with the Annual Audited Consolidated and Standalone Financial Statements for the Financial Year ended March 31, 2024.

FINANCIAL PERFORMANCE

I. Financial Highlights

The summary of the Company's Financial Performance, both on consolidated and standalone basis, for the Financial Year 2023-24 as compared to the previous Financial Year 2022-23 is given below:

| Particulars | Standalone | | Consolidated | |
|--|------------|-----------|--------------|-----------|
| | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| Total Revenue | 17,831.89 | 11,498.98 | 23,141.97 | 14,659.01 |
| Less: Operating Expenses & Provisions | 7,522.78 | 4,873.52 | 9,335.08 | 5,555.80 |
| Less: Impairment on financial instruments (Expected Credit Loss) | 691.31 | 486.37 | 912.78 | 650.87 |
| Profit before Interest, Depreciation & Taxes (PBITD) | 9,617.8 | 6,139.09 | 12,894.11 | 8,452.34 |
| Less: Depreciation | 800.18 | 389.67 | 878.70 | 439.13 |
| Less: Interest & Finance Charges | 6,198.03 | 3,850.57 | 8,359.01 | 5,330.37 |
| Profit Before Tax | 2,619.59 | 1,898.85 | 3,656.40 | 2,682.84 |
| Less: Provisions for taxation | 639.0 | 483.48 | 862.34 | 636.30 |
| Profit After Tax (PAT) | 1,980.59 | 1,415.37 | 2,794.06 | 2,046.54 |
| Profit After Tax (PAT) including Other Comprehensive Income | 1,936.64 | 1,395.69 | 2,743.00 | 2,015.09 |
| Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934 | 396.12 | 283.07 | 396.12 | 283.07 |
| Earnings per Share (EPS) (₹) Basic | 2.40 | 1.76 | 3.39 | 2.55 |
| Earnings per Share (EPS) (₹) Diluted | 2.38 | 1.76 | 3.36 | 2.54 |
| Net Worth | 35,042.11 | 33,340.02 | 37,659.46 | 35,178.57 |
| Assets Under Management (AUM) | 114,443 | 76,548 | 156,530 | 103,204 |

OPERATIONAL PERFORMANCE/STATE OF AFFAIRS

I. Standalone Financial Performance

The total revenue of the Company stood at ₹17,831.89 Million for the year ended March 31, 2024 as against ₹11,498.98 Million in the previous year. The Company reported a Net Profit of ₹1,980.59 Million for the year ended March 31, 2024, as compared to the Net Profit of ₹1,415.37 Million in the previous year due to growth in business coupled with better operational controls.

The AUM has grown by (50%) and stood at ₹114,443 Million as against ₹76,548 Million in the previous year. The Company has further strengthened its retail business vertical and MSME AUM has grown by (15%) to ₹50,174 Million having (~31,814) customers (previous year ₹43,580 Million having ~27,164 customers) with the average ticket size at ₹1.9 Million. Construction Finance business AUM stood at ₹26,213 Million with 246 customers (previous year ₹18,301 Million with 196 customers) due to cautious approach of the management towards wholesale lending in construction finance.

The Company along with its wholly-owned subsidiary company viz. Capri Global Housing Finance Limited and Capri Loans Car Platform Private Limited, had presence over 9 States during the year, as compared to over 6 states in the previous year.

The Company had continued with strategy of going granular and focused on sourcing small ticket size loans in all its verticals, spread over wider geographical area resulting into de-risking the loan portfolio, better control over delinquencies and better risk spread in the medium to longer term.

During the year under review, the Company forayed into the car loan distribution segment in alliance with the top 9 banks namely Bank of Baroda, HDFC Bank, Union Bank of India, State Bank of India, Bank of India, Punjab & Sind Bank, Yes Bank, HDB Financial Services and Indian Overseas Bank. The company achieved a volumes of ₹95,000 Million by the end of March 2024 against the volumes of ₹56,939 Million by the end of previous year ended of March 2023.

The Company expanded product offerings through co-lending tie-ups for MSME and Affordable Housing loans, and announced its foray into Gold Loans.

The Net NPA (Net of Total ECL Provision) was at 1.18% and the Gross NPA of the Company is 2.16% as of March 31, 2024.

II. Consolidated Financial Performance

The Consolidated Gross Income of the Company for the Financial Year ended March 31, 2024, is ₹23,141.97 Million vis- a-vis ₹14,659.01 Million in the previous year, thereby registering a growth of 57.97%. Consolidated Net Profit for the Financial Year ended March 31, 2024, is ₹2,794.06 Million as compared to ₹2,046.54 Million in the previous year, registering (an increase of 36.53%). The Gross NPA stood at 1.92% and Net NPA (Net of Total ECL Provision) was at 1.10% as of March 31, 2024.

During the year under review, swift operationalisation of new branches and corresponding increase in human capital was effective in ensuring performance acceleration in terms of growth in AUM, share of certain segments and customer relationships.

IT has been a major game changer in the performance delivery. The Company made important strides in data analytics, artificial intelligence, and machine learning technologies driven by a dedicated team of experienced tech professionals.

DIVIDEND

In terms of the provisions of Regulation 43A of the (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has adopted Dividend Distribution Policy to determine the distribution of dividends in accordance with the applicable provisions. The policy is available on the website of the Company at <https://www.capriloads.in/corporate-governance/>.

With consistent dividend as a healthy sign of our sustained growth, our firm belief in percolating the benefits of our business progress for widespread socioeconomic welfare facilitates the equitable sharing of our economic value generated. Attaining steady operational performance and a harmonised market environment in continuation of the historical trends helped us to reaffirm the realisation of competent numbers for FY 2024. Hence, the Directors have recommended final dividend of Fifteen paise (₹0.15) per Equity Share (Face value of ₹1/- each) for the Financial Year 2023-24 (previous year ₹0.50 per Equity Share of Face Value of ₹2/- each). The final dividend on Equity Shares, if approved by the Members in the upcoming Annual General Meeting, would involve a total outgo of ₹123.74 Million for the Financial Year 2023-24 as against ₹103.08 Million for the previous year and will be paid to those Members, whose names appear on the Register of Members/beneficial holders' list maintained by the depositories as on the record date.

The Company has not paid any Interim Dividend during the financial year under review.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy and in compliance with the framework prescribed in RBI guidelines on Declaration of Dividend by NBFCs. The said policy is available on the website of the Company and can be accessed at <https://www.capriloads.in/corporate-governance/>.

In terms of Ind AS 10, events after the reporting period as notified by the Ministry of Corporate Affairs, the proposed dividend of ₹123.74 Million is not recognised as liability as on March 31, 2024.

Pursuant to the Finance Act, 2020, dividend is taxable in the hands of the shareholders with effective from 01 April 2020 and tax will be deducted at source on the Dividend at prevailing tax rates inclusive of applicable surcharge and cess based on information received by the Registrar and Transfer Agent ("RTA") and the Company from the Depositories.

TRANSFER TO RESERVES

As required under Section 45IC of the Reserve Bank of India Act, 1934, 20% of the profits are required to be transferred to a Special Reserve Account. Accordingly, the Company has transferred ₹396.12 (₹283.07) Million to Statutory Reserve Account. No amount is proposed to be transferred to General Reserve.

INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY

The information on the affairs of the Company has been given as part of the Management Discussion and Analysis section of the Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of the Board's Report.

ECL AND OTHER UPDATES

The Company has updated the Expected Credit Loss ("ECL") model with the latest set of data at periodic intervals for the financial year ended March 31, 2024, to capture the significant changes in economic and market drivers, customer behaviours and government actions to reduce the risk of uncertainty due to judgements and estimations considering economic outlook data as per government agencies around the growth parameters. The Company also continues to undertake risk assessment of its credit exposures in addition to the model determined ECL provision, to reflect deterioration in the macroeconomic outlook and uncertainty in credit evaluations. The Company

held provisions (expected credit loss on financial assets) aggregating to ₹2,566.83 Million as on March 31, 2024 and ₹1,794.47 Million as on March 31, 2023.

The Company's net Non-Performing Assets ("NPA"), net Stage-3 assets ratio stood at 1.1% as at March 31, 2024 as against 1.2% as at March 31, 2023.

CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business and operations of the Company during the year under review.

SUBSIDIARY ENTITIES

As on March 31, 2024, your Company has two wholly-owned subsidiaries namely Capri Global Housing Finance Limited ("CGHFL") and Capri Loans Car Platform Private Limited ("CLCPPL"). During the year under review, CLCPPL was incorporated as a wholly owned subsidiary of the Company on October 16, 2023. There has been no material change in the nature of the business in any of the subsidiary.

During the year under review, the Company made a significant strategic investment of ₹2,000 Million in its material subsidiary, CGHFL. This investment was made through a Rights issue on September 12, 2023, reflecting our commitment to strengthening the subsidiary's capital base and supporting its growth objectives. This infusion of capital is anticipated to enhance CGHFL's financial stability, enabling it to expand its housing finance operations and better serve its customers, thereby contributing to the overall growth and profitability of the Group.

The Company has adopted a policy on determination of material subsidiaries in line with Listing Regulations. The policy aims to determine the Material Subsidiaries and Material Unlisted Subsidiaries of the Company and to provide the governance framework for such subsidiaries. Further, In accordance with Section 129(3) of the Act and Regulation 34 of SEBI Listing Regulations, the consolidated financial statements of the Company and its subsidiary companies has been prepared and forms part of this Annual Report. A statement containing salient features of the financial statements of the subsidiaries is stated in the prescribed Form AOC-1 as Annexure A, attached to the Consolidated Financial Statements of the Company.

In accordance with the provisions of Section 136 of the Act, the annual financial statements and related documents of the subsidiary companies are placed on the website of the Company at <https://www.capriloads.in/>. Members may download the annual financial statements and detailed information on subsidiary companies from the Company's website and are also available for inspection during business hours at the registered office of your Company. Any Member who is interested in obtaining a copy of the audited financial statements of your Company's subsidiaries may write to the Company Secretary at the Registered Office of your Company.

Financial Performance & position of Subsidiaries

Capri Global Housing Finance Limited: CGHFL is registered Housing Finance Company licensed by National Housing Bank is a wholly owned subsidiary of your Company and it primarily serves the housing loan needs of middle and lower- income families, classified as affordable housing.

CGHFL has shown an impressive growth of 57.90% in its AUM in the Financial Year 2023-24 and has increased its reach to 32,024 customers from 24,335 customers in previous year. Total Income increased by 50.52% to ₹4,871.90 Million as against ₹3,236.72 Million in the Financial Year 2022-23. Profit after tax registered a growth of 15.56% at ₹716.99 Million in the Financial Year 2023-24 as against ₹620.47 Million in the Financial Year 2022-23.

Capri Loans Car Platform Private Limited: CLCPPL is engaged in the business of car loan origination for leading commercial banks for fee consideration. CLCPPL commenced its business operations in Q3 FY 2024 and position as the top corporate distributor for new car loans in the country. CLCPPL is present across 788 locations in 34 States and UTs. CLCPPL currently partners with SBI, HDFC Bank, Yes Bank, Bank of Baroda, Bank of India, Indian Bank, IOB, Punjab and Sind Bank, Union Bank of India, and HDB Financial Services.

CLCPPL has shown an impressive growth in the Financial Year 2023-24. Total Income booked for FY 2024 is ₹551.4 Million. Profit after tax registered at ₹99.69 Million in the Financial Year 2023-24.

In terms of the provisions of Regulation 24(1) of the Listing Regulations, during FY 2024, appointment of one of the Independent Directors of the Company on the Board of unlisted material subsidiary was applicable. The Company is in compliance with the applicable requirements of the Listing Regulations for its Subsidiary Companies during FY 2024.

AMENDMENT TO MEMORANDUM OF ASSOCIATION:

Alteration of Main Object Clause: In order to ensure that the Company remains proactive in its ongoing activities and seizes emerging opportunities aligned with our new vision, we have undertaken several strategic partnerships and initiatives to venture into new products and services. As part of this strategy, the Company proposes to expand its business operations by entering into the supplemental activity of soliciting and procuring insurance business. By becoming a Corporate Agent, we aim to provide specialized insurance solutions across life insurance, health insurance, and general insurance within our operational geographies. We are pleased to inform that the Company has also received a certificate from the Insurance Regulatory and Development Authority of India (IRDA) on December 07, 2023, authorizing us to operate as a Corporate Agent.

The Board of Directors, subject to the approval of the shareholders, have approved an amendment and insertion after clause III. A. 1 (f) of the Company's objectives as follows:

1(g): "To solicit, procure and carry on the business of selling, distribution, advertising, marketing of all kinds of insurance products/ services including life insurance, health insurance, general insurance on behalf of various Insurance companies as a Corporate Agent or as otherwise permitted; register/ obtain license, rights, permissions from Insurance Regulatory and Development Authority of India or such other regulatory, statutory or government authorities as may be applicable from time to time and undertake any activities as are incidental or ancillary thereto."

This strategic move will not only diversify our service offerings but also enhance our value proposition to our customers by providing comprehensive insurance solutions.

Alteration of Capital Clause: In addition to expanding our business activities into the insurance sector, the Company also focused on strengthening its financial foundation to support future growth and strategic initiatives. To this end, the Board of Directors have approved a proposal to amend the Company's authorized share capital. This amendment is aimed at providing the Company with the flexibility to raise additional capital as needed to fund new projects, expand operations, and pursue emerging opportunities.

The Board of Directors have subject to approval of the shareholders of the Company, approved the amendment.

The specific changes are outlined below in detail under caption Share Capital.

This increase in authorized share capital will empower the Company to issue new shares in the future, providing a robust platform for capital infusion and enabling us to leverage growth opportunities more effectively. The Board of Directors believes this amendment is in the best interest of the Company and its shareholders, positioning us for sustained success and enhanced shareholder value.

UNCLAIMED DIVIDEND AND UNCLAIMED SHARES

In terms of the provisions of Sections 124 and 125 of the Companies Act, 2013 ("the Act") read with the Rule 5(8) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company furnished a statement / information through Form IEPF 2 to the Ministry of Corporate Affairs, of the unclaimed dividends amounting to ₹204,684 as on the year ended March 31, 2023. During the year, Unclaimed Dividend for the Financial Year 2015-16 amounting to ₹33,744 was transferred to Investor Education and Protection Fund on September 29, 2023.

The details of the resultant benefits arising out of shares already transferred to the IEPF, year-wise amounts of unclaimed / un-encashed dividends lying in the unpaid dividend accounts up to the year, and the corresponding shares, which are liable to be transferred, are provided in Corporate governance report and are also available on our website, at <https://www.capri loans.in/unclaimed-shares-unclaimed-dividends/>. Details of shares / dividend transferred to IEPF can also be obtained by accessing <https://www.capri loans.in/unclaimed-shares-unclaimed-dividends/>. and on website specified by the Ministry of Corporate Affairs <http://www.iepf.gov.in/IEPF/services.html>.

Your Company, in its various communications to the shareholders from time to time, requests them to claim the unpaid/unclaimed amount of dividend and shares due for transfer to IEPF established by the Central Government. Further, in compliance with IEPF Rules including statutory modification(s) thereof, the Company publishes notices in newspapers and sends specific letters to all shareholders whose shares are due to be transferred to IEPF, to enable them to claim their rightful dues. Currently, IEPF is holding 1,56,320 Equity Shares of the Company, at the end of the year under review.

CREDIT RATING

Your Company is rated by Credit Analysis and Research Ltd. ("CARE") and Infomeric Valuation and Rating Private Limited on its various debt instruments. A detailed status of the Credit Ratings on various facilities including Term Loans, Non-Convertible Debentures and Commercial Papers forms part of the Report on Corporate Governance Report of this Annual Report.

RESOURCE MOBILISATION

The Company has strengthened its relationships with banks / financial institution and got fresh sanctions of ₹56,250 Million during the financial year under review. As of March 31, 2024, borrowings from Public sector, private sector banks and financial institutions in term loans / CC limits were ₹104,069 Million as against ₹75,113 Million in FY 2022-23. Pursuant to SEBI Circular SEBI/HO/DDHS/DDHS - RACPOD1/P/CIR/2023/172 dated October 19, 2023, one time explanation for not achieving 25 % of incremental borrowing during FY24 by way of issue of Non-Convertible Debentures as Large corporate is un-favorable market conditions for the Corporate Bond Market for Companies not having credit rating AA+ & above. During the FY 2023-24, the Company has redeemed NCD's amounting to ₹2,865 Million. The gearing of Company as of March 31, 2024 is 2.76 times.

CAPITAL ADEQUACY RATIO

As on March 31, 2024, the Company's Capital Adequacy Ratio (CAR), stood at 26.62% of the aggregate Risk Weighted Assets on Balance Sheet and Risk Adjusted Value of the off-Balance Sheet items, which is well

above the regulatory requirement (minimum of 15%), providing much needed headroom for fund raising for business operations of the Company.

DEPOSITS

During the year under review, the Company has neither invited nor accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposits) Rules, 2014.

SHARE CAPITAL

Authorised Capital:

During the year, the Company increased the Authorized share capital from ₹720,000,000/- (Rupees Seventy Two Crore Only) divided into 360,000,000 Equity Shares of face value of ₹2/- each to ₹2,000,000,000/- (Rupees Two Hundred Crore only) divided into 2,000,000,000 Equity Shares of face value of ₹1/- each vide passing ordinary resolution in Extra Ordinary General Meeting of the members of the Company held on February 22, 2024.

Issued and Paid-up Capital

The Issued and paid-up Equity Share Capital of the Company as on March 31, 2024 is ₹824,939,972/- (divided into 824,939,972 Equity Shares of ₹1/- each).

During the year under review:

The Board of Directors at its meeting held on January 27, 2024, & shareholders vide their meeting dated February 22, 2024 approved the sub-division of the One Equity Share of face value ₹2/- each into Two Equity Shares of face value of ₹1/- each. The Company fixed March 5, 2024, as the record date for the purpose of determining the members eligible for the allotment of sub division of Equity Shares.

The Company allotted 412,469,986 (Forty One Crore Twenty Four Lakhs Sixty Nine Thousand Nine Hundred Eighty Six Only) bonus Equity Shares face value of ₹1/- (Rupee one only) each fully paid up, in ratio of 1:1, i.e., One Bonus share of face value of ₹1/- each fully paid up for every one existing share of face value of ₹1/- each. Thereby, the Equity Share of the Company increased from ₹412,469,986 (Rupees Forty One Crore Twenty Four Lakhs Sixty Nine Thousand Nine Hundred and Eighty Six only) to ₹824,939,972/- (Rupees Eighty Two Crore Forty Nine Lakhs Thirty Nine Thousand Nine Hundred and Seventy Two only). The Company fixed March 5, 2024, as the record date for the purpose of determining the members eligible for the allotment of bonus Equity Shares. All the aforementioned shares issued shall rank pari-passu in all respect and carry the same rights as the exiting Equity Shares of the Company.

EMPLOYEES' STOCK OPTION SCHEME

There has been no change in the ESOP Scheme during the year under review. The ESOP Scheme are in compliance with the Employee Stock Option Scheme 2009 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBSE

Regulations"). The Scheme was framed with a view to reward employees for their contribution in successful operation of the Company with wealth creation opportunities, encouraging high-growth performance and reinforcing employee pride.

The scheme is robust with an objective to place greater prominence on superior individual performance thereby recognising high performing talent while keeping them accountable for business delivery. It has been ensured that the scheme fulfils its motive of wealth creation for employees to fulfill their financial goals and at the same time gives them the sense of ownership.

During the year under review, the Nomination and Remuneration Committee of the Board has granted 1,10,000 stock options to the eligible employees under the Employee Stock Option Scheme 2009. The Company on October 23, 2023 has issued and allotted 82,149 (Eighty-Two Thousand One Hundred & Forty Nine) Equity Shares of ₹2/- each on exercise of Stock Options granted to the employees of the Company.

The disclosures as required under Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, is attached to this Report as Annexure I hereto and is also available on website of the Company at <https://www.capri loans.in/investor-information/>.

A certificate from the M/s. Sandeep P Parekh & Co, Practising Company Secretary, confirming compliance with the aforesaid provisions and in accordance with the resolution(s) passed by the Members would be placed before the shareholders at the ensuing Annual General Meeting ("AGM"). A copy of the same will also be available for inspection through electronic mode on website of Company www.capri loans.in.

RBI GUIDELINES

Your Company is registered as a Non-Deposit taking Systemically Important Non-Banking Finance Company (NBFC-ND-SI) with RBI. Accordingly, during the year, the Company has not accepted any deposits from the public and therefore, there is no deposits which become due for repayment or renewal. The Company has always endeavoured to maintain the highest standards of compliance and culture within the organisation and shall continue to do so going ahead. The Company continues to comply with all the applicable laws, regulations, guidelines etc. prescribed by the Reserve Bank of India ("RBI"), from time to time. The Company continues to be in compliance with the norms pertaining to capital adequacy, non-performing assets etc. Your Company continues to invest in talent, systems and processes to further strengthen the control, compliance, risk management and governance standards in the organisation. The Company has complied with the 'Master Direction – Reserve Bank of India (Non-Banking Financial Company–Scale Based Regulation) Directions, 2023', amended from time to time and all other applicable Directions/regulations/circulars of RBI during the Financial Year 2023-24.

Chief Compliance Officer

In compliance with the Reserve Bank of India (RBI) circular no. DoS.CO.PPG./SEC.01/11.01.005/2022-23 dated April 11, 2022, which mandates the appointment of a Chief Compliance Officer (CCO) for Non-Banking Financial Companies in the Upper Layer (NBFC-UL) and Middle Layer (NBFC-ML), the Board of Directors has taken decisive steps to ensure adherence to this regulatory requirement. Accordingly, the Board has appointed a Chief Compliance Officer to oversee and manage the compliance functions as applicable to the Company.

This appointment underscores our commitment to maintaining robust governance and compliance frameworks, thereby enhancing the integrity and sustainability of our operations. The Board believes that the establishment of a dedicated compliance function will significantly contribute to the Company's ability to navigate the complex regulatory landscape and uphold its reputation for transparency and accountability.

Compliance Risk Assessment Framework and Compliance Testing Program ("CRAFT")

Your Company is in process to implement Compliance Risk Assessment Framework and Compliance Testing program pursuant to RBI circular dated April 11, 2022.

Business Continuity Policy

In order to have robust framework & process for Business continuity, your Company has implemented Business Continuity Policy ("BCP") which inter-alia includes identification, monitoring, reporting, responding and managing the risks including mitigating risks of a significant / prolonged business disruption in order to protect the interests of the Company's customers, employees and stakeholders.

Your Company continues to invest in talent, systems and processes to further strengthen the control, compliance, risk management and governance standards in the organisation.

Internal Ombudsman

Your Company has appointed an Internal Ombudsman ("IO") in compliance with the RBI Circular dated November 15, 2021. A Report of number of complaints escalated to IO and status of disposal of such complaints during the period under review is being placed before the Board for its review in compliance with the said RBI circular.

FIXED DEPOSITS

The Company being non-deposit taking NBFC-ND-SI, has not accepted any deposits from the public during the year under review.

BORROWINGS

The Members, at their Annual General Meeting (AGM) held on September 1, 2023, accorded their approval for borrowings, creation of charge on the Company's

assets/properties in connection with the borrowings as required under Section 180(1)(c) and 180(1)(a), and granted enabling authority for the conversion of outstanding loans into Equity Shares of the Company pursuant to Section 62(3) of the Companies Act, 2013. This approval empowered the Board of Directors and/or any Committee thereof to borrow funds for the Company up to an aggregate limit of ₹10,000 Crore.

In light of the Company's strategic plans for business expansion and future growth, the Board of Directors has resolved, subject to the approval of the shareholders at the ensuing 30th Annual General Meeting, to increase the overall borrowing limit from ₹10,000 Crore to ₹15,000 Crore. This enhancement in the borrowing limit will provide the Company with the necessary financial flexibility to pursue new opportunities, invest in key projects, and drive long-term value creation for our stakeholders.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

As of March 31, 2024, the Company has seven Directors including one Woman Director, of which six were Independent Directors of the Company. The composition of the Board is in accordance with Regulation 17 of the SEBI Listing Regulation read with Section 149 of the Act, with an appropriate combination of Non-Executive Directors and Independent Directors. The detailed list of Directors of the Company has been disclosed as part of the Corporate Governance Report.

Mr. Subramanian Ranganathan (DIN:00125493) was appointed as an Independent Director of the Company for a first term of five years with effect from October 31, 2023 to October 30, 2028, by the Board based on recommendation of the NRC of the Company. Mr. Ajit Mohan Sharan (DIN:02458844) was re-appointed as an Independent Director of the Company for a second term of five years with effect from April 1, 2024 to March 31, 2029 by the Board based on recommendation of the NRC of the Company. The Members approved the aforesaid appointments by resolutions passed through postal ballot on January 13, 2024.

Mr. L.V. Prabhakar (DIN:08110715) was appointed as an Independent Director of the Company for a first term of five years with effect from January 27, 2024 to January 26, 2029, by the Board based on recommendation of the NRC of the Company. Ms. Nupur Mukherjee (DIN: 10061931) and Mr. Shishir Priyadarshi (DIN:03459204) were appointed as an Independent Directors of the Company for a first term of three years with effect from January 27, 2024 to January 26, 2027, by the Board based on recommendation of the NRC of the Company. The Members approved the aforesaid appointments by resolutions passed through Extraordinary General Meeting held through Video Conferencing / Other Audio-Visual Means ("VC" / "OAVM") Facility on February 22, 2024.

Mr. Beni Prasad Rauka (DIN:00295213),
Mr. Mukesh Kacker (DIN:01569098) and

Ms. Bhagyam Ramani (DIN:00107097) Independent Directors of the Company, who were appointed for a second term of five years, from April 1, 2019 to March 31, 2024, have ceased to be the Independent Directors of the Company with effect from close of business hours on March 31, 2024, pursuant to completion of the term. The Board appreciated the contributions made by Mr. Beni Prasad Rauka, Mr. Mukesh Kacker and Ms. Bhagyam Ramani in guiding and supporting the Management during their tenure as the Independent Directors of the Company over last ten years.

Mr. L.V. Prabhakar, Independent Director of the Company, was appointed as the Chairman of the Company, effective from April 29, 2024. Mr. Prabhakar brings a wealth of experience and leadership to this role, and we are confident that under his chairmanship, the Company will continue to achieve new heights of success and excellence. His extensive expertise and strategic vision will be invaluable as we navigate the future and strive to fulfil our long-term objectives.

The terms and conditions of appointment of Independent Directors are available on the website of the Company at <https://capri loans.in/leadership-team/>. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise (including proficiency, as applicable) and hold highest standards of integrity.

Section 152 of the Act provides that unless the Articles of Association provide for retirement of all directors at every AGM, not less than two-third of the total number of directors of a public company (excluding the Independent Directors) shall be persons whose period of office is liable to determination by retirement of directors by rotation, of which one-third are liable to retire by rotation. Accordingly, Mr. Rajesh Sharma (DIN: 00020037), Managing Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Your Board of Directors recommend his appointment.

The brief details of the Director proposed to be re-appointed as required under Secretarial Standard-2 issued by the Institute of Company Secretaries of India and Regulation 36 of the SEBI Listing Regulations is provided in the Notice convening Annual General Meeting of the Company.

All the Directors of the Company have confirmed that they are not disqualified to act as Director in terms of Section 164 of the Act.

Declaration of Independence by Independent Directors & adherence to the Company's Code of Conduct for Independent Directors

All Independent Directors have submitted the declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation

25(8) of the SEBI Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/ her duties with an objective independent judgment and without any external influence.

Fit and Proper Criteria & Code of Conduct

All the Directors meet the fit and proper criteria stipulated by RBI. Further, all the Independent Directors have affirmed that they have adhered and complied with the Company's Code of Conduct for Independent Directors which is framed in accordance with Schedule IV of the Act.

Key Managerial Personnel ("KMPs")

As on March 31, 2024, the Company had the following KMPs:

- Mr. Rajesh Sharma - Managing Director
- Mr. Partha Chakraborti – Chief Financial Officer
- Mr. Yashesh Bhatt – Company Secretary

Mr. Rajesh Sharma was appointed as Managing Director of the Company with effect from July 4, 2018, for a term of five years, which expired on July 4, 2023. Based on the recommendation of the Nomination and Remuneration Committee and with the approval of the shareholders at the AGM held on September 26, 2022, Mr. Rajesh Sharma has been reappointed as Managing Director for another term of five years, effective from July 4, 2023, to July 3, 2028. The Board is confident that his leadership will continue to drive the Company towards achieving its strategic goals and delivering sustained value to all stakeholders.

During the process of identifying a suitable candidate for the position of Chief Financial Officer (CFO), Mr. Rajesh Sharma, Managing Director of the Company, was given an additional charge of CFO on an interim basis for the tenure of One year starting from April 23, 2022 and re-appointed for further interim tenure of One year effective from May 22, 2023. Following a thorough and multi-layered search process, involving extensive interactions with the Nomination and Remuneration Committee (NRC), the Board, and its members, your Company appointed Mr. Partha Chakraborti as CFO effective from October 31, 2023. Consequently, Mr. Rajesh Sharma tendered his resignation as CFO on October 31, 2023.

The Board sincerely appreciates Mr. Sharma's invaluable contributions during his tenure as CFO. His leadership and financial acumen were pivotal in maintaining the Company's financial stability and integrity during this transitional period.

Mr. Partha Chakraborti is a seasoned professional with a proven track record of leading financial operations for large and growing organizations. His expertise encompasses devising financial strategies, managing financial risks, ensuring regulatory compliance, optimizing capital allocation, and providing financial insights that drive organizational success. Before joining our Company, Mr. Chakraborti held various leadership positions across different industries, where he successfully implemented multiple strategic plans to establish robust enterprise finance management frameworks.

Senior Managerial Personnel:

The brief details of the Senior Managerial Personnels as on March 31, 2024 and changes thereto are provided in the Corporate Governance Report, forming part of this Annual Report.

Policy On Directors' Appointment And Remuneration/Compensation For Directors, Senior Management Personnel, Key Managerial Personnel And Other Employees

In accordance with the provisions of Section 134(3)(e) of the Companies Act, 2013 ("the Act") read with Section 178 of the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), your Company

has adopted Nomination and Remuneration Policy which, inter-alia, includes the criteria for determining qualifications, positive attributes and independence of Directors, identification of persons who are qualified to become Directors and who may be appointed in the Senior Management team. Further, the Company has in place the orderly succession plan for the appointments at the Board and Senior Management level.

The said policy is available on the website of the Company and can be accessed at <https://www.capri loans.in/corporate-governance/>.

Performance Evaluation of the Board

The Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") stipulate the evaluation of the performance of the Board, its Committees, Individual Directors and the Chairperson. The Company has formulated a process for performance evaluation of the Independent Directors, the Board, its Committees and other individual Directors.

An annual performance evaluation exercise was carried in compliance with the applicable provisions of the Act, Listing Regulations, the Company's Code of Independent Directors and the criteria and methodology of performance evaluation approved by the NRC as under:

| Evaluating body | Evaluatee | Broad criteria and parameters of evaluation | Process of evaluation |
|--|--|--|---|
| The Board, the NRC and the Independent Directors | The Board as a whole | Review of fulfilment of Board's responsibilities including Strategic Direction, financial reporting, ESG, Grievance redressal, succession planning, knowledge of industry trends, diversity of Board etc. and feedback to improve Board's Effectiveness. | Internal assessment through a structured and separate rating based questionnaire for each of the evaluations. The evaluation is carried out on a secured online portal |
| The Board | The Committees of the Board (separately for each Committee) | Structure, composition, attendance and participation of meetings of Committees, effectiveness of the functions handled, Independence of the Committee from the Board, contribution to decisions of the Board etc. | whereby the evaluators are able to submit their ratings and qualitative feedback, details of which are accessible only to the NRC Chairperson. |
| The Board, the NRC and the Independent Directors | Independent Directors including those seeking re-appointment and the MD (excluding the Director being evaluated) | Qualifications, experience, skills, independence criteria, integrity of the Directors, contribution and attendance at meetings, ability to function as a team and devote time, fulfilment of functions, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry, fairness and transparency demonstrated, adequacy of resource staffing. | The NRC also reviews the implementation and compliance of the evaluation exercise done annually. The results and outcome are evaluated, deliberated upon and noted by the Independent Directors, the NRC and the Board at their respective meetings |
| The Board, the NRC and the Independent Directors | Chairperson | Skills, expertise, effectiveness of leadership, effective engagement with other Board members during and outside meetings, allocation of time to other Board members at the meetings and ability to steer the meetings, commitment, impartiality, ability to keep shareholders' interests in mind, effective engagement with shareholders during general meetings etc. | |

The questionnaires for performance evaluation are comprehensive and in alignment with the guidance note on Board evaluation issued by the SEBI, vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 05, 2017 and are in line with the criteria and methodology of performance evaluation approved by the NRC.

Outcome and results of the performance evaluation

The Directors of the Company as on March 31, 2024 had participated in the evaluation process. The Directors have expressed satisfaction with the criteria for evaluation of performance of Board, its Committees and individual Directors, assessed through series of questions. The results of evaluation were encouraging showing high level of engagement of Board and its Committees performing its role with effective oversight and providing guidance to Management.

The results of the evaluation were shared with the Board, Chairman of respective committees and individual Directors.

Based on the results of the evaluation, the Board has agreed on an action plan to further improve the effectiveness and functioning of the Board.

The suggestions from previous evaluations were implemented by the Company during FY 2024.

Familiarisation Programme for Directors

The Company has adopted a structured programme for orientation of all Directors including the Independent Directors so as to familiarise them with the Company—its operations, business, industry, environment in which it functions, Indian and global macro-economic front and the regulatory regime applicable to it.

The Management updates the Board Members on a continuing basis of any significant changes therein and provides them an insight to their expected roles and responsibilities so as to be in a position to take well-informed and timely decisions and contribute significantly to the Company.

The Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement. The terms of reference of all the Committees with updations, if any, is shared with all the Board Members on quarterly basis.

Managing Director and Senior Management provide an overview of the operations and familiarise the Directors on matters related to the Company's values and commitments. They are also introduced to the organisation structure, constitution of various committees, board procedures, risk management strategies etc.

Strategic Presentations are made to the Board where Directors get an opportunity to interact with Senior

Management. Directors are also informed of the various developments in the Company through Press Releases, emails, etc. During the year under review, the Company migrated to a new secure Board portal which inter-alia provides a one stop and seamless solution for access to Board/Committee materials to all the Directors. The Board portal also contains Annual Reports, Code of Conduct for Directors, terms of appointment, committee charters and other policies for ease of access. This enables greater transparency to the Board processes. Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has during the year conducted familiarization programme through briefings at Board/ Committee meetings for all its Directors including Independent Directors.

Details of familiarization programs imparted to the Independent Directors during the financial year under review in accordance with the requirements of the Listing Regulations are available on the Company's website and can be accessed at the weblink: <https://www.capri loans.in/corporate-governance/>. and is also provided in the Corporate Governance Report forming part of this Annual Report.

Board Diversity and Inclusion

The Board sets the tone for diversity and inclusion across the Group and believes it is important to have an appropriate balance of skills, knowledge, experience, and diversity on the Board and at senior management level to ensure good decision-making. It recognises the need to create conditions that foster talent and encourage all colleagues to achieve their full potential. A diverse Board with a range of views enhances decision-making which is beneficial to the Company's long-term success and in the interests of Capri's stakeholders.

The Board Diversity Policy adopted by the Board sets out its approach to diversity. The Policy can be accessed at <https://www.capri loans.in/corporate-governance/>. Additional Details on the Board Diversity and the key attributes of the Board Members are explicated in the Corporate Governance Report forming part of this Annual Report.

Meetings

During the year, four board meetings were held during the year on May 22, 2023; August 5, 2023; October 31, 2023 and January 27, 2024. Brief details about the Board Meetings and Committee Meetings are given in report on Corporate Governance forming part of this Report.

During the year under review, (1) one Extraordinary General Meeting ("EGM") of the Members was held.

Detailed information on the Meetings of the Board, its Committees, Postal Ballot and the AGM is included

in the Report on Corporate Governance, which forms part of this Annual Report.

A calendar of all the meetings is prepared and circulated in advance to the Directors.

Constitution of various Committees

Your Company has various Committees which have been constituted as a part of good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes. The Board of Directors of the Company has constituted various Committees including the following:

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Corporate Social Responsibility Committee
- IV. Stakeholders' Relationship Committee
- V. Risk Management Committee
- VI. IT Strategy Committee
- VII. Asset Liability Management Committee

An all-embracing update on the Board, its committees, their composition, terms and reference, meetings held during FY 2024 and the attendance of each member are uploaded on Company's website at <https://www.capri loans.in/> and are stated in brief in the Corporate Governance Report attached to and forming part of this Report.

BOARD POLICIES

The Board of Directors have approved and adopted all the policies as required under the Act and Securities and Exchange Board of India (SEBI) regulations and RBI Directions. All the policies are uploaded on Company's website at <https://www.capri loans.in/>.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a) in preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departure;
- b) they have selected appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS

A. Statutory Auditors

Pursuant to the provisions of Section 139(2) of the Act and the rules made thereunder and RBI requirements, the Members at their 27th Annual General Meeting had appointed M/s. M.M. Nissim & Co. LLP, Chartered Accountants (Firm Registration no. 107122W/W100672), as the Statutory Auditors of the Company for a term of three years, i.e. from the conclusion of the 27th Annual General Meeting until the conclusion of the 30th Annual General Meeting of the Company. Thus, the tenure of M/s. M.M. Nissim & Co. LLP, Chartered Accountants would end at the conclusion of the ensuing AGM.

In light of the aforesaid, the Board of Directors of the Company has recommended the appointment of M/s. MSKA & Associates, Chartered Accountants, Mumbai as the Statutory Auditors of the Company for a period of three continuous years in accordance with the guidelines stipulated by RBI, to hold office from the conclusion of the forthcoming AGM i.e. 30th AGM till the conclusion of the 33rd AGM, subject to the approval of the Members at the ensuing AGM of the Company.

M/s. MSKA & Associates, Chartered Accountants, have confirmed that their appointment, if made, will comply with the eligibility criteria in terms of Section 141(3) of the Act and RBI regulations. Further, the Statutory Auditors have confirmed that they have subjected themselves to Peer Review process by the Institute of Chartered Accountants of India ("ICAI") and hold valid certificate issued by the Peer Review Board of ICAI.

Further, M/s. M.M. Nissim & Co. LLP, Chartered Accountants, conducted the statutory audit for the FY 2023-24. There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors in their Audit Report for the FY 2023-24. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Act.

Adoption of Policy for appointment of Statutory Auditors

In compliance with the Reserve Bank of India Guidelines dated April 27, 2021, the Company has in place a Policy for appointment of Statutory Auditors of the Company.

B. SECRETARIAL AUDIT

Pursuant to Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI Listing Regulations, the Company had appointed M/s. Sandeep P Parekh & Co., Practicing Company Secretary for conducting Secretarial Audit for FY 2024. The Secretarial Audit Report for the financial year ended March 31, 2024, is appended to this Report as Annexure II (A) confirming compliance by the Company of the applicable SEBI regulations and circulars/guidelines issued thereunder. There are no qualifications, reservations, adverse remarks or disclaimers made by the Secretarial Auditors, in their Audit Report for the FY 2023-24.

In terms of Regulation 24A of the Listing Regulations, the Secretarial Audit Report of material subsidiary of the Company i.e Capri Global Housing Finance Limited for the financial year ended March 31, 2024, was carried out pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report of Capri Global Housing Finance Limited submitted by M/s. Sandeep P Parekh & Co., Practicing Company Secretaries LLP, does not contain any qualification, reservation or adverse remark or disclaimer is annexed to this Report as Annexure II (B).

Annual Secretarial Compliance Report with additional confirmations on compliances

In compliance with Regulation 24A of SEBI Listing Regulations, your Company has undertaken an audit for FY 2024 for all the applicable compliances as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report ("ASCR") issued by Secretaries, Secretarial Auditor for FY 2024 with additional confirmations on compliances by the Company with respect to Insider Trading Regulations, Related party Transactions, updation of Policies, disclosure of material events to Stock Exchanges etc. as per revised ASCR format prescribed by BSE and NSE, has been filed with the Stock Exchanges.

C. Maintenance Of Cost Records

The maintenance of cost records, for the services rendered by the Company, is not required pursuant to Section 148(1) of the Act read with

Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 and hence such accounts and records were not required to be maintained by the Company.

D. Internal Auditors

Mr. Zoheb Sheikh was appointed as the Internal Auditor of the Company to conduct the Internal Audit on the basis of detailed Internal Audit Plan.

The Company has an independent in-house team to manage the group's internal audit activity and that functionally reports to the Audit & Risk Management Committee

E. Reporting of Frauds By Auditors

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor of the Company have reported any instance of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act and therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Act.

Further, during the financial year ending on March 31, 2024, the management detected four incidents of fraud at the Company's branches. Two cases from the North region were declared as frauds in December 2023 and reported to the RBI for Fraud Monitoring Returns within the same month. The other two cases from the West region were identified during the Executive Management Committee meeting in March 2024 and reported to the RBI for Fraud Monitoring Returns in April 2024.

Upon investigation, it was found that there was no internal staff involvement in any of these four reported cases. Instead, customers exploited internal process gaps to commit fraud. Following these investigations, precautionary actions have been implemented to prevent recurrence of such incidents. Different methods were used in each case, including forged property documents, loans availed on third-party property, multiple financing on the same property, and loans availed on government-owned land. Adequate preventive measures have been taken to avoid such future incidents.

For further details on these incidents and related matters, please refer to Note No. 55 of the Standalone Financial Statements included in this Annual Report. The Company is reinforcing its commitment to trust, integrity, and transparency through enhanced measures for compliance, risk management, and governance.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors state that proper systems have been devised to ensure compliance with the applicable laws. Pursuant to the provisions of Section 118 of the Act,

2013 during FY 2024, the Company has adhered with the applicable provisions of the Secretarial Standards ("SS-1" and "SS-2") relating to 'Meetings of the Board of Directors' and 'General Meetings' issued by the Institute of Company Secretaries of India ("ICSI") and notified by MCA.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY

Your Company has in place adequate internal financial controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations. Your Company uses various industry standard systems to enable, empower and engender businesses and also to maintain its Books of Accounts. The transactional controls built into these systems ensure appropriate segregation of duties, the appropriate level of approval mechanisms and maintenance of supporting records.

The systems, Standard Operating Procedures and controls are reviewed by the Management. Your Company's Internal Financial Controls are deployed through Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO"), that addresses material risks in your Company's operations and financial reporting objectives. Such controls have been assessed during the year under review taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("ICFR") issued by The Institute of Chartered Accountants of India. The risk control matrices are reviewed on a quarterly basis and control measures are tested and documented on annual basis. Based on the assessments carried out by the Management during the year, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed.

Your Company recognises that Internal Financial Controls cannot provide absolute assurance of achieving financial, operational and compliance reporting objectives because of its inherent limitations. Also, projections of any evaluation of the Internal Financial Controls to future periods are subject to the risk that the Internal Financial Control may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. Accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

During the year under review, no material or serious observation has been highlighted for inefficiency or inadequacy of such controls.

Internal Audit Framework

The Company has in place an adequate internal audit framework to monitor the efficacy of the internal controls with the objective of providing to

the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the Company's processes. The internal audit approach verifies compliance with the operational and system related procedures and controls.

Separate meetings between the Head Internal Audit and the Audit Committee, without the presence of Management, were enabled to facilitate free and frank discussion amongst them.

Risk Based Internal Audit ("RBIA") framework

In compliance with RBI circular dated February 03, 2021, the Audit Committee has approved a Risk Based Internal Audit ("RBIA") framework, along with appropriate processes and plans for internal audit for FY 2024. The Company has in place the Risk Based Internal Audit Plan underlining the requirements mentioned in the above regulations, thereby approved by the Board.

The audit plan is aimed at evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and accounting procedures and compliance with laws and regulations. Based on the reports of internal audit, function/process owners undertake corrective action in their respective areas. Significant audit observations are tracked and presented to the Audit Committee, together with the status of the management actions and the progress of the implementation of the recommendations on a regular basis.

Risk Management

Risk management forms an integral part of the Company's business. Your Company has a comprehensive Risk Management Policy in place and has laid down a well-defined risk management framework to identify, assess and monitor risks and strengthen controls to mitigate risks ensuring its effectiveness in addition to Asset Liability Management Committee ("ALCO") which monitors and manages the liquidity and interest rate risks. Your Company has established procedures to periodically place before the Risk Management Committee and the Board of Directors, the risk assessment and minimisation procedures being followed by the Company and steps taken by it to mitigate these risks.

The Risk Management Policy, inter-alia, includes identification of elements of risk, including Cyber Security and related risks as well as those risks which in the opinion of the Board may threaten the existence of the Company.

The Risk management process has been established across the Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives. Further, it is embedded across all the major functions and revolves around the goals and objectives of the Company. Your Company has a robust organisational structure for managing and reporting on risks.

This risk management mechanism works at all the levels, which acts as the strategic defence cover of the Company's risk management and is supported by regular review, control, self-assessments and monitoring of key risk indicators.

The Risk Management Committee ("RMC") constituted by the Board manages the integrated risk and reviews periodically the Risk Management Policy and strategy followed by the Company. In compliance with Scale Based Regulations, the Board of Directors have basis recommendation of RMC adopted ICAAP Policy and Framework with the objective of ensuring availability of adequate capital to support all risks in business as also enable effective risk management system in the Company.

The Chief Risk Officer ("CRO") oversees and strengthens the risk management function of the Company. The CRO is invited to the Board, Audit Committee, Asset Liability Management Committee and Risk Management Committee Meetings. The CRO along with members of the Senior Management apprises the Risk Management Committee and the Board on the risk assessment, process of identifying and evaluating risks, major risks as well as the movement within the risk grades, the root cause of risks and their impact, key performance indicators, risk management measures and the steps being taken to mitigate these risks.

The details of the functioning of the Risk Management Committee and frequency of its meetings are provided in Report on Corporate Governance forming part of this Annual Report. The Company follows a proactive risk management policy, aimed at protecting its assets and employees while at the same time ensuring growth and continuity of its business. Regular updates on the development in the business environment and the risk mitigation initiatives are provided to Board at its meeting.

The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this Report.

CYBER SECURITY

Your Company has implemented a robust risk management and governance framework supported by policies, processes, threat intel services, tools, technologies, continuous & periodic cyber assessments to identify the emerging and existing risks that our digital assets are exposed to.

CORPORATE SOCIAL RESPONSIBILITY

The Board has constituted Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Act. The CSR Policy of the Company, inter alia, list the activities that can be undertaken or supported by the Company for CSR as envisaged in Schedule VII of the Act, composition and meetings of CSR Committee, criteria for selection of CSR

projects, modalities of execution/implementation of CSR activities and the monitoring mechanism of CSR activities/ projects. The CSR Policy of the Company is attached to this Report as Annexure III A. The composition and terms of reference of the CSR Committee are provided in the Report on Corporate Governance.

During the year under review, the Company has spent an additional amount of ₹1.796 Million towards CSR activities which shall be qualified for set-off. In terms of Section 135 of the Act, the details of the CSR spent during the year under review is provided in the Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 and attached to this Report as Annexure IIIB

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

In accordance with the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules, are appended to this Report as Annexure IV.

As per the provisions of Section 136(1) of the Act, the reports and accounts are being sent to the Members of the Company excluding the information regarding employee remuneration as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The same is available for inspection and any Member interested in obtaining such information may write an email to the Company Secretary at secretarial@capriglobal.in and the same will be furnished on such request.

The Board of Directors affirm that the remuneration paid to employees of the Company is as per the Remuneration Policy of the Company and none of the employees listed in the said Annexure/information is related to any Director of the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Your Company has in place a Policy on Related Party Transactions ("RPT") ("RPT Policy") formulated in line with the applicable provisions of the Master Direction issued by the Reserve Bank of India and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

The Policy sets out the philosophy and processes to be followed for approval and review of transactions with Related Party and intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions with Related Parties. A detailed landscape of all RPTs specifying the nature, value, and terms and conditions of the transaction is presented to the Audit & Risk Management Committee.

Also, a Standard Operating Procedures has been formulated to identify and monitor all such transactions. The Policy may be accessed at <https://www.capriiloans.in/corporate-governance/>.

During FY 2024, all the contracts/arrangements/ transactions entered into by the Company with the related parties were in the ordinary course of business and on an arm's length basis and were in compliance with the provisions of the Act and Listing Regulations. All related party transactions are placed before the Audit Committee for review and approval. All related party transactions as required under Indian Accounting Standards - 24 (Ind AS-24) are reported in Note - 54 of Standalone Financial Statements.

Further, no such transactions had been entered with the company belonging to the promoter/promoter group which holds more than 10% shareholding in the Company as required pursuant to para A of schedule V of the Listing Regulations, 2015.

ANNUAL RETURN

Pursuant to the requirement under Section 92(3) of the Companies Act, 2013, copy of the annual return for financial year ended March 31, 2024, can be accessed on our website at <https://www.capriiloans.in/investor-information/>.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 of the SEBI Listing Regulations, Management Discussion and Analysis Report forms part of this Report.

REPORT ON CORPORATE GOVERNANCE

Good corporate governance underpins the way we conduct business. Your Directors reaffirm their continued commitment to the highest level of corporate governance practices. Our corporate governance practices are a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably. Your Company practices a culture that is built on core values and ethical governance practices. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics. In terms of Regulation 34 of the SEBI Listing Regulations, the Report on Corporate Governance for the financial year ended March 31, 2024, along with the certificate from the Secretarial Auditors of the Company confirming the compliance with Regulations of Corporate Governance is annexed to the Report on Corporate Governance.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As per Regulation 34(2)(f) of the SEBI Listing Regulations, the "Business Responsibility and Sustainability Report" is appended as Annexure V and forms part of this Report and can also be accessed on the Company's website at www.capriiloans.in. The report describes initiatives undertaken by the Company from an environmental, social and governance perspective. As part of our commitment to upholding ESG priorities, the Board of Directors at Capri have taken steps to strengthen our focus on ESG matters. Additionally, the Board is supported by ESG advisors with extensive expertise in areas such as communities and social performance, requiring collective efforts on various fronts.

Below is the statement by the Managing Director, who is responsible for the Business Responsibility Report.

I am delighted to highlight our significant progress in Environmental, Social, and Governance (ESG) practices. Over the past year, we have successfully navigated evolving regulatory requirements, developed and implemented robust new ESG policies, and ensured comprehensive employee training on these initiatives. We are particularly proud of our targeted initiatives that foster an inclusive workplace, ensuring everyone is valued and included. Looking ahead, we are excited to enhance our regulatory compliance, further strengthen our ESG policies as per evolving landscapes, provide ongoing training, and intensify our efforts to promote diversity and inclusion. Our journey towards sustainability continues with unwavering commitment and ambitious targets, setting a positive trajectory for the future.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company promotes ethical behaviour in all its business activities and has established a vigil mechanism for its Directors, Employees, and Stakeholders associated with the Company to report their genuine concerns. The Vigil Mechanism as envisaged in the Companies Act, 2013 and the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Whistle Blower Policy, to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.

As per the Whistle Blower Policy implemented by the Company, the Employees, Directors or any Stakeholders associated with the Company are free to report illegal or unethical behaviour, actual or suspected fraud, or violation of the Company's Code(s) of Conduct or Corporate Governance Policies or any improper activity.

The Whistle Blower Policy provides for protected disclosure and protection to the Whistle Blower. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices.

The Whistle Blower Policy is available on the website of your Company at <https://www.capriiloans.in/corporate-governance/>.

The Audit Committee is apprised of the vigil mechanism on a periodic basis. During the year, no person was denied access to the Chairperson of the Audit Committee. A quarterly report on the whistle blower complaints is placed before the Audit Committee for its review.

During the year under review, two complaints were received under the Whistle Blower mechanism which was discussed at the Audit Committee meeting and was suitably disposed off.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is an equal opportunity employer and is committed to ensuring that the work environment at all its locations is conducive to fair, safe and harmonious relations between employees. It strongly believes in upholding the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited.

Your Company has in place a comprehensive Policy in accordance with the provisions of POSH Act and Rules made thereunder.

All employees (permanent, contractual, temporary and trainees) are covered under this Policy. The Policy has been widely communicated internally and is placed on the Company's intranet portal. The Company ensures that no employee is disadvantaged by way of gender discrimination. The Policy may be accessed at <https://www.capriiloans.in/corporate-governance/>.

Your Company has adopted zero tolerance for sexual harassment at workplace and has formulated a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Work Place in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace. Your Company has complied with provisions relating to the constitution of Internal Committee under the POSH Act. During the year under review, no complaints were received by the Committee.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company being engaged in the financial services activities, its operations are not energy intensive nor does it require adoption of specific technology and hence information in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is not applicable to the Company. Nevertheless, the Company is vigilant on the need for conservation of energy.

During the FY 2023-24, the Company's foreign exchange earnings were NIL and outgo was ₹12.91 Million as against ₹14.39 Million in the previous year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

The Company being a Non-Banking Finance Company, the provisions of Section 186 of the Act pertaining to granting of loans to any persons or bodies corporate and giving of guarantees or providing security in connection with loans to any other bodies corporate or persons are not applicable to the Company.

As regards investments made by the Company, the details of the same are provided under Notes in the Financial Statements of the Company for the year ended March 31, 2024, forming part of this Annual Report.

SIGNIFICANT AND MATERIAL ORDERS

During FY 2023-24, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future. Further, no penalties of material nature have been levied by the RBI or any other regulator during the year under review.

LISTING

Equity Shares of your Company are listed on The National Stock Exchange of India Ltd. and BSE Limited. Your Company has paid required listing fees to Stock Exchanges for FY 2024-25.

The Company has sub divided the face value of Equity Shares of the Company from ₹2/- into one Equity share of ₹1/- each. Accordingly, the current ISIN was deactivated after completion of necessary formalities and a new ISIN i.e. INE180C01042 was issued for the purpose of crediting the shares with face value of ₹1/- each.

MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the certificate, as prescribed in Part B of Schedule II of the Listing

Regulations, has been obtained from Mr. Rajesh Sharma, Managing Director and Mr. Partha Chakraborti, Chief Financial Officer for the FY 2023-24 with regard to the Financial Statements and other matters. The said Certificate is attached herewith as Annexure VI and forms part of this Report.

DISCLOSURE PERTAINING TO INSOLVENCY & BANKRUPTCY CODE ("IBC")

No application for Bankruptcy under the Insolvency & Bankruptcy Code, 2016 ("IBC") was made against the Company during the financial year under review.

DISCLOSURE OF ONE TIME SETTLEMENT

The Company did not avail any such one time settlement during the Financial Year. Therefore, disclosure of the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable to the Company.

AWARDS AND RECOGNITION

In a bid to keep ensuring its relentless quest for growth and excellence, the Company continues to be committed towards maintaining the highest standards of corporate governance and sustainable practices. As a recognition for our unconventional innovations and focussed drive to achieve best-in-class operations, the Company has been winning a multitude of accolades at various forums while acquiring plaudits as the recipient of numerous prestigious awards for demonstrating its business ethos.

These embellishments to Capri's cognizant candidature deliver a testament to the progress made by the Company and honor its diligent efforts towards delivering value for the welfare of all stakeholders and the society as a whole.

The Company was recognized as a "Great Place To Work" by the Great Place to Work Institute for a third consecutive year.

ETHICS

Your Company practices a culture that is built on core values and ethical governance practices. Your Company is committed to integrity and transparency in all its dealings and places high emphasis on business ethics. The Board and the Committees of your Company exercise its fiduciary responsibilities in the widest sense of the term and endeavour to enhance long-term shareholder value. The governance framework is anchored by the clearly defined policies, procedures and covering areas such as anti-bribery and anti-corruption, Prevention of Sexual Harassment at Workplace and Whistle Blower Policy.

GENERAL DISCLOSURES

The Directors further state that no disclosure or reporting is required in respect of the following items, as there were no transactions/events related to these items during the financial year under review:

- There was no issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- There was no issue of shares (including Sweat Equity Shares) to the employees of the Company under any scheme, save and except Employee Stock Option schemes referred to in this Report;
- There was no raising of funds/issue of shares through Preferential Allotment, Public Issue, Rights Issue or Qualified Institutional Placement;
- There was no buy back of the Equity Shares during the year under review;
- There were no voting rights which are not directly exercised by the employees in respect of Equity Shares for the subscription/purchase for which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Companies Act, 2013 ("the Act");
- There was no suspension of trading of securities of the Company on account of corporate action or otherwise;
- There was no revision made in the Financial Statements or the Board's Report of the Company;
- The Company being an NBFC, the provisions relating to Chapter V of the Act, i.e., acceptance of deposit, are not applicable. Disclosures as per NBFC regulations have been made in this Annual Report.

ACKNOWLEDGEMENT

At Capri, our business is deftly managed by an adroit set of leaders with global and diverse experience in the sector in order to accomplish the mission. The professionally equipped and technically sound management has set progressive policies and objectives, follows best practices, all with a plausible vision to take the Company ahead to the next level.

Having received external reassurance in all our commitments over the years, the Directors take this opportunity to place on record, their sincere appreciation for the Securities and Exchange Board of India, Reserve Bank of India, Insurance and Regulatory Development Authority of India, Ministry of Corporate Affairs, Registrar of Companies and all other Governmental and Regulatory Authorities,

bankers, stock exchanges, financial institutions, depositories, analysts, advisors, local communities, customers, vendors, business partners, shareholders, and investors forming part of the Capri family for their sustained support, admirable assistance and endless encouragement extended to the group at all levels.

We would also like to express our earnest regard to all employees for their ardent enthusiasm and interminable efforts directed towards lodging significant and effective contributions to the continued growth of the Company. Our heartiest gratitude is further undertaken to be rendered to all our stakeholders for their unflinching faith in the Company.

We look forward for bestowal of your continued support and solidarity in future as we diligently strive to deliver enhanced value for our stakeholders and

inscribe on the footprints of nation building for one of the fastest growing economies of the world. Your directors acknowledge the support extended by the for the guidance and support received from them including their officials from time to time.

For and on behalf of Board of Directors

Capri Global Capital Limited

Sd/-
Rajesh Sharma
Managing Director
(DIN: 00020037)

Sd/-
S Ranganathan
Independent Director
(DIN: 00125493)

Date: May 08, 2024

Place: Mumbai

Annexure - I

DISCLOSURE PURSUANT TO REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 AS ON MARCH 31, 2024

A. RELEVANT DISCLOSURES IN TERMS OF THE ACCOUNTING STANDARDS PRESCRIBED BY THE CENTRAL GOVERNMENT IN TERMS OF SECTION 133 OF THE COMPANIES ACT, 2013 (18 OF 2013) INCLUDING THE 'GUIDANCE NOTE ON ACCOUNTING FOR EMPLOYEE SHARE-BASED PAYMENTS' ISSUED IN THAT REGARD FROM TIME TO TIME

The relevant disclosure is provided in the Notes to the Financial Statements, under Note 57 for the Financial Year ended March 31, 2024

B. DILUTED EPS ON ISSUE OF SHARES PURSUANT TO ALL THE SCHEMES COVERED UNDER THE REGULATIONS SHALL BE DISCLOSED IN ACCORDANCE WITH 'ACCOUNTING STANDARD 20 - EARNINGS PER SHARE' BY CENTRAL GOVERNMENT OR ANY OTHER RELEVANT ACCOUNTING STANDARDS AS ISSUED FROM TIME TO TIME.

The Diluted Earnings per Share (EPS) before and after extraordinary items for the year ended March 31, 2024 is ₹2.38 each

C. DETAILS RELATED TO EMPLOYEE STOCK OPTION SCHEMES (ESOS) OF THE COMPANY

| Sr. No | Particulars |
|--------|---|
| a. | Date of shareholder's approval September 22, 2009 |
| b. | Total number of options approved under ESOS 104,605,360 (Post Split and Bonus of Equity Shares) |
| c. | Vesting requirements Options would vest not less than one year and not more than Five years from the date of grant subject to achievement of performance parameter as evaluated by the Nomination and Remuneration Committee. |
| d. | Exercise price or pricing formula @ Refer Note |
| e. | Maximum term of options granted Stock Options granted shall be capable of being exercised within a period of one year from the date of vesting of the Stock Options. |
| f. | Source of shares Primary |
| g. | Variation in terms of options There is no variation in the terms of the options during the Financial Year ended March 31, 2024. |

i. Method used to account for ESOS--The Company uses fair value of options for accounting for stock options granted

ii. Where the company opts for expensing of the options using the intrinsic value of the options

- the difference between the employee compensation costs computed and the Not applicable employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed

| | | |
|-----|-------------------------------|----------------|
| a. | The impact of this difference | |
| i. | On Profits | Not applicable |
| ii. | On EPS | Not applicable |

iii. Option movement during the year (Post Split and Bonus of Equity Shares)

| Particulars | |
|-------------|--|
| 1. | Number of options outstanding at the beginning of the year 12,241,600 |
| 2. | Number of options granted during the year 520,000 |
| 3. | Number of options forfeited/lapsed during the year (3,583,810) |
| 4. | Number of options vested during the year 1,112,000 |
| 5. | Number of options exercised during the year 328,596 |
| 6. | Number of shares arising as a result of exercise of options 328,596 |
| 7. | Money realised by exercise of options (₹), if Scheme is implemented directly by the Company ₹4,253,568/- |
| 8. | Loan repaid by the Trust during the year from exercise price received N.A |
| 9. | Number of options outstanding at the end of the year 8,849,194 |
| 10. | Number of options exercisable at the end of the year 1,357,994 |

iv. Weighted-average exercise prices and weighted-average fair values of options -

Weighted Average Exercise Price: ₹186.73 each

Weighted Average Fair Value of the options ₹66.91 each

v. Employee wise details of options granted:

| 1. Senior Managerial Personnel | N.A. | | | | | | | | |
|---|---|---------------|-------------|---------------------|--|---|--|------------------------------|-------------------------|
| 2. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year | List of Employees who were granted 5% or more of the options granted during the year 2023-24: <table border="1"> <thead> <tr> <th>Employee Name</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>Mr. Piyush Dangaich</td> <td>Chief Data & Analytics Officer in Data Science</td> </tr> <tr> <td>Mr. Hardit Singh Lamba (Ceased to be an employee of the Company as on March 31, 2024)</td> <td>Head - Digital Partnerships in Digital Lending</td> </tr> <tr> <td>Mr. Magesh Ramachandran Iyer</td> <td>Chief Operating Officer</td> </tr> </tbody> </table> | Employee Name | Designation | Mr. Piyush Dangaich | Chief Data & Analytics Officer in Data Science | Mr. Hardit Singh Lamba (Ceased to be an employee of the Company as on March 31, 2024) | Head - Digital Partnerships in Digital Lending | Mr. Magesh Ramachandran Iyer | Chief Operating Officer |
| Employee Name | Designation | | | | | | | | |
| Mr. Piyush Dangaich | Chief Data & Analytics Officer in Data Science | | | | | | | | |
| Mr. Hardit Singh Lamba (Ceased to be an employee of the Company as on March 31, 2024) | Head - Digital Partnerships in Digital Lending | | | | | | | | |
| Mr. Magesh Ramachandran Iyer | Chief Operating Officer | | | | | | | | |
| 3. Identified employee who were granted option, during anyone year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant | None of the Employees were granted options more than 1% of the issued capital. | | | | | | | | |

vi. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information - We have used the Black-Scholes Merton formula for Option-Pricing Models.

- Discount Rate ranging from 7.00% to 7.08% is used based on the benchmark rate available on Government Securities (G. Sec.) for the tenure of 3 to 5 years.
- Expected volatility for each grant date's fair valuation is 40% .
- Dividend yield is considered as 0.18%, is assumed for ESOP's valuations.

@Note:

- Face value per equity share of the Company; or
- Closing price of the Stock Exchange with the highest trading volumes on the last working day prior to the date of grant; or
- 25% discount to the Prevailing Market Price; or
- Pre - determined price as fixed at the time of grant of options.

Annexure - II (A)

**Form No. MR-3
Secretarial Audit Report**

For the financial year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,
The Members,
CAPRI GLOBAL CAPITAL LIMITED**

CIN: L65921MH1994PLC173469

502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel, Mumbai 400013

We have conducted the secretarial audit of the compliance of applicable, statutory provisions and the adherence to good corporate practices by **CAPRI GLOBAL CAPITAL LIMITED** (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon.

Based on our verification of the data provided to us, w.r.t Minutes, forms and its attachment and returns filed by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the data provided by Company for the financial year ended 31st March, 2024 according to the provisions of:

- (1) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - (Not applicable to the Company during the Audit Period)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ;-(Not applicable to the Company during the Audit Period)
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (6) The following laws, regulations, directions, orders are applicable specifically to the Company and as confirmed by Mr. Rajesh Sharma, Managing Director, same have been Complied by the Company:
 - (a) The Reserve Bank of India Act, 1934 (RBI) and the circulars/ guidelines issued thereunder, to the extent it is applicable to Non-Banking Financial Company.
 - (b) Master Directions - Non-Banking Financial Company -Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
 - (c) Master Direction - Information Technology Framework for the NBFC Sector
 - (d) Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016.
 - (e) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016
 - (f) The Prevention of Money Laundering Act, 2002 read with the rules made thereunder

We have also examined compliances with the applicable clauses of the following:

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. The Listing Regulation entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

We further report that

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors and the Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were also sent adequately, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. I believe that the process and practices I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

Majority decision at the Board meeting is taken unanimously.

As informed to us, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the period under review, the Company has complied with provisions of Acts and Rules made thereunder.

For **Sandeep P. Parekh & Co**
Company Secretaries
FCS No: 7118, CP No: 7693
Sandeep P. Parekh
Place: Navi Mumbai
Date: May 13, 2024
UDIN: F007118F000360471

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

For **Sandeep P. Parekh & Co**
Company Secretaries
FCS No: 7118, CP No: 7693
Sandeep P. Parekh
Place: Navi Mumbai
Date: May 13, 2024
UDIN: F007118F000360471

Annexure - II (B)

**Form No. MR-3
Secretarial Audit Report**

For the financial year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
CAPRI GLOBAL HOUSING FINANCE LIMITED
CIN: U65990MH2006PLC161153

502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel, Mumbai 400013.

We have conducted the secretarial audit of the compliance of applicable, statutory provisions and the adherence to good corporate practices by **CAPRI GLOBAL HOUSING FINANCE LIMITED** (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon.

Based on our verification of the data provided to us, w.r.t Minutes, forms and its attachment and returns filed by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the data provided by Company for the financial year ended 31st March, 2024 according to the provisions of:

- (1) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period)
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the Audit Period)

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the Audit Period)
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - (Not applicable to the Company during the Audit Period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - (Not applicable to the Company during the Audit Period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - (Not applicable to the Company during the Audit Period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - (Not applicable to the Company during the Audit Period)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ;-(Not applicable to the Company during the Audit Period)
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (6) The following laws, regulations, directions, orders are applicable specifically to the Company and as confirmed by Mr. Rajesh Sharma, Managing Director, same have been Complied by the Company :
 - a) The National Housing Bank Act, 1987 and the circulars/ guidelines issued thereunder;
 - b) The Housing Finance Companies (NHB) Directions, 2010;
 - c) Master Circular on Fair Practice Code for Housing Finance Companies;
 - d) Master Circular-Housing Finance Companies-Corporate Governance (NHB) Directions, 2016;

- e) Master Directions – Non-banking financial companies – Housing Finance Companies (Reserve Bank of India) Directions, 2021; and
- f) The Prevention of Money Laundering Act, 2002 read with the rules made thereunder

We have also examined compliances with the applicable clauses of the following:

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. The Listing Regulation entered into by the Company with BSE Limited. (Not applicable to the Company during the Audit Period)

We further report that

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors and the Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were also sent adequately, and a system exists for

seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision at the Board meeting is taken unanimously.

As informed to us, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the period under review, the Company has complied with provisions of Acts and Rules made thereunder.

For **Sandeep P. Parekh & Co**
Company Secretaries
FCS No: 7118, CP No: 7693
Sandeep P. Parekh
Place: Navi Mumbai
Date: May 13, 2024
UDIN: F007118F000360471

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. I believe that the process and practices I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Sandeep P. Parekh & Co**
Company Secretaries
FCS No: 7118, CP No: 7693
Sandeep P. Parekh
Place: Navi Mumbai
Date: May 13, 2024
UDIN: F007118F000360878

Annexure - III A

Corporate Social Responsibility Policy

(Approved by Board of Directors in meeting held on July 26, 2014 and further amended on October 8, 2016, July 23, 2018 (reconstitution) November 8, 2019, August 09, 2022 and May 08, 2024)

1. INTRODUCTION

Capri Global Capital Limited (hereinafter referred to as "CGCL") is classified as a Systemically Important Non-deposit accepting NBFC (NBFC NDSI) by the Reserve Bank of India ("RBI") vide its certificate of registration dated November 5, 2007. Activities undertaken by the Company are governed by the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time.

2. VISION

CGCL believes that its mandate does not end with multiplying returns for its shareholders and that it must fulfill its larger responsibility towards the society within which it operates and from which it draws sustenance.

This document outlines the vision of CGCL towards Corporate Social Responsibility ("CSR"), in accordance with Section 135 of the Companies Act 2013 and the Rules thereunder

3. OBJECTIVE

The main objectives of CGCL's CSR Policy are:

- i. To develop a long-term vision and strategy for CGCL CSR objectives;
- ii. Establish relevance of potential CSR activities to CGCL core business and create an overview of activities to be undertaken in line with Schedule VII of the Companies Act 2013;
- iii. To deliver sustainable impact and elevate the quality of life of the most marginalized communities in areas where CGCL intervenes through its CSR initiatives;
- iv. To engage and influence CGCL's employees and partners in fostering a sense of social commitment by undertaking volunteering and employee engagement activities;
- v. CGCL shall promote projects that are, (a) Sustainable and create a long-term change; (b) Have specific and measurable goals in alignment with CGCL philosophy; and (c) Address the most deserving cause or beneficiaries
- vi. To establish process and mechanism for the implementation and monitoring of the CSR activities for CGCL

4. CONSTITUTION OF THE CSR COMMITTEE

The Board of Directors of CGCL has constituted the Corporate Social Responsibility Committee ("CSR Committee") consisting of 3 (Three) Members in accordance with Section 135 of the Companies Act 2013 ("Act") on CSR and in accordance with the CSR

Rules thereto. The CSR program will be overseen under the guidance of the CSR Committee.

A. Members of the Committee:

- i. Ms. Nupur Mukherjee Chairperson
- ii. Mr. S Ranganathan Member
- iii. Mr. Rajesh Sharma Member

B. Functions of the CSR Committee:

- i. The Committee shall endeavour to spend at least 2% of the average net profit during the preceding three financial years, calculated in accordance with the relevant Sections of the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 on CSR activities;
- ii. formulate and recommend to the Board, a CSR Policy which shall indicate the frame work within which the proposed CSR activities would be undertaken;
- iii. select and approve CSR projects which will be identified based on the proposed thematic areas as provided under the Act and the Rules therein;
- iv. recommend the amount of expenditure to be incurred on the CSR projects;
- v. monitor the implementation of the CSR Policy from time to time and take such other action as it may deem fit in pursuance of the CSR Vision of CGCL.

C. Board of Directors:

- a. review the recommendations made by the CSR Committee, approve the CSR Policy of the Company or any amendments thereof and ensure that in every financial year the funds committed by CGCL for CSR activities are utilized effectively by regularly monitoring the implementation;
- b. Disclose the content of the Policy in CGCL's annual report and website as per the prescribed format. The Board of Directors shall also disclose the reasons for under spending of the allocated CSR budget in the Board's report, if any;
- c. Ensure necessary annual reporting of CSR Policy to the Ministry of Corporate affairs, Government of India as per the prescribed format.
- d. The Director's Report shall include an annual report on CSR containing particulars as specified.

5. CSR MAINSTAY

CSR activities at CGCL shall be carried out directly and/or through Capri Foundation, a registered public trust under the Bombay Public Trust Act, 1950 or through any other institutes, NGOs, Government, Semi-government, trusts etc.

6. CSR ACTIVITIES

The scope of CSR activities of CGCL will cover the following areas as enumerated under Schedule VII of the Companies Act, 2013

| Sl. No. | CSR Thrust Areas | CSR Projects / Initiatives | Ref. Sr. No. of Schedule VII of Companies Act, 2013 |
|---------|---|---|---|
| 1 | Education | <ul style="list-style-type: none"> a. Offering scholarship and financial assistance to meritorious students from underprivileged communities b. Developing, augmenting and supporting infrastructure in educational institutions c. Education for mainstreaming differently-abled d. Enabling E-Learning and Computer Education e. Providing financial assistance to recognized educational / Academic institutes f. Setting up and running Educational Institutions and Hostels, Financial support for Hostel infrastructure g. Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defense Research and Development Organization (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs). | I, II, X, IX |
| 2 | Health, Nutrition & Sanitation | <ul style="list-style-type: none"> a. Promotion of Sanitation and Safe Drinking water b. Providing financial assistance for treatment and supplementary medications to needy patients c. Setting up of medical unit and Hospitals d. Promoting maternal and child health e. Eradicating hunger and malnutrition | I |
| 3 | Livelihood | <ul style="list-style-type: none"> a. Training and Income generation activities for women, self-help groups, differently-abled b. Setting up a skill development institution c. Sponsoring candidates for skill development and vocational training program offered at identified institutions d. Livelihood Enhancement projects | II |
| 4 | Rural Development / Slum Area Development | <ul style="list-style-type: none"> a. Adoption/Rehabilitation of Village/Slum Communities b. Holistic Development of Rural/Slum communities | X, XI |
| 5 | Promotion of Sports | <ul style="list-style-type: none"> a. Provide access to sports related aids and equipment | VII |
| 6 | Promoting gender equality and empowering socially backward groups | <ul style="list-style-type: none"> a. Women literacy programmes b. Setting up and strengthening of Self-help groups c. Setting up homes and hostels for women, orphans and senior citizens d. Awareness on Gender inequalities and reducing inequalities faced by socially and economically backward groups | III |
| 7 | Ensuring Environment Sustainability | <ul style="list-style-type: none"> a. Activities towards conservation of natural resources b. Promoting sustainable environment, ecological balance, agroforestry | IV |
| 8 | Promotion of art and culture | <ul style="list-style-type: none"> a. Development of national heritage, local arts and handicrafts through training and financial support. b. Setting up public libraries | V |
| 9 | Animal Welfare | <ul style="list-style-type: none"> a. Activities towards welfare of Animal | IV |
| 10 | Emergency/Disaster relief support | <ul style="list-style-type: none"> a. Disaster management, including relief, rehabilitation and reconstruction activities | XII |
| 11 | All the CSR related activities prescribed in Schedule VII | <ul style="list-style-type: none"> a. as prescribed in Schedule VII of the Companies Act 2013 | Schedule VII of the Companies Act 2013 |

such other activities as the Committee and the Board of Directors may consider to be appropriate.

7. IMPLEMENTATION

a. CGCL will seek to identify suitable programmes for implementation in line with the CSR vision and thrust areas of the Company. The approved projects will be implemented by:

- i. CGCL
- ii. Capri Foundation
- iii. Any other institutes, NGOs, Government, Semi-government, trusts etc.

Further CGCL can also undertake its CSR projects or activities in collaboration with other companies provided the respective companies are in a position to report separately on such projects or programs.

Support or donations aligned with CGCL's CSR activities or as covered by the CSR guidelines under the statute would also be considered as CSR expenditure.

- b. The time period/duration of each project/ programme shall depend on its nature, extent of coverage and intended impact of such activity.
- c. The investment in CSR shall be project based and for every project time period, periodic milestones shall be finalized by the CSR Committee from time to time in consultation with the related implementation team.
- d. The CSR spend would include building capacities of CGCL's personnel as well as their implementing agencies and travel & logistics for the purpose of project implementation.

8. MONITORING AND REPORTING

The CSR Committee shall ensure that each project/ programme shall have:

- i. Clearly defined objectives (developed out of existing societal needs determined through baselines/Secondary information/Primary Assessments), targets and time lines.

ii. A robust progress monitoring system. In order to closely monitor and manage the field action projects, the CSR team at the Corporate Office will conduct periodic field visits, impact studies and social audits on a periodic basis.

iii. CSR spends will be closely monitored and funds shall be released against verified utilizations as per the approved work plans.

iv. A reporting framework and system in alignment with the Act and Rules

CGCL shall through its internal controls, monitoring and evaluation systems implement, assess, document and report the impact of its CSR activities/projects.

The CSR Committee Members will be informed about the progress of the CSR activities at the CSR Committee meetings held from time to time.

9. SURPLUS OF CSR PROJECTS

In line with the guidelines provided under the Act and Rules, surpluses, if any, arising out of the projects or programs or activities shall not form part of the business profit of CGCL.

10. DISCLOSURES

The CSR Team will prepare the Annual CSR Report to be filed by the Company on approval of the Board of Directors. This Report shall include the details of annual CSR activities, executing partners, and expenditure entailed for each financial year, and any other information as required by the prevailing law.

11. APPLICABILITY

This Policy has been revised to incorporate the amendments in the Companies Act, 2013 and shall be effective from November 8, 2019. In case there are any modification(s) / amendment(s) / notification(s) / Circular(s) to the Companies Act, 2013 and Rules made thereunder, it shall apply to this Policy automatically and this Policy shall stand amended automatically.

Annexure - III B

Annual Report on CSR Activities for Financial Year 2023-24

1. Brief outline on CSR Policy of the Company.

At CGCL, we embrace CSR not merely as an obligation, but as an unparalleled opportunity to catalyze positive change for all, ourselves included. It's not just about compliance; it's about leveraging our resources and influence to uplift communities and shape a better world.

Our ethos revolves around viewing CSR as a powerful instrument for good, where every action is a chance to make a tangible difference. We seize this opportunity to redefine socio-economic landscapes, ensuring that every initiative leaves a lasting imprint of progress and empowerment.

Aligned with the UN's Sustainable Development Goals, our projects serve as beacons of hope for disadvantaged groups, embodying our unwavering commitment to inclusivity and equality. From Women Empowerment & Sustainable Livelihood to Education, Health, and Animal Welfare, we embrace these endeavors as pathways to collective prosperity.

In adhering to the CSR Policy framework, mandated by Section 135 of the Companies Act, 2013, we do not just fulfill requirements; we embrace them as guidelines for meaningful action. At CGCL, we recognize the inherent potential within CSR—an opportunity to sow seeds of transformation, cultivate resilience, and reap a harvest of shared prosperity for all. Together, we journey towards a brighter, more equitable future benefiting 203,629 lives.

Women Empowerment & Sustainable Livelihood Initiatives - Capri's commitment for women empowerment and sustainable livelihood is catered by focusing on skill development, financial inclusion, and digital market access, Capri equips 71,893 beneficiaries with the tools they need for fostering sustainable livelihoods. The program empowers women through Self-Help Groups (SHGs), providing financial support, entrepreneurial skills, and facilitates agricultural advancements through good agricultural practices and modern sales training to generate revenue, all of which minimize economic vulnerability and boost access to cash income. This comprehensive approach not only strengthens communities at the grassroots level but also drives lasting socioeconomic elevation for a brighter, more empowered future.

Education - Our mission revolves around equitable access to superior education, Capri's education initiatives empower students in grades 1-7 with coaching outside school hours and tutor enhancement programs. Monthly skill enhancement and digital courses improve student development, while dynamic learning aids boost comprehension in Science, Math, and English. Scholarships support marginalized students, and Smart TVs in vocational labs bridge the digital gap. Improved learning environments and infrastructure, including STEM labs and ASER assessment, benefits 4,000 children. Capri enhances socio-emotional well being and academic performance through vibrant materials and joyful pedagogy for many children in Child Care Institutions (CCIs). Increased SMC engagement leads to better school governance, resulting in higher student engagement and community satisfaction. The initiatives benefit 17,165 beneficiaries to access quality education.

Healthcare - Capri's health initiative delivers direct healthcare services, including preventive screenings, to underserved regions. The program supports expectant mothers with Antenatal Care (ANC) and Post Natal Care (PNC), ensuring institutional deliveries supported through mobile technology for tracing and follow-up. Continuous care is provided for hypertension and diabetes patients. Breast cancer survivors received prostheses bras, promoting body confidence and reintegration. Workshops offer emotional empowerment, nutrition, and survivor engagement. Informative campaigns focus on breast cancer awareness and self-examination. Our initiatives benefit 114,256 beneficiaries to live a better life.

Animal Welfare - Reflecting our vision of respect and care for all life, Capri's animal welfare program supports 315 street animals and promotes harmonious co-existence. Through medical assistance, rescue missions, and community support, we create a better future for all beings to thrive.

2. Composition of CSR Committee:

| Sl. No | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|------------------------|--------------------------------------|--|--|
| 1 | Ms. Bhagyam Ramani* | Chairperson of the Committee | 2 | 2 |
| 2 | Mr. Beni Prasad Rauka* | Member | 2 | 2 |
| 3 | Mr. Rajesh Sharma | Member | 2 | 1 |
| 4 | Ms. Nupur Mukherjee** | Chairperson of the Committee | - | - |
| 5 | Mr. S Ranganathan*** | Member | - | - |

* Ms. Ramani and Mr. Beni Prasad Rauka ceased to be Independent Directors of the Company on conclusion of their second term w.e.f. March 31, 2024.

**Ms.Mukherjee was appointed as Chairperson of the Committee w.e.f. April 1, 2024

***Mr. S. Ranganathan was appointed as member of the Committee w.e.f. April 1, 2024.

1. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. Corporate-Social-Responsibility-Policy.pdf (www.capri loans.in)
2. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). NA
3. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in ₹) | Amount required to be set-off for the financial year, if any (in ₹) |
|---------|----------------|--|---|
| Total | | | None |

4. Average net profit of the company as per section 135(5).

The average net profit of the Company for the last three financial years is ₹17,956.22 Lacs.

5. (a) Two percent of average net profit of the company as per section 135(5)

₹359.12 Lacs

- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial year

(c) NA

- (d) Amount required to be set off for the financial year, if any

NA

- (e) Total CSR obligation for the financial year (7a+7b-7c). ₹359.12 Lacs

The Company is required to spend an amount of ₹359.12 Lacs as CSR expenditure during the financial year 2023-24

6. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. | Amount Unspent | | | |
|---|--|-------------------|--|-------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | |
| | Amount. | Date of transfer. | Name of the Fund | Date of transfer. |
| ₹377.08 Lacs spent towards various activities for the benefit of the community. | - | - | - | - |

(b) Details of CSR amount spent against ongoing projects for the financial year:

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | |
|---------|--|---|----------------------|-------------------------|--|--|--|---|--|---|--|---|-------------------------|
| Sr. No. | Name of the Project | Item from Local the list of area activities in (Yes/No) in (Yes/No) to the Act. | Local area (Yes/No). | Location of the Project | Project Duration | Amount allocated for the project (₹ in Lacs) | Amount spent in the current financial Year (₹ in Lacs) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lacs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Agency | Mode of Implementation - Through Implementing Agency | Name | CSR Registration Number |
| 1 | Sustainable Livelihood Enhancement and Women Empowerment | Clause (ii) (iii) (i) (iv) (x) of Schedule VII | No | Nagaland | Kohima, Dimapur, Mokokchung, Wokha, Phek, Peren, Mon, Kiphire, Noklak, Tuensang, Zunheboto, Chumukedima, Niuland | Three Years | 207.9 | 207.9 | 207.9 | NA | No | Entrepreneurs Associates | CSR00005848 |
| | | | Yes | Manipur | Senapati, Ukhrul, Imphal West | | | | | | | Women'S Integrated And Synergistic Empowerment Association (WISE) | CSR00002167 |
| | | | Yes | Assam | Karbi Anglong | | | | | | | Professional Assistance for Development Action (PRADAN) | CSR00000973 |
| | | | Yes | Madhya Pradesh | Khargone, Ujjain | | | | | | | Manjari Foundation | CSR00000074 |
| | | | | Chhattisgarh | Rajnandgaon, Sarguja & Gariyabandh | | | | | | | Sejhe Sapne | CSR00044786 |
| | | | | Rajasthan | Dholpur, Baran and Udaipur | | | | | | | National Agro Foundation | CSR00000610 |
| | | | | Bihar | Patna, Araria, Jamui, Rohtas, Katihar, Jehanabad | | | | | | | | |
| | | | | Uttar Pradesh | Lakhimpur, Jompur, Azamgarh, Shivpur, Pratapgarh | | | | | | | | |
| | | | | Jharkhand | Ranchi, Khunti | | | | | | | | |
| | | | | Himachal Pradesh | Bajinath, Kangra | | | | | | | | |
| | | | | Karnataka | Mysore | | | | | | | | |

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | |
|--------------|---------------------------|---|---------------------|---|---|--|---|--|--|--|--|-------------------------|
| Sr. No. | Name of the Project | Item from Local the area activities in (Yes/No) in (Yes/No) Schedule VII No). to the Act. | Local area (Yes/No) | Location of the Project | Amount allocated for the project (₹ in Lacs) | Amount spent in the current financial Year (₹ in Lacs) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lacs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | Mode of Implementation - Through Implementing Agency | Name | CSR Registration Number |
| | | | | State | Duration | | | | | | | |
| 2 | Education Initiative | Clause (ii) of Schedule VII | Yes | Maharashtra Madhya Pradesh | Solapur, Dahanu, pune, Goa Indore, Ujjain, Khandwa, Bhopal, Narmadapuram, Jabalpur, Katni, Chhindwara, Ratlam | Three Years | 62.58 | 62.58 | NA | No | Catalysts for Social Action | CSR000002803 |
| | | | | Uttar Pradesh | Bahraich | | | | | | Save the Children India - Bal Rakshak | CSR000000065 |
| | | | | Gujarat | Valsad | | | | | | Shri Vaghaldhara Vibhag Kelvani Mandal (BVP) | CSR000005640 |
| 3 | Health Initiative | Clause (i) (iii) of Schedule VII | Yes | Bihar, Chhatisgarh, PAN INDIA Delhi, Haryana, Himachal Pradesh, Jharkahn, Kerala, Madhyapradesh, Maharashtra, Manipur, Nepal, Odisha, Punjab, Rajasthan, Tamil Nadu, Uttarakhandi, Uttar Pradesh, West Bengal | | Three Years | 65.00 | 65.00 | NA | No | Win Over Cancer | CSR000001982 |
| | | | | Maharashtra | Latur, Osmanabad | | | | | | The Pride India | CSR000001069 |
| | | | | Karnataka | Gulbarga | | | | | | | |
| 4 | Animal Welfare Initiative | Clause (iv) of Schedule VII | Yes | Maharashtra | Mumbai | | 7.00 | 7.00 | NA | No | The Welfare of Stray Dogs | CSR000002417 |
| Total | | | | | | | 342.48 | 342.48 | | | | 342.48 |

Annexure - III

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

| 1 | 2 | 3 | 4 | 5 | | 6 | 7 | 8 | |
|---------|----------------------|---|---------------------|-------------------------|----------------|--|--|--|-------------------------|
| Sr. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the Project | State District | Amount spent for the project (₹ In Lacs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
| | | | | | | | | Name | CSR Registration Number |
| 1 | Education Initiative | Clause (ii) | Yes | Maharashtra | Mumbai | 12.65 | 12.65 | Smile Foundation | CSR00001634 |
| 2 | Education Initiative | Clause (ii) | Yes | Maharashtra | Karjat | 4.00 | 4.00 | Signature Foundation | CSR00016575 |

(d) Amount spent in Administrative Overheads - ₹17.96 Lacs

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹377.08 Lacs.

(g) Excess amount for set off, if any

| Sl. No. | Particular | Amount (in ₹) |
|---------|---|---------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 359.12 Lacs |
| (ii) | Total amount spent for the Financial Year | 377.08 Lacs |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 17.96 Lacs |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 17.96 Lacs |

7. (a) Details of Unspent CSR amount for the preceding three financial years: NA

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (₹ in lacs) | Amount spent in the reporting Financial Year (₹ in Lacs) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | Amount remaining to be spent in succeeding financial years (₹ in Lacs) |
|---------|--------------------------|---|--|--|--|
| | | | | Amount Date of transfer (₹ in Lacs) | |
| 1. | | | | | |
| Total | | | | | |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): - NA

| (1) Sr. No. | (2) Project ID | (3) Name of the Project | (4) Financial Year in which the project was commenced | (5) Project duration. | (6) Total amount allocated for the project (in ₹) | (7) Amount spent on the project in the reporting Financial Year (in ₹) | (8) Cumulative Total amount spent on the reporting Financial (in ₹) | (9) Status of the project - Completed / Ongoing |
|-------------|----------------|-------------------------|---|-----------------------|---|--|---|---|
| 1 | | | | | | | | |
| Total | | | | | | | | |

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

(asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

Details relating to the asset so created or acquired through CSR spent in the financial year.

| Sr. No. | Date of creation or acquisition of the capital asset(s). | Amount of CSR spent for creation or acquisition of capital asset. | Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. | Details of the capital asset(s) created or acquired including complete address and location of the capital asset. |
|---------|--|---|--|--|
| 1 | Mar-24 | ₹852,925.00 | Mr.Manjunath, Panjayat Development officer, Naviluru Panchayat, Naviluru village, Karnataka, Pin: 571118 | Mudhalli Village Waterbody -1, Devanakatte, Mudhalli village, Tal. Nanjangud, Dist. Mysore, Karnataka, Pin: 571118 |
| 2 | Mar-24 | ₹496,811.00 | Mr.Shankar, Head master of Surahalli Govt. Middle school, Surahalli village,Karnataka, Pin: 571118 | School toilet construction, Surahalli Govt. Middle school, Surahalli village, Tal. - Nanjangud, Dist.- Mysore, Karnataka , Pin: 571118 |
| 3 | Mar-24 | ₹496,811.00 | Ms.Vasanthakumari,Head master of Volagere Govt. Middle school, Volagere village, Tal.- Nanjangud, Dist.- Mysore, Karnataka, Pin: 571314 | School toilet construction, Volagere Govt. Middle school, Volagere village, Tal.- Nanjangud, Dist.- Mysore, Karnataka, Pin: 571314 |
| 4 | Mar-24 | ₹113,844.00 | Ms.Chandrika, Head master of Naviluru school, Naviluru village, Tal. Nanjangud , Dist. Mysore, Karnataka, Pin: 571118 | Hand wash station for school, Naviluru Govt. High school, Naviluru village, Tal. Nanjangud , Dist. Mysore, Karnataka - Pin: 571118 |
| 5 | Mar-24 | ₹51,500.00 | Ms.Chandrika, Head master of Naviluru school, Naviluru village, Tal. Nanjangud , Dist. Mysore, Karnataka, Pin: 571118 | Hand wash stage for school, Naviluru Govt. High school, Naviluru village, Tal. Nanjangud , Dist. Mysore, Karnataka - Pin: 571118 |
| 6 | Mar-24 | ₹559,320.00 | Sajhe Sapne Foundation, Shri Krishna Kunj, Sainath Colony, BTI Road, Khargone, Madhya Pradesh. Pin: 451001 | Laptops (Quantity -15), Model - Dell Vostro (3420), Sajhe Sapane Centre, Village Kandbari, Palampur, Himachal Pradesh, Pin: 176061 |
| 7 | Oct-23 | ₹1,500,000.00 | The PRIDE India, SF-9 G Block, Next to American School of Bombay, Bandra Kurla Complex (BKC) Bandra East – Mumbai, Maharashtra, Pin: 400098 | Ambulance Jeep –MH-25-AJ-5948, The PRIDE INDIA-SPARSH Rural Hospital Sastur, Tal. Lohara, Dist. Dharashiv, Pin: 413606 |
| 8 | Mar-24 | ₹106,200.00 | Signature Foundation – Ek Badalti Soch, 101, Bharat Industrial Estate, Tokershi Jivraj Rd, Sindhu Nagar, Sewri, Mumbai, Maharashtra, Pin: 400015 | 6 Quantity - Computer Desktop, Kamal Vidyalaya, 2/6/A Savle, Karjat, Maharashtra, Pin: 410201 |
| 9 | Mar-24 | ₹15,930.00 | Signature Foundation – Ek Badalti Soch, 101, Bharat Industrial Estate, Tokershi Jivraj Rd, Sindhu Nagar, Sewri, Mumbai, Maharashtra, Pin: 400015 | Printer : LG 3250 Wi fi All in one-1 Unit, Kamal Vidyalaya, 2/6/A Savle, Karjat, Maharashtra, Pin: 410201 |

| Sr. No. | Date of creation or acquisition of the capital asset(s). | Amount of CSR spent for creation or acquisition of capital asset. | Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. | Details of the capital asset(s) created or acquired including complete address and location of the capital asset. |
|---------|--|---|---|--|
| 10 | Mar-24 | ₹82,500.00 | Signature Foundation – Ek Badalti Soch, 101, Bharat Industrial Estate, Tokershi Jivraj Rd, Sindhu Nagar, Sewri, Mumbai, Maharashtra, Pin: 400015 | USHA Sewing Machine Full Shuttle with Table top - 6 Units , Kamal Vidyalaya, 2/6/A Savle, Karjat, Maharashtra, Pin: 410201 |
| 11 | Mar-24 | ₹14,500.00 | Signature Foundation – Ek Badalti Soch, 101, Bharat Industrial Estate, Tokershi Jivraj Rd, Sindhu Nagar, Sewri, Mumbai, Maharashtra, Pin: 400015 | JUKI Sewing Machine with Overlock system - 1 Unit, Kamal Vidyalaya, 2/6/A Savle, Karjat, Maharashtra, Pin: 410201 |
| 12 | Mar-24 | ₹1,135,467.00 | Mrs. Heena Kumari, Government Girls Sr.Sec. School Adarsh Nagar, Infront of Setellite Hospital, Ajmer 305001 | Sr. No. 3TE43G2316BJ01AC4JS3625, 1 tv unit, Government Girls Sr.Sec. School Adarsh Nagar, Infront of Setellite Hospital, Ajmer, Rajasthan, Pin: 305001 |
| 13 | Mar-24 | | Mrs. Rekha Kaushik, Savitri govt girl's sr. Sec school, Savitri chouraha, Ajmer, Pin code 305001 | Sr. No. 3TE43G2316BJ01AC4JS3629, 1 Tv Unit, Savitri govt girl's sr. Sec school, Savitri chouraha, Ajmer, Pin code 305001 |
| 14 | Mar-24 | | Mrs. Chandrakala, Government Sr. Sec. School Ramganj Ajmer PNB k pichhewali gali ramganj, Ajmer 305001 | Sr. No. 3TE43G2316BJ01AC4JS3904, 1 Tv Unit, Government Sr. Sec. School Ramganj Ajmer PNB k pichhewali gali ramganj, Ajmer 305001 |
| 15 | Mar-24 | | Mr. Kaushal Suiwal, Government Central Girls Sr. Sec. School Purani Mandi Ajmer, Purani Mandi, Ajmer 305001 | Sr. No. 3TE43G2316BJ01AC4JS1109, 1 TV unit, Government Central Girls Sr. Sec. School Purani Mandi Ajmer, Purani Mandi, Ajmer 305001 |
| 16 | Mar-24 | | Mr. Himanshu Bhati, Shaeed Hawaldar devi khan kayamkhani Government Sr. Sec. School Somalpur, Opp gram punchayat, Solampur, Ajmer 305003 | Sr. No. 3TE43G2316BJ01AC4JS3619, 1 Tv unit, Shaeed Hawaldar devi khan kayamkhani Government Sr. Sec. School Somalpur, Opp gram punchayat, Solampur, Ajmer 305003 |
| 17 | Mar-24 | | Mrs. Rajkumari Bhandari, Government Girls Sr.Sec. School Chawni road Beawar, Bhagat Chouraha, Sahkaar Bhawan Ke pass, Chawni Road Beawar,Ajmer 305901 | Sr. No. 3TE43G2316BJ01AC4JS3905, 1 TV unit, Government Girls Sr.Sec. School Chawni road Beawar, Bhagat Chouraha, Sahkaar Bhawan Ke pass, Chawni Road Beawar,Ajmer 305901 |
| 18 | Mar-24 | | Mr. Sanwar Sankhala, Government Sr. Sec. School Jawaja, Beawar, Ajmer 305922 | Sr. No. 3TE43G2316BJ01AC4JS3014, 1 tv unit, Government Sr. Sec. School Jawaja, Beawar, Ajmer 305922 |
| 19 | Mar-24 | | Mr. Deepak Vaishnav, Government Shardul Sr. Sec. School, Near Tak Petrol Pump, Madanganj Kishangarh, Ajmer 305801 | Sr. No. 3TE43G2316BJ01AC4JS1200, 1 tv Unit, Government Shardul Sr. Sec. School, Near Tak Petrol Pump, Madanganj Kishangarh, Ajmer 305801 |

| Sr. No. | Date of creation or acquisition of the capital asset(s). | Amount of CSR spent for creation or acquisition of capital asset. | Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. | Details of the capital asset(s) created or acquired including complete address and location of the capital asset. |
|---------|--|---|--|--|
| 20 | Mar-24 | | Mrs. Neelam Shrivastav, Government Girls Sr.Sec. School Shrinagar, Near SBI Branch Ajmer Gate Shrinagar,Ajmer 305025 | Sr. No. 3TE43G2316BJ01AC4JS3002, 1 tv unit, Government Girls Sr.Sec. School Shrinagar, Near SBI Branch Ajmer Gate Shrinagar,Ajmer 305025 |
| 21 | Mar-24 | | Mrs. Manisha Goyal, Govt girls sr sec school nasirabad , Kota road , in front govt general hospital, Ajmer Pin code 305601 | Sr. No. 3TE43G2316BJ01AC4JS1215, 1 tv unit, Govt girls sr sec school nasirabad , Kota road , in front govt general hospital, Ajmer Pin code 305601 |
| 22 | Mar-24 | | Mrs. Urmila Devi, Government Senior Secondary School, 277 C -277, Malan, Subhash Nagar, Bhilwara, Rajasthan 311001 | Sr. No. 3TE43G2316BJ01AC4JS4674, 1 TV unit, Government Senior Secondary School, 277 C -277, Malan, Subhash Nagar, Bhilwara, Rajasthan 311001 |
| 23 | Mar-24 | | Mr. Mohd. Faruqq, Mahatma Gandhi Govt School Police Line bhilwara, Santosh Colony, Bhilwara, Rajasthan 311001 | Sr. No. 3TE43G2316BJ01AC4JS2210, 1 Tv unit, Mahatma Gandhi Govt School Police Line bhilwara, Santosh Colony, Bhilwara, Rajasthan 311001 |
| 24 | Mar-24 | | Mr. Radheshyam Sharma, Government Sr. Sec. School, Swaipur , Kotri, Dist. Bhilwara, Rajasthan, 311603 | Sr. No. 3TE43G2316BJ01AC3JS3587, 1 tv Unit, Government Sr. Sec. School, Swaipur, Kotri, Dist. Bhilwara, Rajasthan, 311603 |
| 25 | Mar-24 | | Mrs. Surbhi Dadich, Government Sr. Sec. School, Dabla, Banera, Dist. Bhilwara, Rajasthan 311030 | Sr. No. 3TE43G2316BJ01AC4JS1346, 1 TV unit, Government Sr. Sec. School, Dabla, Banera, Dist. Bhilwara, Rajasthan 311030 |
| 26 | Mar-24 | | Mrs. Kavita Sharma, Government Sr. Sec. School, Mod Ka Nimbaheda, Aasind,Dist. Bhilwara, Rajasthan 311026 | Sr. No. 3TE43G2316BJ01AC3JS3665, 1 tv Unit , Government Sr. Sec. School, Mod Ka Nimbaheda, Aasind, Dist. Bhilwara, Rajasthan 311026 |
| 27 | Mar-24 | | Mrs. Pratibha Kumari, Government Sr. Sec. School, Ruplal Somani, Bhagwanpura,Dist. Bhilwara, Rajasthan 311026 | Sr. No. 3TE43G2316BJ01AC4JS0774, 1 tv Unit, Government Sr. Sec. School, Ruplal Somani, Bhagwanpura,Dist. Bhilwara, Rajasthan 311026 |
| 28 | Mar-24 | | Mr. Jagdish Mantri, Government Sr. Sec. School, Dhamniya, Dist. Bhilwara, Rajasthan 311605 | Sr. No. 3TE43G2316BJ01AC3JS4445, 1 tv Unit, Government Sr. Sec. School, Dhamniya, Dist. Bhilwara, Rajasthan 311605 |

| Sr. No. | Date of creation or acquisition of the capital asset(s). | Amount of CSR spent for creation or acquisition of capital asset. | Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. | Details of the capital asset(s) created or acquired including complete address and location of the capital asset. |
|---------|--|---|--|---|
| 29 | Mar-24 | | Mr. Ashok Kumar, Mahatma Gandhi Govt School Labour Colony, Government Senior Secondary School, 8JR6+VGJ, Labour Colony, Bhilwara, Rajasthan 311001 | Sr. No. 3TE43G2316BJ01AC4JS4566, 1 tv Unit, Mahatma Gandhi Govt School Labour Colony, Government Senior Secondary School, 8JR6+VGJ, Labour Colony, Bhilwara, Rajasthan 311001 |
| 30 | Mar-24 | | Mrs. Neha Pancholi, Government Sr. Sec. School Bodamli, GSSS bodamali V. P. Bodamali teh. Simalwara block chikhli dist dungarpur | |
| 31 | Mar-24 | | Mr. Harji Kalasua, Government Sr. Sec. School Gamdi Ahada, Government Sen. Sec. School Gamdi Ahada, block - Bichiwara Dist. Dungarpur - 314801 | Sr. No. 3TE43G2316BJ01AC4JS3283, 1 tv Unit, Government Sr. Sec. School Gamdi Ahada, Government Sen. Sec. School Gamdi Ahada, block - Bichiwara Dist. Dungarpur - 314801 |
| 32 | Mar-24 | | Mr. Yogesh Sevak, Government Sr. Sec. School Ramgarh, Vpo- Ramgarh The. Aspur Dist.Dungarpur Rajasthan 314034 | Sr. No. 3TE43G2316BJ01AC4JS1218, 1 tv Unit, Government Sr. Sec. School Ramgarh, Vpo- Ramgarh The. Aspur Dist.Dungarpur Rajasthan 314034 |
| 33 | Mar-24 | | Mr. Soma Lal, Government Sr. Sec. School, Talaiyan, Modar Road , block - Bichiwara Dist. Dungarpur - 314801 | Sr. No. 3TE43G2316BJ01AC5JS1193, 1 tv Unit, Government Sr. Sec. School, Talaiyan, Modar Road , block - Bichiwara Dist. Dungarpur - 314801 |
| 34 | Mar-24 | | Mr. Sushant Sharma, Government Sr. Sec. School, Mewara, near main coraha mewara, block- bichhiwara, Dungarpur | Sr. No. 3TE43G2316BJ01AC3JS3040, 1 tv Unit , Government Sr. Sec. School, Mewara, near main coraha mewara, block- bichhiwara, Dungarpur |
| 35 | Mar-24 | | Mr. Savita Katara, Government Sr. Sec. School Mahudi, jhonthari, Dungarpur, 314404 | Sr. No. 3TE43G2316BJ01AC4JS1114, 1 tv Unit, Government Sr. Sec. School Mahudi, jhonthari, Dungarpur, 314404 |
| 36 | Mar-24 | | Mr. Presh Dixit, Government Sr. Sec. School, kharagada, Dungarpur Rajasthan 314027 | Sr. No. 3TE43G2316BJ01AC3JS1854, 1 tv Unit, Government Sr. Sec. School, kharagada, Dungarpur Rajasthan 314027 |
| 37 | Mar-24 | | Mr. Dipesh Chobisa, Shri Ratan Bhai patel Govt. Sr. Sec. School Amliya fala, Sabli, Dungarpur, 314804 | Sr. No. 3TE43G2316BJ01AC3JS0684, 1 tv Unit, Shri Ratan Bhai patel Govt. Sr. Sec. School Amliya fala, Sabli, Dungarpur, 314804 |

| Sr. No. | Date of creation or acquisition of the capital asset(s). | Amount of CSR spent for creation or acquisition of capital asset. | Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. | Details of the capital asset(s) created or acquired including complete address and location of the capital asset. |
|---------|--|---|--|---|
| 38 | Mar-24 | | Mrs. Priyanka Mehta, Government Sr. Sec. School Ratadiya, Block Sagwara Dungarpur 314035 | Sr. No. 3TE43G2316BJ01AC4JS1238, 1 tv Unit, Government Sr. Sec. School Ratadiya, Block Sagwara Dungarpur 314035 |
| 39 | Mar-24 | | Mr Kamlesh Meena, Government Sr. Sec. School Tadi Obri, Village- Tadi Obri, The.- Dungarpur, Dist.- Dungarpur, 314011 | Sr. No. 3TE43G2316BJ01AC4JS3455, 1 tv Unit, Government Sr. Sec. School Tadi Obri, Village- Tadi Obri, The.- Dungarpur, Dist.- Dungarpur, 314011 |
| 40 | Mar-24 | | Mr. Bherun Singh, Government Girls Sr. Sec. School, Gangori Bazar, Rajasthan, Purani Basti, Jaipur Rajasthan 302001 | Sr. No. 3TE43G2316BJ01AC4JS4455, 1 tv Unit, Government Girls Sr. Sec. School, Gangori Bazar, Rajasthan, Purani Basti, Jaipur Rajasthan 302001 |
| 41 | Mar-24 | | Mr. Ram Dyal Jat, Government Sr. Sec. School, Niwana, Jaipur, Rajasthan 303804 | Sr. No. 3TE43G2316BJ01AC4JS3621, 1 tv Unit, Government Sr. Sec. School, Niwana, Jaipur, Rajasthan 303804 |
| 42 | Mar-24 | | Mr. Raman Gambhir, Government Sr. Sec. School, Khorabisal, Jalsu | Sr. No. 3TE43G2316BJ01AC3JS2992, 1 tv Unit, Government Sr. Sec. School, Khorabisal, Jalsu Jaipur, Rajasthan 302012 |
| 43 | Mar-24 | | Mrs. Vandna Sharma, Government Girls Sr. Sec. School, Kamla Nehru, Johari Bazar Jaipur, Rajasthan 302003 | Sr. No. 3TE43G2316BJ01AC4JS3054, 1 tv Unit, Government Girls Sr. Sec. School, Kamla Nehru, Johari Bazar Jaipur, Rajasthan 302003 |
| 44 | Mar-24 | | Mr. Shashikan Sharma, Government Sr. Sec. School, Harmada, Jaipur, Rajasthan 302012 | Sr. No. 3TE43G2316BJ01AC3JS1229, 1 tv Unit, Government Sr. Sec. School, Harmada, Jaipur, Rajasthan 302012 |
| 45 | Mar-24 | | Mr. Jitendra Singh, Government Maharaja Girs Senior Secondary Girls School Chhoti Chopar, Kishanpol Bazar, Rajasthan 302001 | Sr. No. 3TE43G2316BJ01AC4JS0886, 1 tv Unit, Government Maharaja Girs Senior Secondary Girls School Chhoti Chopar, Kishanpol Bazar, Rajasthan 302001 |
| 46 | Mar-24 | | Mr. Vijay Singh Negi, Government Girls Sr. Sec. School, Gangapole, Subhash Chowk, Motikatla Bazar, Char Darwaja, Rajasthan 302002 | Sr. No. 3TE43G2316BJ01AC3JS2223, 1 tv Unit, Government Girls Sr. Sec. School, Gangapole, Subhash Chowk, Motikatla Bazar, Char Darwaja, Rajasthan 302002 |
| 47 | Mar-24 | | Mr. Usha Pareek, Government Sr. Sec. School, Paldimeena, Sardar Ram Singh Higher Secondary School, Paldi Meena, Jaipur, NH-11, Agra Road, Jaipur, Rajasthan 302031 | Sr. No. 3TE43G2316BJ01AC4JS3929, 1 tv Unit, Government Sr. Sec. School, Paldimeena, Sardar Ram Singh Higher Secondary School, Paldi Meena, Jaipur, NH-11, Agra Road, Jaipur, Rajasthan 302031 |

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|---------|--|---|--|--|
| 48 | Mar-24 | | Mr. Deshraj Sharma, Government Sr. Sec. School, Watika, Vatika, Jaipur, Rajasthan 303905 | Sr. No. 3TE43G2316BJ01AC4JS3209, 1 tv Unit, Government Sr. Sec. School, Watika, Vatika, Jaipur, Rajasthan 303905 |
| 49 | Mar-24 | | Mrs. Sajni Sharma, Mahatma Gandhi Government School, Sheopur Rd, Sanganer, Sheopur, Pratap Nagar, Jaipur, Rajasthan 302033 | Sr. No. 3TE43G2316BJ01AC4JS3118, 1 tv Unit, Mahatma Gandhi Government School, Sheopur Rd, Sanganer, Sheopur, Pratap Nagar, Jaipur, Rajasthan 302033 |
| 50 | Mar-24 | | Mr. Bhagwan Prasad Trivedi, Government Sr. Sec School Jhallara, Near Bus Stand Jhallara, Dist. Udaipur 313038 | Sr. No. 3TE43G2316BJ01AC4JS3295, 1 tv Unit, Government Sr. Sec School Jhallara, Near Bus Stand Jhallara, Dist. Udaipur 313038 |
| 51 | Mar-24 | | Mrs. Santosh Meena, Government Girls Sr. Sec School Kherwara, Back Side Of Bus Stand kherwara, Dist. Udaipur 313803 | Sr. No. 3TE43G2316BJ01AC3JS4606, 1 tv Unit, Government Girls Sr. Sec School Kherwara, Back Side Of Bus Stand kherwara, Dist. Udaipur 313803 |
| 52 | Mar-24 | | Mr. Ram kishor, Government Sr. Sec. School, Bicchiwada, main buss stand Bichhiwara, Dist. Udaipur 313701 | Sr. No. 3TE43G2316BJ01AC4JS3284, 1 tv Unit, Mr. Ram kishor, Government Sr. Sec. School, Bicchiwada, main buss stand Bichhiwara, Dist. Udaipur 313701 |
| 53 | Mar-24 | | Mr. Badri lal Meena, Govt Sen Sec School Sagwara Paal, Dist. Udaipur 313802 | Sr. No. 3TE43G2316BJ01AC4JS1126, 1 tv Unit, Govt Sen Sec School Sagwara Paal, Dist. Udaipur 313802 |
| 54 | Mar-24 | | Mr. Rakesh Jain, Govt Sen Sec School Bawalwara, Near Bus Stand, Udaipur 313803 | Sr. No. 3TE43G2316BJ01AC4JS2953, 1 tv Unit, Govt Sen Sec School Bawalwara, Near Bus Stand, Udaipur 313803 |
| 55 | Mar-24 | | Mrs. Chandra lekha ladda, Government Sr. Sec School Bilakh, Kikawat, Rishabhdeo, Dist. Udaipur 313802 | Sr. No. 3TE43G2316BJ01AC4JS2625, 1 tv Unit, Government Sr. Sec School Bilakh, Kikawat, Rishabhdeo, Dist. Udaipur 313802 |
| 56 | Mar-24 | | Mr. Juber Khan, Govt senior secondary school kejad block sarada Dist. Udaipur pincode-313902 | Sr. No. 3TE43G2316BJ01AC4JS2993, 1 tv Unit, Govt senior secondary school kejad block sarada Dist. Udaipur pincode-313902 |
| 57 | Mar-24 | | Mr. Lalit kumar, Government Sr. Sec. School, Masaro Ki Obari, Dist. Udaipur 313802 | Sr. No. 3TE43G2316BJ01AC3JS1508, 1 tv Unit, Government Sr. Sec. School, Masaro Ki Obari, Dist. Udaipur 313802 |

| Sr. No. | Date of creation or acquisition of the capital asset(s). | Amount of CSR spent for creation or acquisition of capital asset. | Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. | Details of the capital asset(s) created or acquired including complete address and location of the capital asset. |
|--------------------|--|---|---|---|
| 58 | Mar-24 | | Mr. Mukesh Kumar Gupta, Government senior secondary school Banasthali Village. Banasthali Tehsil Newai distt. Tonk, Pin Code 304022 | Sr. No. 3TE43G2316BJ01AC3JS3804, 1 tv Unit, Government senior secondary school Banasthali Village. Banasthali Tehsil Newai distt. Tonk, Pin Code 304022 |
| 59 | Mar-24 | | Mr. Kana ram Choudhary, Government Senior Secondary School, Malpura, Dist. Tonk Pin 304502 | Sr. No. 3TE43G2316BJ01AC4JS1140, 1 tv Unit, Government Senior Secondary School, Malpura, Dist. Tonk Pin 304502 |
| 60 | Mar-24 | | Mr. Parveen Kumar Choudhary, Govt Sr Sec School Panwad Deoli Dist. Tonk Raj 304804 | Sr. No. 3TE43G2316BJ01AC4JS3631, 1 tv Unit, Govt Sr Sec School Panwad Deoli Dist. Tonk Raj 304804 |
| 61 | Mar-24 | | Mr. Aaqif, Mahatma Gandhi Government School police station ke pass main market Dattwas Dist. Tonk 304025 | Sr. No. 3TE43G2316BJ01AC4JS1129, 1 tv Unit, Mahatma Gandhi Government School police station ke pass main market Dattwas Dist. Tonk 304025 |
| Grand Total | | ₹5,425,808.00 | | |

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **NA**

Sd/-
Rajesh Sharma
Managing Director

Sd/-
Nupur Mukherjee
Chairperson of Committee

NA
[Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable)

Annexure - IV

Details pertaining to employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Sr. No | Particulars | Relevant details |
|--------|--|---|
| i. | The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24 | - Mr. Rajesh Sharma (Managing Director) – 7.27x. |
| ii. | The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year | - Directors: Mr. Rajesh Sharma (Managing Director) - NIL Key Managerial Personnel: Mr. Partha Chakraborti – Chief Financial Officer - NA* Mr. Yashesh Bhatt - Company Secretary – 10% |
| iii. | The percentage increase in the median remuneration of employees in the financial year | - 10.08% |
| iv. | The number of permanent employees on the rolls of Company | - 6,820 employees as on 31.03.2024 (7,604 employees as on 31.03.2023) |
| v. | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | - Average increase in salary of eligible employees other than managerial personnel is 11.52%. Remuneration of Managing Director was not increased during FY 2023-24. |
| vi. | It is hereby affirmed that the remuneration is paid as per the Remuneration Policy for the Directors, Key Managerial Personnel and employees | |

Notes:

Remuneration does not include variable pay.

*Mr. Partha Chakraborti was appointed as Chief Financial Officer with effect from October 31, 2023.

Annexure - V

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

- Corporate Identity Number (CIN) of the Listed Entity: L65921MH1994PLC173469
- Name of the Listed Entity: Capri Global Capital Limited
- Year of incorporation: 1994
- Registered office address: 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel Mumbai - 400013
- Corporate address: 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel Mumbai - 400013
- E-mail: secretarial@capriglobal.in
- Telephone: 022-40888100
- Website: www.capri loans.in
- Financial year for which reporting is being done: April 1, 2023 to March 31, 2024
- Name of the Stock Exchange(s) where shares are listed: The National Stock Exchange of India Limited and BSE Limited
- Paid-up Capital: ₹824.94 Million
- Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report: Mr. Aditya Gaur, Lead – ESG, sustainability@capriglobal.in, 022-40888100
- Reporting boundary: Standalone
- Name of assurance provider: NA
- Type of assurance obtained: NA

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

| S. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|--------|---------------------------------|----------------------------------|-----------------------------|
| 1 | Financial and Insurance Service | Financial and Insurance Service | 100% |

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| S. No. | Product/Service | NIC Code | % of total Turnover contributed |
|--------|---------------------------------|----------|---------------------------------|
| 1 | Financial and Insurance Service | 64920 | 100% |

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National | NA | 919 | 919 |
| International | NA | NA | NA |

19. Markets served by the entity:

a. Number of locations

| Locations | Number |
|----------------------------------|-----------|
| National (No. of States) | Pan India |
| International (No. of Countries) | NA |

b. What is the contribution of exports as a percentage of the total turnover of the entity?

None

c. A brief on types of customers

We cater to customers across various geographies and socio-economic statuses, serving various segments including MSMEs, individuals, institutions, and other diverse customer groups.

IV. Employees

20. Details as at the end of the Financial Year:

a. Employees and workers (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------|-------------------------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 6,820 | 5,770 | 84.60% | 1,050 | 15.40% |
| 2. | Other than Permanent (E) | 0 | 0 | 0 | 0 | 0 |
| 3. | Total employee (D + E) | 6,820 | 5,770 | 84.60% | 1,050 | 15.40% |
| WORKERS | | | | | | |
| 4. | Permanent (F) | | | 0 | | |
| 5. | Other than Permanent (G) | | | 0 | | |
| 6. | Total workers (F + G) | | | 0 | | |

b. Differently abled employees and workers:

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|---|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 4 | 4 | 100 | 0 | 0 |
| 2. | Other than Permanent (E) | 0 | 0 | 0 | 0 | 0 |
| 3. | Total differently abled employees (D + E) | 4 | 4 | 100 | 0 | 0 |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | | | 0 | | |
| 5. | Other than Permanent (G) | | | 0 | | |
| 6. | Total workers (F + G) | | | 0 | | |

21. Participation/Inclusion/Representation of women

| | Total (A) | No. and percentage of Females | |
|--------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 7 | 1 | 14.29% |
| KMP | 2* | 0 | 0% |

*MD has been considered in Board of Directors

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

| | FY 2023-24 * | | | FY 2022-23 | | | FY 2021-22 | | |
|---------------------|--------------|--------|--------|------------|--------|--------|------------|--------|--------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 32.80% | 29.50% | 32.30% | 24.3% | 8.8% | 19.80% | 23.7% | 19.7% | 23.50% |
| Permanent Workers | NA | NA | NA | NA | NA | NA | NA | NA | NA |

*While calculating attrition, all employees who have attrited post 180 days voluntarily are only considered. The involuntary exits like Absconding / Disciplinary exits are not included while calculating attrition. Total turnover rate including the mentioned factors is 77.50%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding/ Subsidiary/ associate companies/ joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|--|---|-----------------------------------|--|
| 1 | Capri Global Housing Finance Limited | Subsidiary | 100% | No |
| 2 | Capri Loans Car Platforms Pvt Ltd | Subsidiary | 100% | No |

VI. CSR Details

- 24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes
- (ii) Turnover (in ₹) - 17,831.89 Million
- (iii) Net worth (in ₹) - 35,042.11 Million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy) | FY 2023-24 | | | FY 2022-23 | | |
|---|--|--|--|--|--|--|--|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes | Nil | Nil | - | Nil | Nil | - |
| Investors (other than shareholders)* | Yes | Nil | Nil | - | Nil | Nil | - |
| Shareholders | Yes | Nil | Nil | - | Nil | Nil | - |
| Employees and workers | Yes | 3 | 0 | Resolved and Action Taken | 2 | 0 | - |
| Customers | Yes | 275 | 8 | All the 8 Open Complaints were closed by April 16, 2024. | 284 | 3 | All the 3 open complaints were closed by April 13, 2023. |
| Value Chain Partners | No | - | - | - | - | - | - |
| Other (please specify) | - | - | - | - | - | - | - |

* Investors (other than shareholders) are considered as Company's debt securities (NCDs).

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications, as per the following format

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/ opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|--|--|--|--|---|
| 1. | Corporate governance and business ethics | Opportunity and Risk | Corporate governance and business ethics are vital for establishing trust with stakeholders and boosting Capri's reputation. By focusing on transparency, accountability, and sustainable practices, Capri shows its dedication to these principles. | NA | Positive and Negative Prioritizing strong corporate governance and ethical conduct can bring about substantial financial benefits. Increased trust and a strong reputation attract more investors, potentially lowering capital costs. Failing governance protocols risks regulatory penalties, reputational damage, financial instability, liquidity crises, and loss of licenses. Strict compliance ensures operational integrity and long-term success. |
| 2. | Compliance | Opportunity | Compliance is crucial for avoiding legal penalties and maintaining the company's reputation. Adhering to regulatory requirements enhances trust and credibility with stakeholders. Treating compliance as a key priority helps streamline operations and fosters a culture of integrity, positioning Capri as a reliable and responsible player in the market. | NA | Positive Effective compliance reduces the risk of costly fines and legal issues. It also improves operational efficiency and attracts investment by ensuring adherence to regulations. This proactive approach builds investor confidence, supporting long-term financial stability and growth. |
| 3. | Data privacy and protection | Opportunity and Risk | Data privacy and protection are essential for maintaining customer trust and complying with regulations. Prioritizing internal safeguards to ensure sensitive information, collection, use and new clients, driving revenue reducing the risk of breaches storage of data is growth. Enhanced data and associated reputational secure. | To ensure data protection & privacy, there are policies of costly data breaches and guidelines to ensure the customer loyalty and attracts sensitive information, collection, use and new clients, driving revenue reducing the risk of breaches storage of data is growth. Enhanced data security practices also improve operational efficiency and reduce potential financial losses, contributing to long-term profitability and stability. | Positive and Negative & Investing in data privacy and protection mitigates the risk with regulations. Prioritizing internal policies of costly data breaches and this area demonstrates Capri's and guidelines regulatory fines. It fosters commitment to safeguarding to ensure the customer loyalty and attracts sensitive information, collection, use and new clients, driving revenue reducing the risk of breaches storage of data is growth. Enhanced data security practices also improve operational efficiency and reduce potential financial losses, contributing to long-term profitability and stability. |
| 4. | IT and cyber security | Opportunity and Risk | IT and cyber security are critical for protecting company assets and sensitive information. While Capri implements robust cybersecurity practices, inadequate regular vulnerability assessments, ensuring business continuity, breaches, legal penalties, and reputational damage. | To mitigate IT and cyber security risks, Capri implements robust security protocols, conducts regular vulnerability assessments, ensuring business continuity, breaches, legal penalties, and reputational damage. | Positive and Negative Effective cyber security can enhance financial stability by preventing costly breaches and associated fines, boosting customer confidence, and measures can lead to data assessments, ensuring business continuity. Similarly, poor cyber security compliance with industry standards. losses, regulatory penalties, and loss of customer trust, severely impacting the market position. |

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--|--|-----|-----------------------------------|-----|-----|-----|-----|-----|-----|
| Policy and management processes | | | | | | | | | |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. Web Link of the Policies, if available | All the policies are hosted on <ul style="list-style-type: none"> https://www.capri loans.in/corporate-governance/ https://www.capri loans.in/esg-policies-and-disclosures/ whereas few of the policies are internal documents. | | | | | | | | |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | We promote responsible and sustainable practices throughout our value chain, encouraging our partners to join us in adopting ethical business conduct within their capabilities. | | | | | | | | |
| 4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | Nil | Nil | Great Place to Work Certification | Nil | Nil | Nil | Nil | Nil | Nil |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| 6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

Governance, leadership and oversight

| | | | | | | | | | |
|--|--------------------------------------|--|--|--|--|--|--|--|--|
| 7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Covered in the Annual Report | Covered in the Annual Report | | | | | | | | |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | Mr. Rajesh Sharma, Managing Director | | | | | | | | |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | Mr. Rajesh Sharma, Managing Director | | | | | | | | |

10. Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | |
|--|--|-----|-----|-----|-----|-----|-----|-----|-----|--|-----|-----|-----|-----|-----|-----|-----|-----|
| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Performance against above policies and follow up action | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Policies are reviewed periodically or as per need basis to meet requirements. | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | The company complies with all the extant regulations. Also, as and when any compliance is made applicable to the entity, required measures are being taken | | | | | | | | |

| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. | | | | | | | | | No* |

* The respective business heads and management conduct internal evaluations of the policies, after which they seek Board approval

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

| Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|-----|-----|-----|-----|-----|-----|-----|-----|
| The entity does not consider the principles material to its business (Yes/No) | The Company considers all the principles material to the business. It does not currently conduct independent third-party assessments of its policies. | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | No | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | No | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | No | | | | | | | | |
| Any other reason (please specify) | - | | | | | | | | |

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leading indicators may be voluntarily disclosed by entities that aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

| Segment | Total number of training and awareness programs held | Topics/principles covered under the training and its impact | %age of persons in respective category covered by the awareness programs |
|-----------------------------------|--|--|--|
| Board of Directors | 1 | The ESG team conducted an NGRBC guiding principles session for all the Board members | 100% |
| Key Managerial Personnel | 1 | P1, P3, P5,P8,P9 | 100% |
| Employees other than BoD and KMPs | 1 | P1, P3, P5,P8,P9 | 100% |
| Workers | NA | NA | NA |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

| | Monetary | | | | |
|-----------------|-----------------|---|---------------|-------------------|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In ₹) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/ Fine | NA | NA | Nil | NA | NA |
| Settlement | Nil | NA | Nil | NA | NA |
| Compounding Fee | Nil | NA | Nil | NA | NA |

| Non-Monetary | | | | |
|--------------|-----------------|---|-------------------|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Imprisonment | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|--------------|---|
| NA | NA |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes, the company has a well-defined anti-bribery and anti-corruption policy, which sets out the company's responsibilities, and those working for and on its behalf, in observing and upholding its position on bribery and corruption in their dealings. The policy has been formulated in line with the organisational code of conduct, including policies like whistleblower and the management of conflicts of interest, as well as the rules and regulations adopted by the company.

The policies are hosted at <https://www.capri loans.in/corporate-governance/>

Anti Bribery and Anti-Corruption Policy : <https://cgcdn.capri loans.in/wp-content/uploads/2024/02/05171819/Anti-Bribery-and-Anti-Corruption-Policy-CGCL-27.01.2024-1.pdf> (capri loans.in)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

| | FY 2023-24 | FY 2022-23 |
|-----------|------------|------------|
| Directors | 0 | 0 |
| KMPs | 0 | 0 |
| Employees | 0 | 0 |
| Workers | NA | NA |

6. Details of complaints with regard to conflict of interest:

| | 2023-24 | | FY 2022-23 | |
|--|---------|---------|------------|---------|
| | Numbers | Remarks | Numbers | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0 | - | 0 | - |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | 0 | - | 0 | - |

7. Provide details of any corrective action taken or underway on issues related to fines/penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Nil

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

| | FY 2023-24 | FY 2022-23 |
|-------------------------------------|------------|------------|
| Number of days of accounts payables | 19 | 32 |

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties in the following format:

| Parameter | Metrics | FY 2023-24 | FY 2022-23 |
|----------------------------|--|------------|------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | NA | NA |
| | b. Number of trading houses where purchases are made from | NA | NA |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | NA | NA |
| Concentration of Sales | a. Sales to dealers / distributors as % of total sales | NA | NA |
| | b. Number of dealers / distributors to whom sales are made | NA | NA |
| | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors | NA | NA |
| Share of RPTs in | a. Purchases (Purchases with related parties / Total Purchases) | 0.85% | 0.78% |
| | b. Sales (Sales to related parties / Total Sales) | 0.23% | 0.35% |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | 0% | 0% |
| | d. Investments (Investments in related parties / Total Investments made) | 90.28% | 90.28% |

Leadership Indicators

1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

| Total number of awareness programs held | Topics / principles covered under the training | %age of value chain partners covered (by value of business done with such partners) under the awareness programs |
|---|--|--|
| Nil | Nil | Nil |

2. Does the entity have processes in place to avoid/ manage conflicts of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, we maintain a strict stance against unethical business practices and ensure compliance with pertinent principles, particularly regarding conflicts of interest. We have a policy on Related Party Transactions which governs to avoid/manage conflict of interest.

Link to the policy: <https://cgcdn.capri loans.in/wp-content/uploads/2024/06/25105046/08.-RPT-Policy-05.08.2023.pdf>

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

| | FY 2023-24 | 2022-23 | Details of improvements in environmental and social impacts |
|-------|------------|---------|---|
| R&D | Nil | Nil | Nil |
| Capex | Nil | Nil | Nil |

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) –

Being a financial products and services company, we do not require significant raw materials or manufacture any tangible goods. Although, we champion resource conservation and innovative methods to reduce reliance on natural resources. Capri Global is committed to sustainability by implementing initiatives to reduce paper usage, such as digital document management systems and promoting electronic communication channels. We implement recycling programs and encourage employees to adopt sustainable practices. Additionally, Capri Global invests in

energy-efficient technologies and practices, such as LED lighting and motion sensors, to minimise carbon footprint and enhance operational efficiency.

Building on our Phase one efforts in FY 22-23, Phase Two of our Environmental and Social Responsibility program focuses on advancing green IT practices, deepening employee engagement, and expanding paperless operations. We are implementing advanced virtualization and energy-efficient hardware. To further our commitment, we are intensifying paperless operations with enterprise-wide digital document management systems and e-signature solutions.

Inverter Air Conditioners with R32 Refrigerant: As part of our green initiative, we are outfitting all our gold loan branches with inverter air conditioners that utilize R32 refrigerant. R32 is recognized globally for its low global warming potential (GWP) and high energy efficiency. This step not only adheres to international green standards but also supports India's National Action Plan on Climate Change, which emphasizes reducing greenhouse gas emissions.

Recyclable Gold Pouches Made from LDPE: Our gold pouches are made from low-density polyethylene (LDPE), a globally accepted recyclable plastic. This initiative supports our efforts to reduce plastic waste, in line with global best practices and India's Plastic Waste Management Rules, which emphasize recycling and sustainable use of plastics.

- b. If yes, what percentage of inputs were sourced sustainably?
NA

- 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Capri solely provides financial services and doesn't manufacture products. It manages e-waste internally and collaborates with certified handlers for its disposal. Around 1,162 Kgs of e-waste have been responsibly disposed of through authorised recyclers. Capri is reducing the usage of plastics in its offices and branches by replacing them with alternatives.

- 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.
Given the nature of operations, EPR is not applicable to Capri.

Leadership Indicators

- 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

| NIC Code | Name of Product / Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) If yes, provide the web-link. |
|----------|---------------------------|---------------------------------|--|---|--|
| NA | | | | | |

- 2. If there are any significant social or environmental concerns and/or risks arising from the production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

| Name of Product / Service | Description of the risk / concern | Action Taken |
|---------------------------|-----------------------------------|--------------|
| NA | | |

- 3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

| Indicate input material | Recycled or re-used input material to total material | |
|-------------------------|--|------------|
| | FY 2023-24 | FY 2022-23 |
| NA | NA | NA |

- 4. Of the products and packaging reclaimed at the end of life of products, the amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

| | FY 2023-24 | | | FY 2022-23 | | |
|--------------------------------|------------|----------|-----------------|------------|----------|-----------------|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (including packaging) | NA | | | | | |
| E-waste | NA | | | | | |
| Hazardous waste | NA | | | | | |
| Other waste | NA | | | | | |

- 5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|---|
| NA | NA |

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

- 1. a. Details of measures for the well-being of employees:

| Category | Total (A) | % of employees covered by | | | | | | | | | |
|---------------------------------------|-----------|---------------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent employees | | | | | | | | | | | |
| Male | 5,770 | 3,684 | 64% | 5,770 | 100% | 0 | 0% | 5,770 | 100% | Nil | Nil |
| Female | 1,050 | 493 | 47% | 1,050 | 100% | 1,050 | 100% | 0 | 0% | Nil | Nil |
| Total | 6,820 | 4,177 | 61.25% | 6,820 | 100% | 1,050 | 100% | 5,770 | 100% | Nil | Nil |
| Other than Permanent employees | | | | | | | | | | | |
| Male | NA | | | | | | | | | | |
| Female | NA | | | | | | | | | | |
| Total | NA | | | | | | | | | | |

- b. Details of measures for the well-being of workers

| Category | Total (A) | % of employees covered by | | | | | | | | | |
|---------------------------------------|-----------|---------------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent employees | | | | | | | | | | | |
| Male | NA | | | | | | | | | | |
| Female | NA | | | | | | | | | | |
| Total | NA | | | | | | | | | | |
| Other than Permanent employees | | | | | | | | | | | |
| Male | NA | | | | | | | | | | |
| Female | NA | | | | | | | | | | |
| Total | NA | | | | | | | | | | |

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

| | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Cost incurred on well- being measures as a % of total revenue of the company | 0.23% | 0.30% |

2. Details of retirement benefits, for Current FY and Previous Financial Year.

| Benefits | FY 2023-24 | | | FY 2022-23 | | |
|-------------------------|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 97% | NA | Yes | 96% | NA | Yes |
| Gratuity | 100% | NA | NA | 100% | NA | NA |
| ESI | 32% | NA | Yes | 32% | NA | Yes |
| Others – please specify | NA | NA | NA | NA | NA | NA |

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

At Capri Global, workplace accessibility is a priority. We are committed to creating an inclusive environment for all stakeholders, including those with disabilities, as mandated by the Rights of Persons with Disabilities Act, 2016. We have already made progress and are consistently enhancing our premises to be more inclusive. These efforts, outlined in our public and internal policies, demonstrate our dedication to equal opportunities and inclusivity within our organization. Notably, our corporate and regional offices are equipped with ramps to facilitate seamless mobility and ensure wheelchair accessibility for individuals with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Capri remains dedicated to being an employer of equal opportunity and non-discrimination, fostering a culture of inclusion and belongingness, and unequivocally opposing any form of discriminatory behavior. Its Equal Opportunity No discrimination policy ensures fairness for all, regardless of disability, marital status, race, religion, gender, sexual orientation, etc., with the goal of treating all employees and job applicants with parity. We are committed to complying with the provisions of the Rights of Persons with Disabilities Act, 2016, and ensuring a workplace that fosters inclusivity and non-discrimination. The policy on Equal Opportunity and No Discrimination applies to all job applicants, employees, trainees, and consultants (including individuals under direct contract with CGCL) and can be accessed at <https://cgcdn.capri loans.in/wp-content/uploads/2024/02/05161228/Equal-Opportunity-and-No-Discrimination-Policy-CGCL-27.01.2024.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees | | Permanent workers | |
|--------|---------------------|----------------|---------------------|----------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 100% | 66.10% | NA | NA |
| Female | 96.4% | 0% | NA | NA |
| Total | 99.3% | 58.60% | NA | NA |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

| | Yes/No (If yes, then give details of the mechanism in brief) |
|--------------------------------|--|
| Permanent Workers | NA |
| Other than Permanent Worker | NA |
| Permanent Employees | Yes, Capri cultivates an environment characterised by equity, transparency, and receptiveness, encouraging employees to freely express their perspectives. The company ensures clear communication of its policies and practices to all employees. Capri empowers its workforce to operate without apprehension of bias, discrimination based on gender, or harassment, enforcing a strict zero-tolerance stance on any breaches of these values. A grievance procedure is in place, allowing employees to confidentially and anonymously report concerns without fear. Additionally, Capri provides avenues for ethical consultations through established channels such as the Whistleblower Policy, Prevention of Sexual Harassment Policy, and other relevant policies. |
| Other than Permanent Employees | NA |

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|----------|--|--|---------|--|--|---------|
| | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B/A) | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B/A) |

| Total Permanent Employees | | | | | | |
|---------------------------|-----|--|--|--|--|--|
| Male | Nil | | | | | |
| Female | Nil | | | | | |

| Total Permanent Workers | | | | | | |
|-------------------------|----|--|--|--|--|--|
| Male | NA | | | | | |
| Female | NA | | | | | |

8. Details of training given to employees and workers:

| Category | FY 2023-24 | | | | FY 2022-23 | | | | | |
|----------|------------|-------------------------------|---------|--------------------------|------------|-----------|-------------------------------|---------|----------------------|---------|
| | Total (A) | On Health and safety measures | | On Skill upgradation No. | | Total (A) | On Health and safety measures | | On Skill upgradation | |
| | | (B) % | (B / A) | No. (C) | (C / A) % | | No. (E) | % (E/D) | No. (F) | % (F/D) |

| Total Permanent Employees | | | | | | | | | | |
|---------------------------|-------|---|----|-------|--------|-------|---|----|-------|-----|
| Male | 5,770 | 0 | 0% | 2,247 | 38.94% | 6,700 | 0 | 0% | 1,491 | 22% |
| Female | 1,050 | 0 | 0% | 334 | 31.81% | 902 | 0 | 0% | 212 | 24% |
| Total | 6,820 | 0 | 0% | 2,581 | 37.84% | 7,602 | 0 | 0% | 1,703 | 22% |

| Total Permanent Workers | | | | | | | | | | |
|-------------------------|---|--|--|--|--|--|--|--|--|--|
| Male | 0 | | | | | | | | | |
| Female | 0 | | | | | | | | | |
| Total | 0 | | | | | | | | | |

9. Details of performance and career development reviews of employees and worker:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|------------------|------------|---------|-----------|------------|---------|-----------|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| Employees | | | | | | |
| Male | 5,770 | 4,357 | 76% | 6,700 | 3,725 | 56% |
| Female | 1,050 | 734 | 70% | 902 | 462 | 51% |
| Total | 6,820 | 5,091 | 75%* | 7,602 | 4,187 | 55% |
| Worker | | | | | | |
| Male | NA | NA | NA | NA | NA | NA |
| Female | NA | NA | NA | NA | NA | NA |
| Total | NA | NA | NA | NA | NA | NA |

*Performance review is conducted for eligible employees who have completed a minimum of 6 months

10. Health and safety management system:

a. Has an occupational health and safety management system been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

Capri Global ensures employee education and training on safety protocols through regular fire safety training and evacuation drills. Ongoing awareness initiatives include email communications, physical and digital posters/banners, and various internal communication channels. Furthermore, we have launched comprehensive employee engagement campaigns aimed at promoting and instilling healthy and safety practices among employees. We have already deployed various measures to ensure a healthy and Safe environment at our offices such as placement of Fire extinguishers, First Aid Kits, ensuring Electrical safety, access to medical facilities, good ergonomics to name a few. The OHS management system covers 100% employees.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Being in the financial sector, we do not have work-related hazards. Ensuring the safety of our employees is paramount, reflected in our routine branch inspections aimed at preemptively detecting and mitigating any workplace hazards

or risks. These inspections play a crucial role in upholding our dedication to a safe work environment. Through these assessments, we meticulously evaluate different facets of the workplace to guarantee adherence to safety protocols and legal requirements. This year, Capri introduced an extensive Occupational Health and Safety (OHS) Policy ([Occupational-Health-and-Safety-Policy-CGCL-27.01.2024.pdf \(capri loans.in\)](#)) and is currently establishing formal procedures to report work-related hazards

- c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (Y/N)
NA
- d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)
Yes. Capri provides its staff with a Group Term Life Insurance and a Medclaim plan to cover non-work-related medical and healthcare requirements. Information about these plans is shared with employees during their orientation.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number | Category | FY 2023-24 | FY 2022-23 |
|---|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked) | Employees | Nil | Nil |
| | Workers | NA | NA |
| Total recordable work-related injuries | Employees | Nil | Nil |
| | Workers | NA | NA |
| No. of fatalities | Employees | Nil | Nil |
| | Workers | NA | NA |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | Nil | Nil |
| | Workers | NA | NA |

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Capri Global prioritizes the safety and well-being of the employees, with dedicated policies in place for a healthy and safe workplace. We regularly host webinars on Health & Safety to promote employee well-being and maintain good ergonomics across our branches. Our staunch dedication to employee health and safety is deeply ingrained in our organizational culture, nurturing a secure and supportive work environment for everyone. Additionally, we are enhancing safety equipment at our branches to further strengthen safety measures.

13. Number of complaints on the following made by employees and workers:

| | FY 2023-24 | | | FY 2022-23 | | |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | Nil | Nil | - | Nil | Nil | - |
| Health & Safety | Nil | Nil | - | Nil | Nil | - |

14. Assessments for the year:

| % of your plants and offices that were assessed (by entity or statutory authorities or third parties) | |
|---|------|
| Health and safety practices | 100% |
| Working Conditions | 100% |

- 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.
We did not require any corrective actions related to the parameters mentioned above during the review period.

Leadership Indicators

- 1. Does the entity extend any life insurance or any compensatory package in the event of the death of (A) Employees (Y/N) (B) Workers (Y/N)?
Yes, Capri provides term insurance coverage for all the employees.

- 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Capri aims to encourage its partners within the value chain to engage in responsible and sustainable business practices based on their capabilities and resources. The company verifies that all relevant taxes are deducted and deposited as per current regulations. This process is also assessed during both internal and statutory audits. Capri expects its value chain partners to adhere to principles of business responsibility, transparency, and accountability. To ensure this, the company has established statutory and internal audit policies and procedures.

- 3. Provide the number of employees/workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| | Total. of affected employess/ worker | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|-----------|--------------------------------------|------------|---|------------|
| | FY 2023-24 | FY 2022-23 | FY 2023-24 | FY 2022-23 |
| Employees | Nil | Nil | Nil | Nil |
| Workers | NA | NA | NA | NA |

- 4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Capri does not aid programs but dedicates substantial time and resources to train and develop its employees, ensuring they remain up-to-date with the latest trends and technology. These comprehensive training programs cultivate highly skilled individuals who maintain their employability even after retirement or termination. This investment in our workforce enhances our organizational capabilities and contributes to long-term success.

- 5. Details on assessment of value chain partners:

| % of value chain partners (by value of business done with such partners) that were assessed | |
|---|-----|
| Health and safety practices | Nil |
| Working Conditions | Nil |

- 6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.
Nil

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

- 1. Describe the processes for identifying key stakeholder groups of the entity.

Recognising essential stakeholder groups is a pivotal task at Capri. We undertake a stakeholder mapping process to pinpoint both internal and external stakeholders. Internally, our stakeholders comprise employees who form a crucial component of the company. They actively contribute to daily operations, significantly influence the organization's achievements, and are directly affected by its decisions and endeavors. Externally, stakeholders encompass diverse groups with unique interests, including investors/shareholders, customers, suppliers, value chain partners regulators, and local communities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable % Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisements, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annual/Half Yearly/ Quarterly/ Others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagements |
|-------------------------|--|--|--|---|
| Employees | No | Multiple channels- Email, Direct Communication, Feedback and survey, Internal circulars | Daily | Information sharing, Employee engagement and L&D |
| Investors/ Shareholders | No | Investor Presentation AGM, Annual Report, Investor Meet,, Media Release | Quarterly/Annually and need based | To provide updates on the Company performance, significant developments, and other pertinent information |
| Customers | No | Physical and Digital Channels | Need Based | Gathering customer feedback and addressing grievances, sharing information, and offering customer support throughout the entire service life cycle. |
| Suppliers | No | Meetings, Emails, Telephone | Need Based | Product/Services delivery |
| Government/ Regulators | No | Multiple channels- Email, Personal Meetings and Statutory Fillings | As and when required | For regulatory compliance |
| Local Communities | Yes | Meetings, engagement with CSR Implementation Partners | As and when required | CSR Project Development |

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board. Number of consumer complaints

At Capri Global, we value engaging with stakeholders on economic, environmental, and social issues. We conduct regular consultations across departments and channels. Based on these interactions, we consolidate feedback for the Board of Directors, depending on the nature of the topic. We ensure transparent communication and provide relevant information within regulatory limits, balancing confidentiality with stakeholder needs. Stakeholder engagement is ongoing, led by responsible business units, with senior executives joining as needed. The Board of Directors stays informed about these engagements and offers guidance as necessary.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

At Capri Global, stakeholder consultation is vital for identifying and managing environmental and social issues. We actively seek input to shape our policies and activities, incorporating stakeholder feedback into our ESG strategy, policymaking, and identifying opportunities such as implementing measurement systems. We ensure transparent communication and access to relevant information within regulatory limits. Stakeholder engagement is ongoing, led by responsible business functions, with senior executives joining as needed. The Board of Directors is kept informed of developments from these engagements and provides guidance accordingly.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

We are dedicated to promoting Sustainable Development and community welfare through our Corporate Social Responsibility (CSR) initiatives. We view CSR not merely as a mandate but as a chance to be a responsible member of society, fostering enduring positive transformations in people's lives and communities.

Our CSR initiatives are tailored to align with the Sustainable Development Goals (SDGs), emphasizing education, healthcare, skill development, environmental conservation, and women's empowerment for vulnerable and marginalized groups. Comprehensive details about our CSR programs are provided in the Director's Report.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| | FY 2023-24 | | | FY 2022-23 | | |
|----------------------|------------|--|-----------|------------|--|-----------|
| | Total (A) | No. of employees / workers covered (B) | % (B / A) | Total (A) | No. of employees / workers covered (D) | % (D / C) |
| Employees | | | | | | |
| Permanent | 6,820 | 6,820 | 100% | 7,602 | 7,602 | 100% |
| Other than permanent | NA | NA | NA | NA | NA | NA |
| Total Employees | 6,820 | 6,820 | 100% | 7,602 | 7,602 | 100% |
| Workers | | | | | | |
| Permanent | NA | NA | NA | NA | NA | NA |
| Other than permanent | NA | NA | NA | NA | NA | NA |
| Total Workers | NA | NA | NA | NA | NA | NA |

We have considered Anti Bribery and Anti-Corruption, Equal Opportunity No Discrimination, Human Rights, Occupational Health and Safety and other mandatory trainings in this category

2. Details of minimum wages paid to employees and workers, in the following format:

| | FY 2023-24 | | | | | FY 2022-23 | | | | |
|----------------------|------------|-----------------------|---------|------------------------|----------|------------|-----------------------|----------|------------------------|----------|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/ A) | | No. (E) | % (E/ D) | No. (F) | % (F/ D) |
| Employees | | | | | | | | | | |
| Permanent | 5,770 | 101 | 1.75% | 5,669 | 98.25% | 6,700 | 20 | 0.3% | 6,680 | 99.7% |
| Male | 1,050 | 17 | 1.62% | 1,033 | 98.38% | 902 | 5 | 0.6% | 897 | 99.4% |
| Female | | | | | | | | | | |
| Workers | | | | | | | | | | |
| Other than Permanent | | | | | | | | | | |
| Male | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Female | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| | FY 2023-24 | | | | | FY 2022-23 | | | | |
|----------------------|------------|-----------------------|---------|------------------------|----------|------------|-----------------------|----------|------------------------|----------|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/ A) | | No. (E) | % (E/ D) | No. (F) | % (F/ D) |
| Workers | | | | | | | | | | |
| Permanent | | | | | | NA | | | | |
| Male | | | | | | NA | | | | |
| Female | | | | | | NA | | | | |
| Other than Permanent | | | | | | NA | | | | |
| Male | | | | | | NA | | | | |
| Female | | | | | | NA | | | | |

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages

| | Number | Male | | Female | |
|----------------------------------|--------|---|--------|--|--------|
| | | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category | Number |
| Board of Directors (BoD) | 6 | No remunerations is being paid to Independent Board of Directors except for sitting fees* | 1 | No remunerations is being paid to Board of Directors except for sitting fees | |
| KMP | 2* | ₹6,935,562 | - | - | |
| Employees other than BoD and KMP | 5,767 | ₹300,039 | 1,050 | ₹250,038 | |
| Workers | | | NA | | |

*MD has been considered in BoD and has a remuneration of ₹24 lacs per annum

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

| | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Gross wages paid to females as % of total wages | 10.04% | 10.99% |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company has a formal, confidential, and anonymous grievance redressal system for employees, including human rights-related issues. All employees can access this system, and grievances are directed to the appropriate team for resolution. Refer to the human rights policy for further information:

<https://cgcdn.capriiloans.in/wp-content/uploads/2024/02/05161229/Human-Rights-Policy-CGCL-27.01.2024.pdf>

<https://cgcdn.capriiloans.in/wp-content/uploads/2024/05/29133957/Whistle-Blower-Policy.pdf>

In case of any grievances, an email can be sent to whistle.blower@capriglobal.in with the details of the case.

6. Number of complaints on the following made by employees and workers:

| Filed | FY 2023-24 | | | FY 2022-23 | | |
|-----------------------------------|------------|---------|---------|-----------------------|---------------------------------------|---------|
| | Filed | Pending | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | Nil | Nil | - | Nil | Nil | - |
| Discrimination At workplace | Nil | Nil | - | Nil | Nil | - |
| Child Labour | Nil | Nil | - | Nil | Nil | - |
| Forced Labour/ Involuntary Labour | Nil | Nil | - | Nil | Nil | - |
| Wages | Nil | Nil | - | Nil | Nil | - |
| Other human Rights related issues | Nil | Nil | - | Nil | Nil | - |

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

| | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal)Act, 2013 (POSH) | Nil | Nil |
| Complaints on POSH as a % of female employees / workers | Nil | Nil |
| Complaints on POSH upheld | Nil | Nil |

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Capri has a formal grievance mechanism for all employees to report discrimination and harassment concerns confidentially and anonymously without fear of retaliation. This mechanism aligns with our POSH, Human Rights, Equal opportunity No discrimination and Whistleblower policies. Capri ensures a safe working environment and prohibits discrimination, harassment, or related retaliation. Our policies aim to prevent such incidents and protect employees who report complaints.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

The company has established a Code of Conduct for all value chain partners. This ensures that Capri avoids any financing activities associated with human rights violations. Additionally, our suppliers' code of conduct mandates a self-declaration from suppliers affirming they will not engage in activities that lead to human rights or environmental violations.

10. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Child labour | |
| Forced/involuntary labour | |
| Sexual harassment | Nil |
| Discrimination at workplace | |
| Wages | |
| Others – please specify | |

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Nil

Leadership Indicators

1. Details of a business process being modified/introduced due to addressing human rights grievances/complaints. There were no human rights violations in the current reporting year.

2. Details of the scope and coverage of any Human rights due diligence conducted.

None. Our policies and governance framework safeguard a wide range of Human Rights aspects throughout the organisation.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

At Capri Global, we prioritize workplace accessibility, acknowledging the importance of creating an inclusive environment for all stakeholders, including individuals with disabilities, as per the Rights of Persons with Disabilities Act, 2016. While we have already made improvements to enhance accessibility, we are continuously working to further improve our premises and offices, ensuring they are designed with inclusivity in mind. We are taking steps to address any existing barriers and make our workplaces more inclusive, as outlined in our publicly available policies and internal communications. Our ongoing commitment to inclusivity underscores our commitment to providing equal opportunities for everyone in our organization.

4. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|----------------------------------|---|
| Sexual Harassment | |
| Discrimination at workplace | |
| Child Labour | |
| Forced Labour/Involuntary Labour | Nil |
| Wages | |
| Others – please specify | |

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NA

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|---|--------------------|------------|
| From renewable sources | - | - |
| Total electricity consumption (A) | - | - |
| Total fuel consumption (B) | - | - |
| Energy consumption through other sources (C) | - | - |
| Total energy consumed from renewable sources (A+B+C) | | |
| From non-renewable sources | | |
| Total electricity consumption (D) | 24,026.78 GJ | - |
| Total fuel consumption (E) | - | - |
| Energy consumption through other sources (F) | - | - |
| Total energy consumed from nonrenewable sources (D+E+F) | 24,026.78 GJ | - |
| Total energy consumed (A+B+C+D+E+F) | 24,026.78 GJ | - |
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) | 1.34 GJ/₹ Million | - |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) | 30.18 GJ/₹ Million | - |
| (Total energy consumed / Revenue from operations adjusted for PPP) | | |
| Energy intensity in terms of physical output | - | - |
| Energy intensity (optional) – the relevant metric may be selected by the entity | - | - |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.
- NA

3. Provide details of the following disclosures related to water, in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|---|---------------------|------------|
| Water withdrawal by source (in kiloliters) | | |
| (i) Surface water | - | - |
| (ii) Groundwater | - | - |
| (iii) Third-party water | 3,178.51 | - |
| (iv) Seawater / desalinated water | - | - |
| (v) Others | - | - |
| Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v) | 3,178.51 | - |
| Total volume of water consumption (in kiloliters) | 3,178.51 | - |
| Water intensity per rupee of turnover (Water consumed / turnover) | 0.1782 KL/₹ Million | - |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) | 3.99 KL/₹ Million | - |
| (Total water consumption / Revenue from operations adjusted for PPP) | | |
| Water intensity in terms of physical output | - | - |
| Water intensity (optional) – the relevant metric may be selected by the entity | - | - |

-Due to nature of our business, Water is not a material topic for us. There is a minimal consumption of water for drinking and sanitation purposes only, thus, we don't monitor our water consumption, but we are in process to record the data.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

4. Provide details related to water discharged:

| Parameter | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) To Surface water | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (ii) To Groundwater | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (iii) To Seawater | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (iv) Sent to third-parties | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (v) Others | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| Total water discharged (in kilolitres) | - | - |

Due to the nature of our business, this is not applicable to us.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
Due to the nature of our business, it is not applicable to us.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter | Please specify unit | FY 2023-24 | FY 2022-23 |
|-------------------------------------|---------------------|------------|------------|
| NOx | - | - | - |
| Sox | - | - | - |
| Particulate matter (PM) | - | - | - |
| Persistent organic pollutants (POP) | - | - | - |
| Volatile organic compounds (VOC) | - | - | - |
| Hazardous air pollutants (HAP) | - | - | - |
| Others – please specify | - | - | - |

Due to the nature of our business, this is not applicable to us.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|--|-------------------------------------|----------------------|------------|
| Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | - | - |
| Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 4738.62 MtCO2e | - |
| Total Scope 1 and Scope 2 emissions per rupee of turnover | Metric tonnes of CO2 equivalent / ₹ | 0.0026 kgCO2e/ rupee | - |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | - | 0.00595 Kg/rupee | - |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output | - | - | - |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity | - | - | - |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

8 Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details.
At Capri, we are striving to achieve environmental excellence and Greenhouse Gas emission reduction is one of the key focus areas for us. We are using efficient lighting and cooling systems at our branches, resulting in electricity savings and thereby Greenhouse Gas reduction.

9 Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|--|-----------------|-----------------|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | - | - |
| E-waste (B) | 1,162Kg | 1,986 Kg |
| Bio-medical waste (C) | - | - |
| Construction and demolition waste (D) | - | - |
| Battery waste (E) | - | - |
| Radioactive waste (F) | - | - |
| Other Hazardous waste. Please specify, if any. (G) | - | - |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) | - | - |
| Total (A+B + C + D + E + F + G + H) | 1,162 Kg | 1,986 Kg |

| Parameter | FY 2023-24 | FY 2022-23 |
|--|--------------------|-------------------|
| Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) | 0.065 Kg/₹ Million | 0.17 kg/₹ Million |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) | 1.46 Kg/₹ Million | 3.83 Kg/₹ Million |
| Waste intensity in terms of physical output | NA | NA |
| Waste intensity (optional) – the relevant metric may be selected by the entity | - | - |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste | | |
| (i) Recycled | 1,039 Kg | - |
| (ii) Re-used | - | 1,300 Kg |
| (iii) Other recovery operations | - | - |
| Total | 1,039 Kg | 1,300 Kg |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) | | |
| Category of waste | | |
| (i) Incineration | - | 496 Kg |
| (ii) Landfilling | 123 Kg | 190 Kg |
| (iii) Other disposal operations | - | - |
| Total | 123 Kg | 686 Kg |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

10 Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Due to the nature of our operations, we emphasize responsible waste management. Our activities avoid generating hazardous or toxic chemical waste. Instead, we primarily handle e-waste, ensuring it is managed environmentally responsibly. We work with authorized recyclers to process the e-waste in accordance with strict environmental regulations.

11 If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

| S. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|--------|--------------------------------|--------------------|---|
| | | | NA |

12 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|------|---|--|-------------------|
| | | | | | |

NA

13 Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliance, in the following format:

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|--------|---|---------------------------------------|---|---------------------------------|
| | | | | |

NA

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Water withdrawal by source (in kiloliters) | | |
| (i) Surface water | - | - |
| (ii) Groundwater | - | - |
| (iii) Third party water | - | - |
| (iv) Seawater / desalinated water | - | - |
| (v) Others | - | - |
| Total volume of water withdrawal (in kiloliters) | - | - |
| Total volume of water consumption (in kiloliters) | - | - |
| Water intensity per rupee of turnover (Water consumed / turnover) | - | - |
| Water intensity (optional) – the relevant metric may be selected by the entity | - | - |
| Water discharge by destination and level of treatment (in kiloliters) | | |
| (i) Into Surface water | | |
| -No treatment | - | - |
| -With treatment – please specify level of treatment | - | - |
| (ii) Into Groundwater | | |
| -No treatment | - | - |
| -With treatment – please specify level of treatment | - | - |
| (iii) Into Seawater | | |
| -No treatment | - | - |
| -With treatment – please specify level of treatment | - | - |
| (iv) Sent to third parties | | |
| -No treatment | - | - |
| -With treatment – please specify level of treatment | - | - |
| (v) Others | | |
| -No treatment | - | - |
| -With treatment – please specify level of treatment | - | - |
| Total water discharged (in kiloliters) | - | - |

Due to the nature of our business, water is not a material topic for us. While we recognize the importance of water as a valuable resource, our operations involve minimal consumption of water, limited to drinking and sanitation purposes only. As a result, we do not have a significant impact on water resources, and thus, monitoring our water consumption or discharge is not a primary focus for our organization.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|--|---------------------------------|------------|------------|
| Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | - | - |
| Total Scope 3 emissions per rupee of turnover | | - | - |
| Total Scope 3 emission intensity (optional) | | - | - |

-We are working on measuring and monitoring systems for Scope 3 emissions, the same shall be reported from next FY.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. - NA

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| S. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|--------|-----------------------|--|---------------------------|
| | | NA | |

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link. Capri Global is committed to ensuring the security and continuity of operations. To mitigate potential disasters, we have implemented a robust disaster recovery system for all production applications. This system includes regular replication of critical business application data to a secondary site. Our IT team conducts daily health checks to ensure the system's readiness and performs periodic recovery drills to validate data integrity and service accessibility from the disaster recovery site.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard. Nil

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. We are in the process of developing a framework to assess our value chain partners on environmental impacts.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. : 1
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|--------|---|---|
| 1 | Finance Industry Development Council | National |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

| Name of authority | Brief of the case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| | | NA |

Leadership

| S. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify) | Web Link, if available |
|--------|-------------------------|-----------------------------------|--|---|------------------------|
| | | | | | NA |

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

1. Details of social impact assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year

| Name and brief details of the project | SIA notification No. | Date of notification | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant Web Link |
|---------------------------------------|----------------------|----------------------|---|--|-------------------|
| | | | | | NA |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| S No. | Name of Project for which R&R is ongoing | State | District | No. Of Project Affected Families | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (in ₹) |
|-------|--|-------|----------|----------------------------------|--------------------------|---------------------------------------|
| | | | | | | NA |

3. Describe the mechanisms to receive and redress grievances of the community. Capri has different mechanisms in place to receive and address grievances from various stakeholders, depending on their nature. You can find more information about these mechanisms on our public page here: <https://cgcdn.capri loans.in/wp-content/uploads/2024/05/15232837/Grievance-Redressal-Policy-CGCL-27.01.2024.pdf>. If issues arise, we promptly address them to maximize positive outcomes for the communities we support.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Directly sourced from MSMEs/small producers | 7.50% | 7.72% |
| Directly from within India | Nil | Nil |

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Location | FY 2023-24 | FY 2022-23 |
|--------------|------------|------------|
| Rural | 7.8% | 6.0% |
| Semi-urban | 8.7% | 7.6% |
| Urban | 28.7% | 32.2% |
| Metropolitan | 54.8% | 54.2% |

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
| NA | NA |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| Sr No | State | Aspirational District | Amount spent in ₹ |
|-------|---------------|-----------------------|-------------------|
| 1 | Rajasthan | Baran & Dholpur | 4,700,000 |
| 2 | Chhattisgarh | Rajnandagaon | 1,161,974 |
| 3 | Nagaland | Kiphire | 7,200 |
| 4 | Uttar Pradesh | Bahraich | 2,100,000 |
| 5 | Maharashtra | Osmanabad | 3,950,000 |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) - No

(b) From which marginalized /vulnerable groups do you procure? - NA

(c) What percentage of total procurement (by value) does it constitute? - NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| S. No. | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/ No) | Benefit shared (Yes/ No) | Basis of calculating benefit shared |
|--------|--|---------------------------|--------------------------|-------------------------------------|
| | | | | NA |

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| S. No. | Name of authority | Brief of the Case | Correction action taken |
|--------|-------------------|-------------------|-------------------------|
| | | | NA |

6. Detail of beneficiaries of CSR Projects

| Sr No | CSR Project | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalized group |
|-------|--------------------------------|--|---|
| 1 | Women Empowerment & Livelihood | 71,893 | 100% |
| 2 | Education | 17,165 | 100% |
| 3 | Health | 114,256 | 100% |

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Customers can raise any complaint / grievance to the Nodal Officer of the company, whose contact details are available on the website & also displayed at servicing branches. A customer’s complaint is heard & disposed of by a person at least one level higher to the person/designation against / relating to whom the grievance is made.

At Capri, we are committed to deliver top-notch customer service. Hence various channels of communications are made available to customers like contact centre, branch walk-ins, care email ids, consumer app, social media etc, through which Customers can raise query, request, or complaints. Capri ensures ‘customer facing employees’ are trained to handle customers with empathy and are also equipped with tools to effectively assist Customers. With the right training to resources, Customer Service play a vital role in Capri’s strategy to uphold its ESG commitments and build customer loyalty & trust.

Contact Information Accessibility: We actively promote our customer care contact details to ensure customers can easily reach us for support. For Gold Loan inquiries, customers can call our toll-free number at +91 9179 121 021. For MSME and Home Loans, our toll-free number is 1800 102 1021. Customers can also reach us via email at nodalofficer@capriglobal.in and care@capriglobal.in.

Comprehensive Services: We have launched a Customer Portal App to enhance customer convenience. Through this app, customers can view their loan details, make EMI payments, raise service requests, and utilize a click-to-call feature to contact customer care directly.

Customer Feedback and Continuous Improvement: We actively seek customer feedback through surveys and direct communication channels to continually improve our services. This feedback loop helps us address any issues promptly and adapt our services to better meet customer needs.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

| As a percentage to total turnover | |
|---|----|
| Environmental and social parameters relevant to the product | NA |
| Safe and responsible usage | NA |
| Recycling and/or safe disposal | NA |

3. Number of consumer complaints in respect of the following:

| | FY 2023-24 | | | FY 2022-23 | | |
|--------------------------------|--------------------------|-----------------------------------|--|--------------------------|-----------------------------------|--|
| | Received during the year | Pending resolution at end of year | Remarks | Received during the year | Pending resolution at end of year | Remarks |
| Data privacy | 0 | 0 | | 0 | 0 | |
| Advertising | 0 | 0 | | 0 | 0 | |
| Cyber-security | 0 | 0 | | 0 | 0 | |
| Delivery of essential services | 0 | 0 | | 0 | 0 | |
| Restrictive Trade Practices | 0 | 0 | | 0 | 0 | |
| Unfair Trade Practices | 0 | 0 | | 0 | 0 | |
| Other | 275 | 8 | All the 8 Open Complaints were closed by April 16, 2024. | 284 | 3 | All the 3 open complaints were closed by April 13, 2023. |

4. Details of instances of product recalls on account of safety issues:

| | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | NA | NA |
| Forced recalls | NA | NA |

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the entity has a framework on cyber security and risks related to data privacy. Kindly refer to the link for further details

https://cgcdn.capriloads.in/wp-content/uploads/2023/04/25145607/CGCL_Information-Cyber-Security-Policy-Draft-Ver-1.0.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable due to the nature of our business.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact – 0
- b. Percentage of data breaches involving personally identifiable information of customers - 0
- c. Impact, if any, of the data breaches - NA

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
Information about our products is available at our branches. Further, our Corporate website also has information about our products and services www.capri loans.in
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
We periodically send awareness SMS to all existing customers with our Toll-Free Number and Care email ID for easy contact. Additionally, we have created an app to further simplify customer support access.
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
We have Business Continuity Plan (BCP) to mitigate the risks due to unavailability of systems and/or loss or manipulation of information or information data security. In case of disruption/discontinuation, we have SMS facility for informing our customers.
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)
At Capri Global, we believe in transparency and strive to provide our customers with all the relevant information they need. To ensure transparency, we have implemented various measures, such as prominently displaying the "Most Important Terms and Conditions" document in each office. This document includes details about service charges, interest rates, product information, service standards for various transactions, and grievance redressal mechanisms.
Furthermore, we make sure that our website, www.capri loans.in, is regularly updated with the latest information, including the aforementioned terms and conditions. This allows our customers to access and review the necessary details at their convenience.
Whenever there is a change in interest rates, we proactively communicate the updated information to all our loan customers. This ensures that our customers are aware of any modifications that may affect their existing loans or future borrowing decisions.
Regarding customer satisfaction surveys, we did not conduct any such surveys in the reporting year. However, we remain committed to continuously improving our services and enhancing the customer experience. Feedback from our customers is invaluable to us, and we actively encourage them to provide their opinions, suggestions, and grievances through our established grievance redressal mechanisms.

Annexure - VI

MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

To,
The Board of Directors,
Capri Global Capital Limited
Mumbai

Dear Sirs and Madam,

We, Rajesh Sharma, Managing Director and Partha Chakraborti, Chief Financial Officer of the Company, do hereby certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024, are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and We have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that:
 - i. There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in company's internal control system over financial reporting.

For **Capri Global Capital Limited**

| | |
|----------------------|---------------------------|
| Sd/- | Sd/- |
| Rajesh Sharma | Partha Chakraborti |
| Managing Director | Chief Financial Officer |

Place: Mumbai
Date: May 08, 2024

Report On Corporate Governance

The Report on Corporate Governance of Capri Global Capital Limited (hereinafter referred as “CGCL and/ or the Company”) as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (“the SEBI Listing Regulations”) is given below:

1. The Company’s Philosophy on Corporate Governance

At CGCL, it is imperative that the corporate affairs are managed in a fair and transparent manner for enhancing long-term shareholder value and retaining investor trust.

We, at CGCL, ensure that we evolve and follow the best corporate governance practices. We consider it as inherent responsibility to disclose timely and accurate information regarding the performance as well as the leadership and governance of the Company. The Company’s philosophy on Corporate Governance is to ensure fairness to the Stakeholders through timely and transparent disclosures, equitable treatment of all shareholders and empowerment of employee and collective decision making.

Your Company has adopted various codes and policies to carry out the duties and functions in most ethical and compliant manner. The Company has adopted best practices mandated in SEBI Listing Regulations, the Companies Act, 2013 (hereinafter referred to as “the Act”), RBI Directions and all other applicable rules and regulations.

Your Company continuously strives to achieve excellence in corporate governance through its values – Integrity, Innovation, Hardwork, Commitment, Passion, Seamlessness and Speed.

2. Board of Directors

As of March 31, 2024, the Board of Directors (the ‘Board’) has seven members of which six are Independent Directors (Mr. Beni Prasad Rauka, Mr. Mukesh Kacker and Ms. Bhagyam Ramani ceased to be Independent Director of the Company w.e.f close of business hours on March 31, 2024). The profiles of Directors can be found at <https://capriiloans.in/leadership-team/>. The composition of the Board is in accordance with Regulation 17 of the SEBI Listing Regulation read with Section 149 of the Act.

- 2.1. None of the Directors on the Board holds directorship in more than ten public companies. None of the Independent Directors serves as an Independent Director in more than seven listed companies. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024 have been made by the Directors. None of the Directors are related to each other.
- 2.2. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.
- 2.3. Four board meetings were held during the year on May 22, 2023; August 5, 2023; October 31, 2023 and January 27, 2024. The gap between two meetings did not exceed one hundred and twenty days.

The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting (“AGM”), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2024 are given herein below.

| Name of Director | DIN | Category in the Company | No. of Board Meetings | | Attendance at the last AGM | Number of Directorships in other Public Companies[1] | | | Number of committee positions held in other public companies[2] | | No. of equity shares held in CGCL as on March 31, 2024 | |
|--------------------------------------|----------|--------------------------------------|--------------------------|----------|----------------------------|--|--|--------------------------------------|---|----------|--|--------|
| | | | Held during their tenure | Attended | | Listed | Name of the Listed Company | Category of Directorship | Unlisted | Chairman | | Member |
| Mr. L.V. Prabhakar ³ | 08110715 | Chairperson | 1 | 1 | NA | 1 | IndusInd Bank Ltd. | Non-Executive & Independent Director | 0 | 0 | 0 | NIL |
| Mr. Rajesh Sharma ⁴ | 00020037 | Managing Director and Promoter | 4 | 4 | Yes | 0 | NA | NA | 1 | 0 | 0 | 4000 |
| Mr. Beni Prasad Rauka ⁵ | 00295213 | Non-Executive & Independent Director | 4 | 4 | Yes | 0 | NA | NA | 2 | 1 | 0 | NIL |
| Ms. Bhagyam Ramani ⁵ | 00107097 | Non-Executive & Independent Director | 4 | 4 | Yes | 4 | 1. Steel Exchange India Limited 2. Lloyds Metals and Energy Limited 3. Saurashtra Cement Limited | Non-Executive & Independent Director | 1 | 0 | 2 | NIL |
| Mr. Mukesh Kacker ⁵ | 01569098 | Non-Executive & Independent Director | 4 | 3 | Yes | 0 | NA | NA | 0 | 0 | 0 | NIL |
| Mr. Ajit Mohan Sharan | 02458844 | Non-Executive & Independent Director | 4 | 4 | Yes | 1 | Dabur India Limited | Non-Executive & Independent Director | 1 | 0 | 1 | NIL |
| Mr. Desh Raj Dogra | 00226775 | Non-Executive & Independent Director | 4 | 4 | Yes | 4 | 1. S Chand and Company Limited 2. G R Infraprojects Limited 3. IFB Industries Ltd 4. Axiscades Technologies Limited | Non-Executive & Independent Director | 1 | 2 | 1 | NIL |
| Mr. S. Ranganathan ⁶ | 00125493 | Non-Executive & Independent Director | 2 | 2 | NA | 1 | 1. Metropolis Healthcare Limited | Non-Executive & Independent Director | 2 | 3 | 0 | NIL |
| Ms. Nupur Mukherjee ⁷ | 10061931 | Non-Executive & Independent Director | 1 | 1 | NA | 0 | NA | NA | 0 | 0 | 0 | NIL |
| Mr. Shishir Priyadarshi ⁷ | 03459204 | Non-Executive & Independent Director | 1 | 1 | NA | 0 | NA | NA | 0 | 0 | 0 | NIL |

¹Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act.

²The information pertaining to the chairmanships/memberships of Committees of the Board held by the directors includes only Audit Committee and Stakeholders’ Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

³Mr. L.V. Prabhakar was appointed as an Independent Director of the Company w.e.f January 27, 2024 and was appointed as Chairperson of the Company w.e.f April 29, 2024.

⁴Mr. Rajesh Sharma, Managing Director is also the Promoter of the Company.

⁵Mr. Beni Prasad Rauka, Mr. Mukesh Kacker and Ms. Bhagyam Ramani ceased to be Independent Director of the Company w.e.f close of business hours on March 31, 2024

⁶Mr. S. Ranganathan was appointed as an Independent Director of the Company w.e.f October 31, 2023.

⁷Ms. Nupur Mukherjee and Mr. Shishir Priyadarshi were appointed as an Independent Directors of the Company w.e.f January 27, 2024.

- 2.4. During the Financial Year 2023-24, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations 2.4. has been placed before the Board for its consideration.
- 2.5. During the Financial Year 2023-24, an Independent Directors meeting was held on April 22, 2023 and March 30, 2024. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole, taking into account the views of Executive Directors and Non-Executive Directors.
- 2.6. In accordance with Regulation 34(3) read with Part C of Schedule V of SEBI Listing Regulations, the Board has identified the following skills/expertise/ competencies as required in the context of its business(es) and sector(s) for it to function effectively and which are taken into consideration while nominating candidates to serve on the Board of the Company:

| Sl. No. | Particulars | Skills/Expertise/ Competence | Mr. L.V. Prabhakar Chairman | Mr. Rajesh Sharma | Mr. Ajit Mohan Sharan | Mr. Desh Raj Dogra | Mr. S. Ranganathan | Mr. Shishir Priyadarshi | Ms. Nupur Mukherjee |
|---------|-------------|--|-----------------------------|-------------------|-----------------------|--------------------|--------------------|-------------------------|---------------------|
| 1 | Knowledge | Industry knowledge/ experience & technical expertise | √ | √ | √ | √ | √ | √ | √ |
| | | Understanding methods of strategic analysis, Company's strategic objectives, and changes of relevance to the Company's strategy and future direction | √ | √ | √ | √ | √ | √ | √ |
| | | Corporate Governance: Understanding the roles and responsibilities of a Board member within the larger governance framework | √ | √ | √ | √ | √ | √ | √ |
| | | Risk: Knowledge and experience of risk management models | √ | √ | √ | √ | √ | √ | √ |
| 2 | Skills | Strategic thinking and decision making | √ | √ | √ | √ | √ | √ | √ |
| | | Interpersonal skills | √ | √ | √ | √ | √ | √ | √ |
| | | Leadership | √ | √ | √ | √ | √ | √ | √ |
| | | Analysis and Reporting | √ | √ | √ | √ | √ | √ | √ |
| | | Ability to determine appropriate levels of remuneration of Executive Directors, KMPs and play a prime role in appointing and where necessary, recommending removal of Executive Directors and KMPs | √ | √ | √ | √ | √ | √ | √ |
| | | Ability to oversee strategic Human resource management | √ | √ | √ | √ | √ | √ | √ |
| 3 | Mind-set | Ethics | √ | √ | √ | √ | √ | √ | √ |
| | | Commitment | √ | √ | √ | √ | √ | √ | √ |
| | | Instinct & Business Acumen | √ | √ | √ | √ | √ | √ | √ |
| | | Independent and Awareness (self and other) – ability to display independence by willing to disagree and take an independent stance in the face of dissenting views | √ | √ | √ | √ | √ | √ | √ |

Being a Non-Banking Finance Company, the Company's business runs across different industry verticals and geographical markets. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

- 2.7. In terms of Regulations 25(7) and 46 of SEBI Listing Regulations, the details of the familiarization programme imparted to Independent Directors are available on the Company's website at <https://capri loans.in/corporate-governance/>

3. Committees of the Board

The Committees of the Board play an important role in the governance and focus on specific areas and make informed decisions within the delegated authority. Each Committee is guided by its Charter or Terms of Reference, which provides for the composition, scope, powers and duties and responsibilities. The recommendation and/or observations and decisions are placed before the Board for information or approval. The Chairman of respective Committee updates the Board regarding the discussions held / decisions taken at the Committee Meeting.

The Board has constituted the following Committees to take informed decisions in the best interests of the Company. These Committees monitor the activities falling within their terms of reference.

A. Audit Committee

Composition

Audit Committee, duly constituted by the Board of Directors has a well-defined composition of members and terms of reference in accordance with Master Direction-Non-Banking Financial Companies-Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016, Section 177 of the Act and in accordance with Regulation 18 of SEBI Listing Regulations. As on March 31, 2024, the Audit Committee comprised of three (3) Members, all of whom are Non-Executive Independent Directors, financially literate and possesses accounting and related financial management expertise. Mr. Beni Prasad Rauka, former Chairman of the Committee, ceased to be the Independent Director of the Company on expiry of his second consecutive term of five years w.e.f. March 31, 2024. Mr. S. Ranganathan was appointed as the Chairman of the Audit Committee w.e.f. April 29, 2024. The former Chairman of the Audit Committee was present at last year's Annual General Meeting held on September 1, 2023 which was held through Video Conferencing.

Terms of Reference

The broad terms of reference of the Audit Committee, inter-alia, includes the following:

- a. oversee the Company's financial reporting process and disclosure of its financial information;
- b. recommend appointment, remuneration and terms of appointment of auditors of the Company;
- c. approve payment to statutory auditors for any other services rendered by them;
- d. review with the management, the annual financial statements before submission to the Board for approval, focusing particularly on:

- i. matters to be included in Director's Responsibility Statements to be included in Board's report;
- ii. any changes in accounting policies and practices;
- iii. major accounting entries involving estimates based on the exercise of judgment by management;
- iv. significant adjustments resulting from the audit findings;
- v. compliance with listing and other legal requirements relating to financial statement;
- vi. disclosure of related party transactions;
- vii. qualification in draft audit report.
- e. review with the management, the quarterly financial statement before submission to the Board for their approval;
- f. recommend appointment, remuneration and terms of appointment of internal auditors, tax auditors, secretarial auditor and any matters of resignation or dismissal;
- g. discuss with the statutory auditors before the audit commences, the nature and scope of the audit as well as post audit discussion to ascertain areas of concern;
- h. review the internal audit programme, ensuring co-ordination between the internal and statutory auditors, ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company, and to request internal auditor to undertake specific audit projects, having informed the management of their intentions;
- i. consider the major findings of internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
- j. consider any material breaches or exposure; breaches of regulatory requirements or of ethical codes of practice to which the Company subscribes, or of any related codes, policies and procedures, which could have a material effect on the financial position or contingent liabilities of the Company;
- k. discuss significant findings with internal auditors and initiate follow up action thereon;
- l. look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

- m. review performance of statutory and internal auditors and adequacy of internal control systems;
- n. approve transaction with related parties and subsequent modification to terms of contract/ transaction;
- o. scrutinize inter-corporate loans and investments;
- p. valuation of any of the undertakings or assets as and when necessary;
- q. evaluate adequacy of internal financial control and risk management system;
- r. review with management, the statement of uses /application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue , and making recommendation to the Board for taking steps in relation thereto;
- s. approve appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualification, experience and background of the candidate;
- t. review functioning of the Whistle Blower Policy; review the mechanism to track insider trading
- u. carry out any other functions as may be falling within the terms of reference of the Audit Committee or as may be delegated to the Committee from time to time.
- v. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
- w. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- x. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- y. ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.

- z. review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- aa. oversee the functions of the Insider Trading Inquiry Committee (ITIC) and peruse the report of the ITIC to decide the action to be taken against the person(s) responsible for the incidence and direct the HR department to take disciplinary action which may include termination, suspension, wage freeze.
- bb. Audit committee to converge with the Head Internal Auditor in absence of the Managing Director and Chief Financial Officer at least once in a year.

Meeting and Attendance

During the year under review, the Audit Committee met four (4) times viz. on May 22, 2023; August 5, 2023; October 31, 2023 and January 27, 2024. The required quorum was present for all the Audit Committee meetings. Gap between Two (2) Committee Meetings did not exceed One Hundred and Twenty (120) days as stipulated under the Regulation 18(2) of SEBI Listing Regulations.

Composition of the Audit Committee and the attendance of each member at the said Committee Meetings are set out in following table:

| Name of Member | Position | No. of meetings held | No. of meetings attended |
|--|----------|----------------------|--------------------------|
| Mr. Beni Prasad Rauka (Ceased to be the independent director w.e.f March 31, 2024) | Chairman | 4 | 4 |
| Ms. Bhagyam Ramani (Ceased to be the independent director w.e.f March 31, 2024) | Member | 4 | 4 |
| Mr. Mukesh Kacker (Ceased to be the independent director w.e.f. March 31, 2024) | Member | 4 | 4 |
| Mr. S. Ranganathan (Appointed as Member w.e.f. April 1, 2024 and as Chairman w.e.f. April 29, 2024) | Chairman | 4 | 0 |
| Mr. Shishir Priyadarshi (Appointed as Member w.e.f. April 29, 2024) | Member | 4 | 0 |
| Mr. Ajit Mohan Sharan (Appointed as Member w.e.f. April 1, 2024) | Member | 4 | 0 |

The Company Secretary acts as the Secretary to the Committee.

B. Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee is duly constituted in accordance with Section 178 of the Act and in accordance with Regulation 19 of SEBI Listing Regulations. As on March 31, 2024, the Nomination and Remuneration Committee comprised of Three (3) Members, all of whom are Non-Executive Independent Directors. Ms. Bhagyam Ramani, former Chairperson of the Committee, ceased to be the Independent Director of the Company on expiry of her second consecutive term of five years w.e.f. March 31, 2024. The former Chairperson of the Committee was present at last year’s Annual General Meeting held on September 1, 2023 which was held through Video Conferencing.

Terms of Reference

The Broad terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

- a. to assess that a person to be appointed as Director is ‘fit and proper’ and fulfills the set criteria as may be required by the Company;
- b. review the agreement(s) and/or deed(s) to be executed with any director to be appointed/re-appointed, including but not limited to the Deed of Covenant as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
- c. review & recommend to the Board on the structure and composition of the Board of Directors of the Company;
- d. devising a policy on diversity of Board of Directors;
- e. evaluate the eligibility of an individual on the basis of his/her qualification, positive attributes, independence and past experience, for appointment and removal as whole time director/ managing director/senior management of the company and advising the Board of Directors/ Shareholders with such detailed evaluation in

the matter of appointment and removal of such individual;

- f. review, recommend and /or approve the remuneration that can be offered to the proposed whole time director/managing director/ non-executive director/senior management of the Company;
- g. evaluate the performance of the directors of the Company & review and recommend to the Board on their re-appointment/extension or continuation of their terms of appointment;
- h. review, recommend and/or approve the modification in the remuneration of the Whole time director/ managing director /manager / non- executive director and senior managerial personnel
- i. formulate remuneration policy relating to directors, key managerial personnel and other senior managerial employees of the Company;
- j. recommend to the Board, all remuneration payable to the senior management, in whatever form
- k. evaluate performance of directors with respect to their role as Independent Director and Board members;
- l. specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- m. Implement and administer the Employee Stock Option Scheme.”

Meeting and Attendance

During the year under review, Nomination and Remuneration Committee met three (3) times viz. on May 19, 2023, October 31, 2023 and January 27, 2024. Composition of the Nomination and Remuneration Committee and the attendance of each member at the said Committee Meetings are set out in following table:

| Name of Member | Position | No. of meetings held | No. of meetings attended |
|--|-------------|----------------------|--------------------------|
| Ms. Bhagyam Ramani (Ceased to be the independent director w.e.f. March 31, 2024) | Chairperson | 3 | 3 |
| Mr. Beni Prasad Rauka (Ceased to be the independent director w.e.f. March 31, 2024) | Member | 3 | 3 |
| Mr. Ajit M Sharan | Member | 3 | 3 |
| Mr. Desh Raj Dogra | Member | 3 | 3 |
| Mr. S. Ranganathan (Appointed as Member w.e.f. April 1, 2024) | Member | 3 | 0 |

The Company Secretary acts as the Secretary to the Committee.

Nomination and Remuneration Policy

The Board of Directors of the Company has adopted Nomination and Remuneration Policy ('Policy') for the Company, inter-alia, to deal with the manner of selection of Board of Directors and KMP and their remuneration. The Policy is annexed as Annexure I to this Report.

Director Remuneration:

| (in ₹) | | | | | |
|--------|-------------------------|---|------------------------|------------------|-----------|
| Sl. No | Name of the Director | Sitting Fees for attending Board & Committee Meetings | Salary and Perquisites | Incentive/ Bonus | Total |
| 1 | Mr. Rajesh Sharma | Nil | 2,400,000 | Nil | 2,400,000 |
| 2 | Mr. Beni Prasad Rauka | 1,700,000 | N.A | N.A | 1,700,000 |
| 3 | Ms. Bhagyam Ramani | 2,850,000 | N.A | N.A | 2,850,000 |
| 4 | Mr. Mukesh Kacker | 900,000 | N.A | N.A | 900,000 |
| 5 | Mr. Ajit Mohan Sharan | 750,000 | N.A | N.A | 750,000 |
| 6 | Mr. Desh Raj Dogra | 900,000 | N.A | N.A | 900,000 |
| 7 | Mr. S. Ranganathan | 300,000 | N.A | N.A | 300,000 |
| 8 | Mr. L.V. Prabhakar | 200,000 | N.A | N.A | 200,000 |
| 9 | Ms. Nupur Mukherjee | 200,000 | N.A | N.A | 200,000 |
| 10 | Mr. Shishir Priyadarshi | 200,000 | N.A | N.A | 200,000 |

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/ Committee of the Company. None of Directors have been granted any stock options under the scheme. The Managing Director of the Company is not entitled to stock options under the scheme.

Service contract, Severance fees and Notice Period

Mr. Rajesh Sharma was re-appointed as the Managing Director of Capri Global Capital Limited for a period of five years effective from July 4, 2023 to July 3, 2028, on a fixed remuneration of ₹24,00,000 per annum. His appointment may be terminated by giving three months' notice on either side and no severance fees is payable. Further, his fixed remuneration was increased as below w.e.f. April 1, 2024 vide approval of the Members of the Company through postal ballot dated March 30, 2024:

- Fixed Remuneration of ₹3 Crore per annum excluding a) Contribution to Provident Fund & Gratuity, as per the rules of the Company; b) benefits and reimbursements as may be permitted under the applicable tax laws;
- Performance Incentive by way of Commission of up to 0.5% of the net profit of the Company on annual basis as per recommendation of the Nomination and Remuneration Committee.
- Perquisites: a) Medical insurance coverage for self and family as per the rules of the Company; b) Preventive medical check-up for self as per the policy of the Company; and c) Term

Insurance Policy as per policy of the Company and such other applicable perquisites as per the rules of the Company.

- Other benefits: a) The Company shall provide a car with driver for official use and all expenses relating to fuel, maintenance and driver will be reimbursed on actual basis; and b) The Company shall provide mobile and telephone facility at office.

Performance Evaluation of the Board, Directors and Committees of the Board

The Company has devised Board Evaluation Policy as to carry out annual performance evaluation of the Independent Directors, Board, Committees and other individual Directors which is available on the Company's website at [https:// capriiloans.in/corporate-governance/](https://capriiloans.in/corporate-governance/).

A structured questionnaire was prepared for capturing various facets of the functioning of Board, such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors, who were assessed to find out knowledge/skills, contribution to the Board and their communication/relationship with the Board and senior management of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-independent Director was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

C. Stakeholders' Relationship Committee

The Stakeholders Relationship Committee is duly constituted by the Board of Directors in accordance with Section 178 of the Act and applicable Rules thereto and in accordance with Regulation 20 of SEBI Listing Regulations. The Stakeholders Relationship Committee comprised of Four (4) Members, majority of whom are Non-Executive Independent Directors. Mr. Beni Prasad Rauka, former Chairman of the Committee, ceased to be the Independent Director of the Company on expiry of his second consecutive term of five years w.e.f. March 31, 2024. Mr. S. Ranganathan was appointed as the Chairman of the Committee w.e.f. April 1, 2024. The former Chairman of the Committee was present at last year's Annual General Meeting held on September 1, 2023 which was held through Video Conferencing.

Terms of Reference

The Broad terms of reference of the Stakeholders Relationship Committee, inter-alia, includes the following:

- a. Resolve the grievances of security holders including but not limited to complaints/ grievances pertaining to transfer / transmission of shares, non-receipt of annual reports, non-receipt of declared dividends issue of new /

duplicate certificates, general meetings and other miscellaneous complaints;

- b. adherence to Service Standards and Standard Operating Procedures relating to various services rendered by Registrar and Share Transfer Agent, and recommends measures to improve level of investor services.
- c. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders, status of claims received and processed for unclaimed shares;
- d. Review of measures taken for effective exercise of voting rights by shareholders.

Meeting and Attendance

During the year under review, Stakeholders Relationship Committee met Three (3) times viz. on May 19, 2023, August 05, 2023 and October 31, 2023. Composition of the Stakeholders Relationship Committee and the attendance of each member at the said Committee Meetings are set out in the following table:

| Name of Member | Position | No. of meetings held | No. of meetings attended |
|---|----------|----------------------|--------------------------|
| Mr. Beni Prasad Rauka (Ceased to be the independent director w.e.f March 31, 2024) | Chairman | 3 | 3 |
| Ms. Bhagyam Ramani (Ceased to be the independent director w.e.f March 31, 2024) | Member | 3 | 3 |
| Mr. Rajesh Sharma | Member | 3 | 0 |
| Mr. S. Ranganathan (Appointed as Chairman w.e.f. April 1, 2024) | Chairman | 3 | 0 |
| Mr. Ajit Mohan Sharan (Appointed as Member w.e.f. April 1, 2024) | Member | 3 | 0 |
| Mr. Desh Raj Dogra (Appointed as Member w.e.f. April 1, 2024) | Member | 3 | 0 |

The Company Secretary of the Company acts as the Secretary to the Committee.

Number of Grievances:

There were no complaints received during the year under review and there was no outstanding complaint as on March 31, 2024.

Name and Designation of Compliance Officer

Mr. Yashesh Pankaj Bhatt, Company Secretary and Compliance Officer
502, Tower – A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai – 400013.
Tel. No.: 022 – 4354 8100
Email: secretarial@capriglobal.in

D. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee is duly constituted in accordance with Section 135 of the Act. As on March 31, 2024, the CSR Committee

comprised of Three (3) Members, majority of whom are Non-Executive Independent Directors. Ms. Bhagyam Ramani, former Chairperson of the Committee, ceased to be the Independent Director of the Company on expiry of her second consecutive term of five years w.e.f. March 31, 2024. Ms. Nupur Mukherjee was appointed as the Chairperson of the Committee w.e.f. April 1, 2024.

Terms of Reference

The Broad terms of reference of the Corporate Social Responsibility (CSR) Committee, inter-alia, includes the following:

- a. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013;

- b. to recommend the amount of expenditure to be incurred on the CSR activities; and
- c. to monitor the implementation of the CSR Policy of the Company from time to time.

Meeting and Attendance

During the year under review, Corporate Social Responsibility Committee met Two (2) times viz. on May 19, 2023 and October 31, 2023. Composition of the Corporate Social Responsibility (CSR) Committee and the attendance of each member at the said Committee Meetings are set out in following table:

| Name of Member | Position | No. of meetings held | No. of meetings attended |
|--|-------------|----------------------|--------------------------|
| Ms. Bhagyam Ramani (Ceased to be the independent director w.e.f. March 31, 2024) | Chairperson | 2 | 2 |
| Mr. Beni Prasad Rauka (Ceased to be the independent director w.e.f. March 31, 2024) | Member | 2 | 2 |
| Mr. Rajesh Sharma | Member | 2 | 1 |
| Ms. Nupur Mukherjee (Appointed as Chairperson w.e.f. April 1, 2024) | Chairperson | 2 | 0 |
| Mr. S. Ranganathan (Appointed as Member w.e.f. April 1, 2024) | Member | 2 | 0 |

The Company Secretary acts as the Secretary to the Committee.

E. Risk Management Committee

The Risk Management Committee is duly constituted in accordance with RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 in respect of all non-deposit taking NBFCs with asset size of ₹500 crores and above and Regulation 21 of SEBI Listing Regulations. As on March 31, 2024, the Risk Management Committee comprised of Four (4) Members, majority of whom are Non-Executive Independent Directors. Mr. Rajesh Sharma, former Chairman of the Committee, ceased to be the Chairman w.e.f. May 8, 2024. Mr. L.V. Prabhakar was appointed as the Chairman of the Committee w.e.f. May 8, 2024.

Terms of Reference:

The Broad terms of reference of the Risk Management Committee, inter alia, includes the following:

- a. To formulate a detailed risk management policy to include a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly,

ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee; measures for risk mitigation including systems and processes for internal control of identified risks; Business continuity plan;

- b. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- e. To keep the Board Of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Committee;
- g. To oversee the functioning of Asset Liability Management Committee.

Meeting and Attendance

During the year under review, Risk Management Committee met Three (3) times viz. on May 16, 2023, July 29, 2023 and October 28, 2023. Composition of the Risk Management Committee and the attendance of each member at the said Committee Meetings are set out in the following table:

| Name of Member | Position | No. of meetings held | No. of meetings attended |
|--|----------|----------------------|--------------------------|
| Mr. Rajesh Sharma | Chairman | 3 | 2 |
| Mr. Beni Prasad Rauka (Ceased to be the independent director w.e.f. March 31, 2024) | Member | 3 | 3 |
| Ms. Bhagyam Ramani (Ceased to be the independent director w.e.f. March 31, 2024) | Member | 3 | 3 |
| Mr. D.R. Dogra | Member | 3 | 3 |
| Mr. L.V. Prabhakar (Appointed as Member w.e.f. April 1, 2024 and as Chairperson w.e.f. May 8, 2024) | Chairman | 3 | 0 |
| Mr. S. Ranganathan (Appointed as Member w.e.f. April 1, 2024) | Member | 3 | 0 |

The Company Secretary of the Company acts as the Secretary to the Committee.

F. IT Strategy Committee

Composition

The IT Strategy Committee is duly re-constituted in accordance with Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices vide its notification no. RBI/2023-24/107 DoS.CO.CSITEG/SEC.7/31.01.015/2023-24 dated November 7, 2023. As on March 31, 2024, the IT Strategy Committee comprised of Thirteen (13) Members, out of which one of them is Executive Director, two of them are Non- Executive Independent Directors and remaining members forming part of the senior management team. The Chairperson of the IT Strategy Committee is a Non- Executive Independent Director. Mr. Beni Prasad Rauka, former Chairman of the Committee, ceased to be the Independent Director of the Company on expiry of his second consecutive term of five years w.e.f. March 31, 2024. Ms. Nupur Mukherjee was appointed as the Chairman of the Committee w.e.f. April 1, 2024.

Terms of Reference

The Broad terms of reference of the IT Strategy Committee, inter alia, includes the following:

- a. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- b. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- c. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- d. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources; and
- e. Ensuring proper balance of IT investments for sustaining growth and becoming aware about exposure towards IT risks and controls.

Meeting and Attendance

During the year under review, IT Strategy Committee met three (3) times viz. on April 3, 2023, April 22, 2023 and October 14, 2023. Composition of the IT Strategy Committee and the attendance of each member at the said Committee Meetings are set out in following table:

| Name of Member | Position | No. of meetings held | No. of meetings attended |
|---|-------------|----------------------|--------------------------|
| Mr. Beni Prasad Rauka (Ceased to be the independent director w.e.f. March 31, 2024) | Chairman | 3 | 3 |
| Ms. Divya Sutar | Member | 3 | 2 |
| Mr. Amar Rajpurohit | Member | 3 | 3 |
| Mr. Rahul Agarwal (Ceased to be Member of the Company w.e.f. July 22, 2023) | Member | 3 | 1 |
| Mr. Ravish Gupta (Appointed as Member w.e.f. May 22, 2023) | Member | 3 | 1 |
| Chief Technology Officer (Mr. Varun Malhotra) (Appointed as Member w.e.f. May 22, 2023) | Member | 3 | 1 |
| Chief Data Science and Analytics Officer (Mr. Piyush Dangaich) (Appointed as Member w.e.f. May 22, 2023) | Member | 3 | 1 |
| National Credit Head (Mr. Vaibhav Shah) (Appointed as Member w.e.f. May 22, 2023) | Member | 3 | 1 |
| Ms. Nupur Mukherjee (Appointed as Chairperson w.e.f. January 27, 2024) | Chairperson | 3 | 0 |
| Mr. Rajesh Sharma (Appointed as Member w.e.f. January 27, 2024) | Member | 3 | 0 |
| Mr. L V Prabhakar (Appointed as Member w.e.f. January 27, 2024) | Member | 3 | 0 |
| Chief Financial Officer (Mr. Partha Chakraborti) (Appointed as Member w.e.f. January 27, 2024) | Member | 3 | 0 |
| Chief Risk Officer (Mr. Sanjeev Shrivastava) (Appointed as Member w.e.f. January 27, 2024) | Member | 3 | 0 |
| Chief Information Officer (Mr. Bhagvan Kommadi) (Appointed as Member w.e.f. April 29, 2024) | Member | 3 | 0 |
| Chief Information Security Officer (Mr. Swapnil Patil) (Appointed as Member w.e.f. April 29, 2024) | Member | 3 | 0 |

The Company Secretary acts as the Secretary to the Committee.

G. Asset Liability Management Committee

Composition

The Asset Liability Management Committee is duly re-constituted in accordance with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 vide its notification no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023. As on March 31, 2024, the Asset Liability Management Committee comprised of Five (5) Members, out of which one Member is Executive Director and remaining members forming part of the senior management team. The Chairperson of the Asset Liability Management Committee is an Executive Director.

Terms of Reference

The Broad terms of reference of the Asset Liability Management Committee, inter alia, includes the following:

- To decide and review on product pricing for Loans and advances, desired maturity profiles and mix of the incremental assets and liabilities, prevailing interest rates offered by other peer NBFCs for the similar services/product;
- Monitoring the risk levels and review;
- Articulating Interest rate view of the Company and deciding on the future business strategy;
- Reviewing and articulating funding policy and funding mix;
- Setting up limits on Market and Liquidity risk caused due to mismatch in Assets and Liabilities;
- Policy on Fund Transfer Pricing;
- Reviewing economic and political impact on the balance sheet;
- Approve returns to be filed with RBI; and
- Any other responsibility as may be delegated by the Board of Directors.

Meeting and Attendance

During the year under review, Asset Liability Management Committee met four (4) times viz. on June 29, 2023, September 28, 2023, December 28, 2023 and March 20, 2024. Composition of the Asset Liability Management Committee and the attendance of each member at the said Committee Meetings are set out in following table:

| Name of Member | Position | No. of meetings held | No. of meetings attended |
|---|-------------|----------------------|--------------------------|
| Mr. Rajesh Sharma | Chairperson | 4 | 4 |
| Ms. Surender Sangar (Ceased to be Member w.e.f. October 31, 2023) | Member | 4 | 2 |
| Mr. Vinay Surana | Member | 4 | 4 |
| Chief Financial Officer - Mr. Partha Chakraborti (Appointed as Member w.e.f. October 31, 2023) | Member | 4 | 2 |
| Chief Technology Officer - Mr. Varun Malhotra (Appointed as Member w.e.f. October 31, 2023) | Member | 4 | 2 |
| Chief Compliance Officer - Mr. Satish Shimpi (Appointed as Member w.e.f. October 31, 2023) | Member | 4 | 2 |

The Company Secretary acts as the Secretary to the Committee.

4. Particulars of Senior Management

The details of Senior Management Personnel (“SMP”) as on March 31, 2024 and the changes during the year are as follows:

| Name | Designation |
|-------------------------------------|--|
| Ms. Divya Sutar | Director - Business Strategy |
| Mr. Magesh Ramachandran Iyer | Chief Operating Officer |
| Mr. Amar Rajpurohit | Business Head - Urban Retail |
| Mr. Ravish Gupta | Business Head - Gold Loan |
| Mr. Vijay Kumar Gattani | Director – Construction Finance |
| Mr. Vaibhav Shah | Joint Head Credit |
| Mr. Prasanna Kumar Singh | Group Collections Head |
| Ms. Jinisha Sharma | Principal - ESG & Impact Investments |
| Mr. Vinay Surana | Head of Treasury |
| Mr. Bhupinder Singh | Head - Litigation |
| Mr. Zoheb Sheikh | Head Internal Audit |
| Mr. Piyush Dangaich | Chief Data Science & Analytics Officer |
| Mr. Partha Chakraborti ¹ | Chief Financial Officer |
| Mr. Sanjeev Srivastava ² | Chief Risk Officer |
| Mr. Satish Shimpi ³ | Chief Compliance Officer |
| Mr. Varun Malhotra ⁴ | Chief Technology Officer |
| Mr. Vivek Jain ⁵ | Chief Human Resources Officer |
| Mr. Yashesh Bhatt | Company Secretary |
| Mr. Rahul Agarwal ⁶ | Chief Technology Officer |
| Mr. Ashok Agarwal ⁷ | Director - Legal & Compliance |

¹Mr. Partha Chakraborti appointed as CFO w.e.f. from October 31, 2023.

²Mr. Sanjeev Srivastava appointed as Chief Risk Officer w.e.f. August 01, 2023.

³Mr. Satish Shimpi appointed as Chief Compliance Officer w.e.f. December 18, 2023.

⁴Mr. Varun Malhotra appointed as Chief Technology Officer w.e.f. August 09, 2023.

⁵Mr. Vivek Jain appointed as Chief Human Resources Officer w.e.f. February 21, 2024.

⁶Mr. Rahul Agarwal ceased to be Chief Technology Officer w.e.f. close of business hours on July 22, 2023.

⁷Mr. Ashok Agarwal ceased to be Director - Legal & Compliance w.e.f. close of business hours on November 10, 2023.

5. General Body Meetings

A. The details of Annual General Meeting (“AGM”) held during the last 3 years along with the details of the special resolutions passed there are as under:

| Financial Year | Date and Time | Venue | Special Resolution passed |
|----------------|---------------------------------|---|---|
| 2020-21 | September 15, 2021 04.00 P.M | Through Video Conferencing/Other Audio Visual means ('VC/OAVM') Facility At 502 A, Peninsula Business Park, Lower Parel, Mumbai- 400013 | <ul style="list-style-type: none"> Appoint Mr. Desh Raj Dogra as Independent Director of the Company Appointment of M/s. M M NISSIM & CO. LLP, Chartered Accountants, as Statutory Auditor Raising of Funds through issuance of Securities |
| 2021-22 | September 26, 2022 04.00 P.M | Through Video Conferencing/Other Audio Visual means ('VC/OAVM') Facility At 502 A, Peninsula Business Park, Lower Parel, Mumbai- 400013 | <ul style="list-style-type: none"> Re-Appoint Mr. Rajesh Sharma as Managing Director of the Company Raising of Funds through issuance of Securities |
| 2022-23 | September 1, 2023 04.00 P.M | Through Video Conferencing/Other Audio Visual means ('VC/OAVM') Facility At 502 A, Peninsula Business Park, Lower Parel, Mumbai- 400013 | <ul style="list-style-type: none"> Borrowing in excess of Paid-up Capital & Free reserves Mortgage / Create charge on the assets of the Company To consider Conversion of Loan into Equity |

B. The details of Extraordinary General Meeting (“EGM”) held during the last 3 years along with the details of the special resolutions passed there are as under:

| Financial Year | Date and Time | Venue | Special Resolution passed |
|----------------|--------------------------------|---|--|
| 2023-24 | February 22, 2024 11:30 A.M | Through Video Conferencing/Other Audio-Visual means ('VC/OAVM') Facility At 502 A, Peninsula Business Park, Lower Parel, Mumbai- 400013 | <ul style="list-style-type: none"> To approve the appointment of Mr. L.V. Prabhakar (DIN:08110715) as an Independent Director of the Company To approve the appointment of Ms. Nupur Mukherjee (DIN: 10061931) as an Independent Director of the Company To approve the appointment of Mr. Shishir Priyadarshi (DIN: 03459204) as an Independent Director of the Company To approve alteration of Memorandum of Association of the Company to Increase Authorised Capital of the Company To approve sub-division of equity shares of the Company To approve Capitalisation of Securities Premium Account and Issue of Bonus shares to the members of the Company |

C. The details of Postal Ballot held during the last 3 years along with the details of the resolutions passed there are as under:

During the year 2023-24, pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company passed the following Resolutions by postal ballot:

| Sl. No. | Resolutions | Votes cast in favour of resolution | Votes cast against the resolution | Date of declaration of result | | |
|---------|---|------------------------------------|-----------------------------------|-------------------------------|---------|------------------|
| 1 | To approve the appointment of Mr. S. Ranganathan (DIN: 00125493) as an Independent Director of the Company. | 180295930 | 99.9995% | 26 | 0.0005% | January 13, 2024 |
| 2 | To approve re-appointment of Mr. Ajit Mohan Sharan (DIN:02458844) as an Independent Director of the Company. | 180245609 | 99.97% | 50347 | 0.03% | January 13, 2024 |
| 3 | To approve alteration of Memorandum of Association (MoA) of the Company to include Insurance business in Main Objects clause of MOA of the Company. | 174156649 | 99.9997% | 521 | 0.0003% | March 30, 2024 |
| 4 | To approve revision of the remuneration to be paid to Mr. Rajesh Sharma, Managing Director of the Company. | 151420348 | 86.945% | 22736748 | 13.055% | March 30, 2024 |

The Company successfully completed the process of obtaining approval of its shareholders for Resolutions on the items detailed above, vide postal ballot. Ms. Payal Vyas, Practicing Company Secretary was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

Procedure for Postal Ballot

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the rules framed thereunder and read with various circulars (the latest being circular dated September 25, 2023) issued by MCA (collectively “MCA Circulars”). Further, except the items as mentioned above, there is no resolution which was passed through postal ballot. If a resolution is required to be passed by way of postal ballot, the Company will follow the process as per regulatory requirement.

6. Means of Communication

The quarterly/half yearly/annual results are regularly submitted to the Stock Exchanges in accordance with the SEBI Listing Regulations and published in English newspaper (generally Business Standard) and a Marathi daily (generally Mumbai Lakshdeep). The Company also issues press releases from time to time. The quarterly/half yearly/annual results/press releases and the presentation made to the Institutional Investors/Analysts are also uploaded on the website of the Company at www.capriiloans.in. A Management Discussion and Analysis Report is a part of this Annual Report.

GENERAL SHAREHOLDERS' INFORMATION

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as “the SEBI Listing Regulations”), the general shareholders’ information pertaining to the Company, its shareholding pattern, share price movements, top 10 shareholders and such other information as prescribed under the said Regulations is provided herein below:

A. Annual General Meeting

| | |
|---|--|
| Day | Thursday |
| Date | September 19, 2024 |
| Time | 4:00 P.M. |
| Venue | The Company is conducting meeting through video conferencing / other audio-visual means (deemed venue – Registered Office of the Company.) |
| Financial Year | April 1, 2023 to March 31, 2024 |
| Cut-off date | For Dividend - September 09, 2024 For Voting - September 12, 2024 |
| Listing of Equity Shares at Stock Exchanges | 1. BSE Limited Pheeroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001. Tel No: - +91-22-22721233/1234 Fax No:- +91-22-22721919 1. National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No- C Block, G Block, Bandra Kurla Complex, Mumbai-400 051. Tel No: - +91-22-26598100-8114 Fax No: - +91-22-26598120 |
| Stock Codes | BSE: 531595 NSE: CGCL |
| ISIN Number | Equity Share - INE180C01042 NCD - INE180C07072 Commercial Paper - INE180C14219 |
| Corporate Identification Number (CIN) | L65921MH1994PLC173469 |

The Annual Listing Fees for the financial year 2024-25 to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) has been paid by the Company within prescribed time.

B. Dividend

Dividend Payment Date The final dividend, if approved by the shareholders shall be paid / credited on or from September 23, 2024

| Address of General Correspondence | Registered Office and Corporate Office of the Company |
|--|--|
| Mr. Yashesh Bhatt Company Secretary & Compliance Officer Capri Global Capital Limited Email: secretarial@capriglobal.in | 502, A Tower, Peninsula Business Park, Lower Parel, Senapati Bapat Marg, Mumbai-400013 Tel. No. (022)-40888100 |

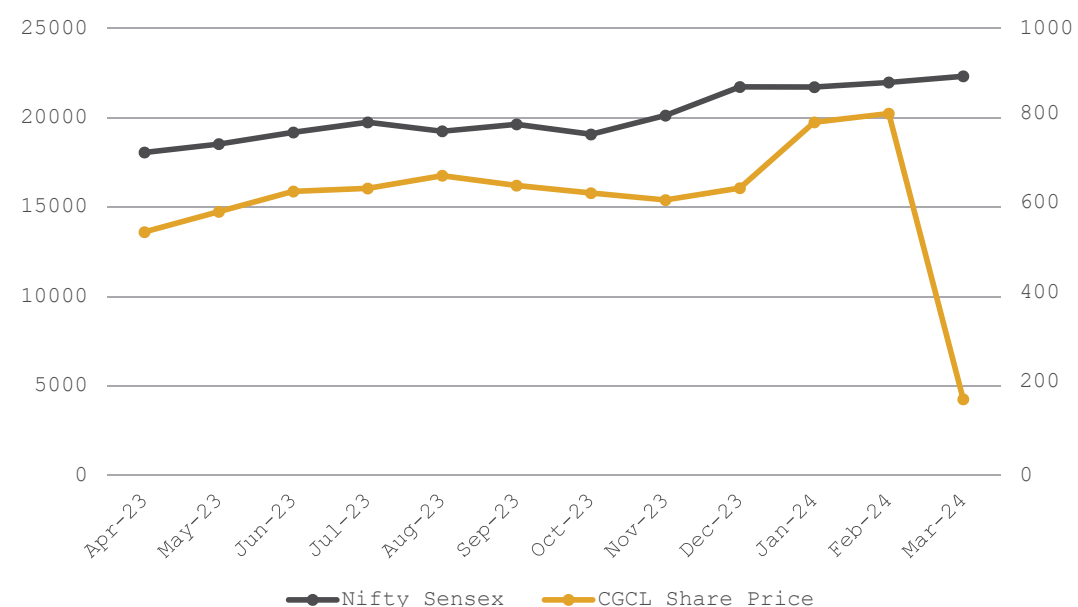
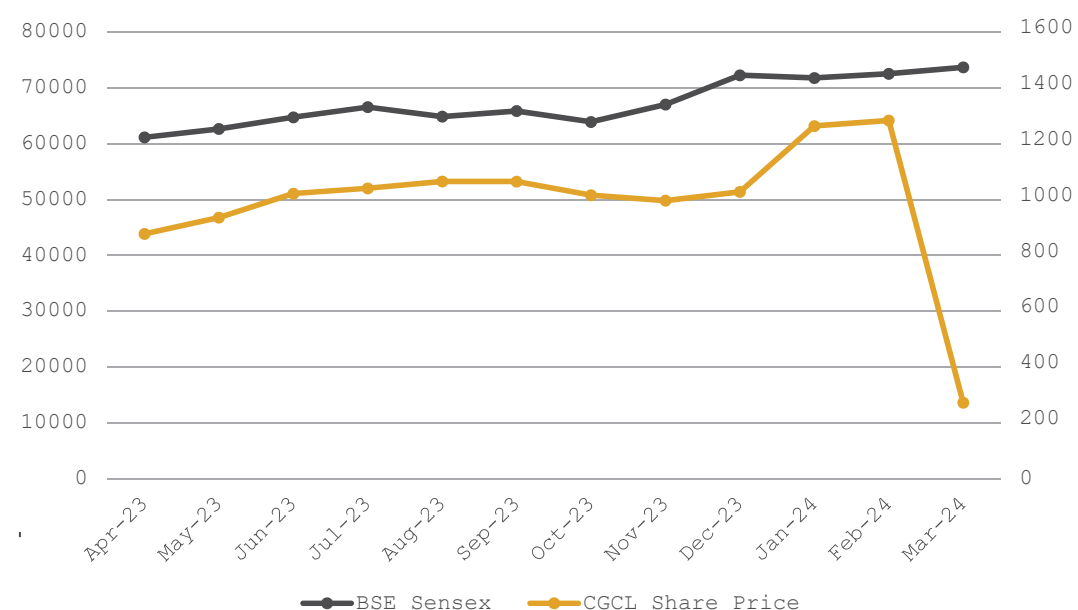
C. Market price data

The Equity Shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited. The monthly high and low share prices on both the exchanges for a period starting from April 2023 to March 2024 are as below:

| Month | BSE | | NSE | |
|----------------|----------------|---------------|----------------|---------------|
| | High Price (₹) | Low Price (₹) | High Price (₹) | Low Price (₹) |
| April 2023 | 669.80 | 581.05 | 660.50 | 652.65 |
| May 2023 | 727.75 | 641.00 | 728.00 | 691.00 |
| June 2023 | 874.00 | 700.55 | 776.95 | 761.45 |
| July 2023 | 832.35 | 750.00 | 782.00 | 760.70 |
| August 2023 | 839.45 | 743.40 | 813.00 | 794.80 |
| September 2023 | 822.65 | 743.55 | 810.00 | 774.25 |
| October 2023 | 807.50 | 733.40 | 769.95 | 758.05 |
| November 2023 | 782.15 | 735.00 | 749.00 | 733.00 |
| December 2023 | 821.00 | 735.50 | 775.80 | 765.10 |
| January 2024 | 1048.40 | 768.50 | 955.90 | 942.70 |
| February 2024 | 1029.00 | 893.35 | 976.65 | 952.10 |
| March 2024 | 1011.05 | 196.00* | 208.00* | 200.00* |

*Price adjustment post-split and bonus of equity shares of the Company.

The Performance of the equity share price of the Company in comparison with Broad based Indices:



D. REGISTRAR AND SHARE TRANSFER AGENTS

Address for Investor Correspondence

For any assistance regarding dematerialization of shares, re-materialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to:

LINK INTIME INDIA PRIVATE LIMITED

Unit-Capri Global Capital Limited

C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai 400 083, Maharashtra (India).

Tel: +91 (22) 49186270; Fax: +91 (22) 49186060

Email: rnt.helpdesk@linkintime.co.in and mumbai@linkintime.co.in Web: www.linkintime.co.in

E. SHARE TRANSFER SYSTEM

Securities lodged for transfers are processed and security certificates are returned within a period of fifteen days from the date of receipt, subject to all documents being valid and complete in all respects. The Board of Directors has delegated the authority for approving transfer, transmission, etc. of the Company's securities to Company Secretary of the Company. The Company obtains from a Company Secretary in Practice yearly certificate of compliance with the share transfer formalities, as required under Regulation 40(9) of Listing Regulations and files a copy of the certificate with Stock Exchanges.

F. DISTRIBUTION OF SHAREHOLDING

| Category | Shareholders | | Equity Shares | |
|-----------------|--------------|----------------|------------------|----------------|
| | Number | Percentage (%) | Number | Percentage (%) |
| 1-500 | 27898 | 91.8785 | 2323982 | 0.2817 |
| 501-1000 | 1128 | 3.7149 | 857907 | 0.1040 |
| 1001-2000 | 589 | 1.9398 | 912553 | 0.1106 |
| 2001-3000 | 186 | 0.6126 | 470366 | 0.0570 |
| 3001-4000 | 137 | 0.4512 | 511250 | 0.0620 |
| 4001-5000 | 63 | 0.2075 | 291215 | 0.0353 |
| 5001-10000 | 162 | 0.5335 | 1196573 | 0.1450 |
| 10001 and above | 201 | 0.6620 | 818376126 | 99.2043 |
| Total | 30364 | 100 | 824939972 | 100 |

G. CATEGORIES OF SHAREHOLDERS AS ON MARCH 31, 2024

| Category | No. of Equity Shares | Percentage of the total paid-up equity share capital (%) |
|--|----------------------|--|
| Shareholding of Promoters and Promoters' Group: | | |
| Promoters | 7,512 | 0.00 |
| Promoters' Group and Persons acting in concert including relatives | 57,65,03,796 | 69.89 |
| Total (A) | 57,65,11,308 | 69.89 |
| Public Shareholding | | |
| Individuals | 1,15,75,941 | 1.40 |
| Bodies Corporate | 11,09,73,656 | 13.45 |
| Mutual Funds | 1,31,90,221 | 1.60 |
| Banks | 5,55,368 | 0.06 |
| Clearing Members | 1,621 | 0.00 |
| NBFC | 54,141 | 0.01 |
| HUF | 11,47,856 | 0.14 |
| IEPF | 1,56,320 | 0.02 |
| Non-resident Indians | 2,70,139 | 0.03 |
| Foreign Portfolio Investors | 69,78,331 | 0.85 |
| Insurance Companies | 10,31,77,197 | 12.51 |
| Others | 3,47,873 | 0.04 |
| Total (B) | 24,84,28,664 | 30.11 |
| Total (A+B) | 82,49,39,972 | 100.00 |

H. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's Shares are compulsorily traded in dematerialized form on NSE and BSE. Equity Shares representing 99.99 % of the Company's Equity Share Capital are dematerialised as on March 31, 2024. The International Securities Identification Number (ISIN) allotted to the Company's equity shares under the Depository System is INE180C01042.

I. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION AND LIKELY IMPACT ON EQUITY CAPITAL

The Company has not issued any of the convertible instruments, hence there is no likelihood of any impact on the Equity Capital of the Company.

J. CREDIT RATING

During the year, Infomeric Valuation and Rating Limited has reaffirmed ratings with respect to the bank/credit facilities availed by the Company as follows:

| Sl. No. | Instrument/Facility | Amount (₹ in Mn) | Rating |
|---------|---------------------------|------------------|-----------------|
| 1 | Term Loan | 75,900 | IVR AA/Positive |
| 2 | Non-Convertible Debenture | 3,000 | |
| 3 | Cash Credit | 5,050 | |
| 4 | Commercial Paper | 3,500 | IVR A1+ |

Furthermore, Acuite Ratings & Research Limited has reaffirmed ratings with respect to the bank/credit facilities availed by the Company as follows:

| Sl. No. | Instrument/Facility | Amount (₹ in Mn) | Rating |
|---------|---------------------|------------------|--------------------|
| 1 | Bank Loan Ratings | 20,500 | Acuite AA-/ Stable |
| 2 | Commercial Paper | 1,000 | Acuite A1+ |

Furthermore, CRISIL Ratings Ltd has assigned rating for Commercial Paper as follows:

| Sl. No. | Instrument/Facility | Amount (₹ in Mn) | Rating |
|---------|---------------------|------------------|------------|
| 1 | Commercial Paper | 5,000 | CRISIL A1+ |

K. BRANCHES

Company has 900+ branches located across 13 States and UTs in North and West India

Disclosures

A. Code of Conduct

The Board of Directors have laid down a Code of Conduct ("the Code") for all Board Members, Key Managerial Personnel and Senior Management Personnel of your Company. The Code is posted on your Company's website at <https://capriiloans.in/corporate-governance/>

The members of the Board, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2024. The Annual Report of the Company contains a certificate by the Managing Director, on the compliance declarations received from the members of the Board and Senior Management.

B. Disclosure on Material Related Party Transactions

During the year, there were no transactions of materially significant nature with the Promoters or Directors or the Management or the subsidiaries or relatives etc. that had potential conflict with the interests of the Company at large. A statement of summary of related party transactions as per requirements of Indian Accounting Standards – 24 is duly disclosed in the Notes to Accounts annexed to the Financial Statements.

C. Policies Determining Material Subsidiaries and Related Party Transactions

Pursuant to requirements of Regulation 16 and Regulation 23 of the SEBI Listing Regulations, the Board of Directors of the Company has adopted the policies for determining material subsidiaries and on related party transactions and the said policies are available on the Company's website at <https://capriiloans.in/corporate-governance/>

D. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company does not deal with any commodity and hence not exposed to any commodity price risk. The Company has no foreign exchange receivable and payable as on March 31, 2024.

E. Details of Non-Compliance

No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authorities on any matter related to capital markets during the last three years.

F. Code of Conduct for Prevention of Insider Trading

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a 'Code of Conduct to regulate, monitor and report trading by designated persons in listed or proposed to be listed securities' of your Company ("the Code"). The Code aims at preserving and preventing misuse of unpublished price sensitive information. All Designated

Persons (including Directors, Key Managerial Personnel and employees) of your Company are covered under the Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of your Company. The Code is also available at the website of the Company at <https://capriiloans.in/corporate-governance/>

G. Vigil Mechanism/Whistle Blower Policy

The Whistle Blower Mechanism (Vigil Mechanism) in the Company enables all the directors, employees and its stakeholders, to report concerns about unethical behaviour, report for leakage of unpublished price sensitive information, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. This mechanism has provided adequate safeguards against victimisation of directors/employees of the Company who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. No personnel has been denied access to this mechanism and to the Audit Committee.

The Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company at <https://capriiloans.in/corporate-governance/>

H. Compliance Certificate

- None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by Mr. Sandeep Parekh, Practicing Company Secretary is enclosed as Annexure II to this Report.
- The Company has complied with mandatory requirements under the SEBI Listing Regulations. A Compliance Certificate on Corporate Governance to this effect, duly

signed by Mr. Sandeep Parekh, Practicing Company Secretary is enclosed as Annexure III to this Report.

I. Total Fees Paid to Statutory Auditors

The total amount of fees paid to the Statutory Auditors of the Company and its subsidiaries during the financial year 2023-24 is stated in Notes to financial statements, which forms part of this Annual Report.

J. There was no instance during financial year 2023-24 when the Board had not accepted any recommendation of any Committee of the Board.

K. Loans and advances - The Company and its subsidiaries has not given any loans and advances to firms/company in which directors are interested.

L. Details of material subsidiaries of the listed entity;

Name of Material Subsidiary - Capri Global Housing Finance Limited

Date and place of incorporation - 17/04/2006 - Mumbai

Name and date of appointment of the statutory auditors - M/s G.M. Kapadia & Co. Were appointed as Statutory auditors on August 14, 2021.

M. Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) of Schedule V(c) of the Listing Regulations-NIL

N. Disclosure with respect to demat suspense account/unclaimed suspense account

The Company has opened "CAPRI GLOBAL CAPITAL LIMITED UNCLAIMED SUSPENSE A/C" with Stockholding Corporation Of India Limited pursuant to Regulation 39(4) and Schedule VI of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the same are as follows:

| Sr. no. | Particulars | Details |
|---------|--|---------|
| 1 | aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | 15,000 |
| 2 | number of shareholders who approached listed entity for transfer of shares from suspense account during the year | 0 |
| 3 | number of shareholders to whom shares were transferred from suspense account during the year | 0 |
| 4 | aggregate number of shareholders lying at the end of the year | 4 |
| 5 | the outstanding shares in the suspense account lying at the end of the year | 60,000* |
| 6 | that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares | Yes |

* Post split and bonus of equity shares of the Company, outstanding equity shares in Suspense A/c increased from 15,000 to 60,000

O. Details of Utilisation of Funds raised through Preferential Allotment and Qualified Institutional Placement

During the year under review, the Company has not raised funds either through Preferential Allotment or Qualified Institutional Placement.

P. Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity. During the year under review, the Company has not received any complaint in this regard.

Q. Compliance with Mandatory/Non-Mandatory Requirements

The Company has complied with all the mandatory requirements of corporate governance specified in Regulation 17 to Regulation 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations. The Board has taken cognizance of the discretionary requirements as specified in Part E of Schedule II of Regulation 27(1) of the SEBI Listing Regulations and are being reviewed from time to time which are as follows:

1. Chairperson's Office

A non-executive chairperson is not entitled to maintain a chairperson's office at the Company's expense.

2. Audit Qualifications

During the year under review, there is no audit qualification in your Company's Financial Statements nor has there been a matter of emphasis made during the year. Your Company continues to adopt best practices to ensure a regime of financial statements with unmodified audit opinion.

3. The Board and separate posts of chairperson and chief executive officer

Mr. L.V. Prabhakar, Independent Director of the Company was appointed as Chairman of the Board of Director of the Company w.e.f. April 29, 2024.

The Company has not appointed any Chief Executive Officer.

4. Reporting of Internal Auditor

The internal control systems of the Company are routinely tested and verified by Independent Internal Auditors and significant audit observations and follow-up actions are reported to the Audit Committee.

5. Shareholder's Right

The quarterly results of the Company are published in English newspaper (generally Business Standard) and a Marathi daily (generally Mumbai Lakshdeep). Further, the quarterly results are also posted on the website of the Company at <https://capri loans.in/financial-report/>. In view of the forgoing, the half yearly results of the Company are not sent to the Shareholders individually.

R. Managing Director (MD) and Chief Financial Officer (CFO) Certification

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations. The annual certificate given by the Managing Director and the Chief Financial Officer is enclosed as Annexure IV to this Report.

S. The Company is not required to disclose any information under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

Annexure-I

NOMINATION AND REMUNERATION POLICY

This Policy has been laid down on the recommendations of the Nomination and Remuneration Committee of the Board, and is in compliance with the requirements of Section 178 of Companies Act, 2013 including Companies (Amendment) Act, 2017, Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015 including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 [Listing Regulations] and Guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs issued by Reserve Bank of India (RBI) vide circular dated RBI/2022-23/36 DOR.GOV.REC.No.29/18.10.002/2022-23 on April 29, 2022 ("RBI Guidelines").

1.1 OBJECTIVES

The Policy lays down the:

- (i) Criteria for determining inter-alia qualification, positive attributes and independence of Directors for their appointment on the Board of the Company;
- (ii) To ensure 'fit and proper' status of proposed/existing directors and that there is no conflict of interest in appointment of directors on Board of the Company, KMPs and senior management.
- (iii) Broad framework for payment of remuneration to the directors (Executive and Non-Executive), Key Managerial Personnel, Senior Management Personnel and other employees;
- (iv) Ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain reward and motivate directors and employees including key managerial personnel and senior managerial personnel of the quality required to run the company successfully;
- (v) Ensure that the remuneration of whole-time directors, key managerial personnel and senior management involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and aligned with the regulatory requirements;

1.2 DEFINITIONS

- i. **"Board"** means Board of Directors of the Company.
- ii. **"Clawback"** is a contractual agreement between the employee and the Company in which the employee agrees to return previously paid or vested remuneration to the Company under certain circumstances.
- iii. **"Company"** means "Capri Global Capital Limited."
- iv. **"Committee"** shall mean the Nomination & Remuneration Committee of Board of Directors of the Company, constituted in accordance with the

provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations.

- v. **"Employees' Stock Option"** means the option given to the Directors, Officers or Employees of a company or of its holding company or subsidiary company or companies, if any, which gives such Directors, Officers or Employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price.
- vi. **'fit and proper'** person shall mean an individual who is:
 - a. more than thirty years in age;
 - b. a graduate;
 - c. has minimum five years experience;
 - d. a person of integrity, reputation and character in the opinion of the Committee;
- vii. **"Independent Director"** means a director referred to in Section 149 (6) of the Companies Act, 2013 read with Regulation 16 of the Listing Regulations.
- viii. **"Key Managerial Personnel"** (KMP) means KMP as defined in Section 2 (51) of the Companies Act 2013, as amended from time to time read with Regulation 2(1) (o) of the Listing Regulations i.e.
 - a) Managing Director or Executive Director
 - b) Chief Executive Officer,
 - c) Company Secretary,
 - d) Whole-time Director,
 - e) Chief Financial Officer and
 - f) Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - g) Such other officer as may be prescribed under the Companies Act, 2013.
- ix. A **"Malus"** is an arrangement that permits the Company to prevent vesting of all or part of the amount of a deferred remuneration. Malus arrangement does not reverse vesting after it has already occurred.
- x. **"Managerial Person"** means the Managing Director, Whole-time Director and/or Manager.
- xi. **"Policy or This Policy"** means, "Nomination and Remuneration Policy."
- xii. **"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

- xiii. "Retention period" means a period of time after the vesting of instruments which have been awarded as variable pay during which they cannot be sold or accessed.
- xiv. "Senior Management" means officers/personnel of the Company who are members of its core management team excluding Board of Directors and shall comprise of all members of management one level below the Chief Executive Officer / Managing Director / Whole-time Director / Manager (including Chief Executive Officer / Manager, in case they are not a part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.

1.3 INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, SEBI Act, 1992, Listing Regulations as notified by the Securities and Exchange Board of India from time to time.

1.4 APPOINTMENT AND REMOVAL OF MANAGERIAL PERSON, DIRECTOR, KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

- i. Appointment criteria and qualifications:
 - a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Person, Director, KMP or Senior Management Personnel who may be qualified to become directors and recommend to the Board his / her appointment.
 - b) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the designated position.
 - c) With respect to appointment of a Senior Management Personnel other than the one mentioned above, the Human Resource Department with the consultation / advice / recommendations of the respective Functional Heads / Promoter Director of the Company, as the case may be, can decide on their appointments and the same need not be recommended to the Committee/Board as the case may be.
- ii. Term / Tenure:
 - a) Managing Director/Whole-time Director/ Manager (Managerial Personnel): The Company shall appoint or re-appoint a person as its Managerial Person for a term not exceeding five years at a time by passing of a resolution and disclosure of such appointment in the Directors Report forming part of the Annual Report. No re-appointment shall be made earlier than one year before the expiry of term.

- b) Independent Director:
 - i. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
 - ii. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
 - iii. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. Term can be for a maximum period of five years.
 - iv. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director / Managing Director of the Company and further an independent director shall not be on the Board of more than three NBFC's (NBFC-ML or NBFC- UL) at the same time Further, the Board of the NBFC shall ensure that there is no conflict arising out of their independent directors being on the Board of another NBFC at the same time.
- iii. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013 ('Act') and rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Person, Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Act, rules and regulations.
- iv. Retirement:

The Managerial Person, Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Managerial Person, Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

1.5 DISQUALIFICATION FOR APPOINTMENT OF DIRECTORS

- i. A person shall not be eligible for appointment as director of the company if:
 - a) he is of unsound mind and stands so declared by a competent court;
 - b) he is undischarged insolvent;
 - c) he has applied to be adjudicated as an insolvent and his application is pending;
 - d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company:
 - e) an order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order in force;
 - f) he has not paid any calls in respect of any shares of the company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call;
 - g) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
 - h) he has not complied with sub-section (3) of section 152 of the Companies Act, 2013.
- ii. A person who has been a Director of the company which:
 - a) has not filed financial statements or annual returns for any continuous period of three financial years; or
 - b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay dividend declared and such failure to pay or redeem continues for one year or more, shall be ineligible to be appointed as a director of the Company for a period of five years from the date on which the other company fails to do so.
- iii. A person shall not be eligible for appointment and continuance as a Director, if he / she is not found 'fit and proper' by the Committee.

1.6 REMUNERATION POLICY

Remuneration Policy of CGCL is designed to attract, motivate, and retain manpower in a competitive environment considering qualification, positive attribute, integrity and independence, and is guided by the common reward framework and set of principles and objectives. The Remuneration Policy applies to the Company's Senior Management Personnel, including its Key Managerial Personnel and the Board of Directors.

The policy captures remuneration strategies, policies and practices of CGCL, including compensation, variable compensation, equity-based plans and the process for the measurement and assessment of employee and executive performance. The remuneration / compensation / commission etc. to the Managerial Person, Director, KMP and Senior Management Personnel (who may be qualified to become directors) will be determined by the Committee and recommended to the Board for approval.

1.6.1 Principles for Remuneration

- a) The remuneration structure will be determined by the Nomination and Remuneration Committee who will ensure that:
 - The level of remuneration is supported by the need to retain earnings of the company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Procedure (ICAAP); Compensation components are aligned effectively with prudent risk taking to ensure that compensation is adjusted for all types of risks and Compensation outcomes are symmetric with risk outcomes, Compensation pay-outs are sensitive to the Time Horizon of the Risk and the mix of cash, equity and other forms of compensation will be consistent with risk alignment.
- b) NRC may revisit the principles basis industry and regulatory context, company context and emerging best practices from time to time

1.6.2 Remuneration Strategy for Employees at CGCL

The Company adopts a total compensation philosophy in rewarding employees. The total compensation package for the employees comprises of Fixed and Variable Component.

Fixed pay consists of the base salary and any recurring, regular allowances payable in the specific location, Perquisites, Contributions towards superannuation, etc. In addition to the various cash components (salary, allowances etc.) the Company can also offer certain reimbursable perquisites with monetary ceiling and certain non-monetary perquisites. The perquisites extended would be in the nature of but not limited

to Company Car, Company Leased Accommodation, Club Memberships and such other benefits or allowances in lieu of such perquisites/benefits.

Variable pay includes performance bonuses/incentives and Share Linked Instruments for eligible employees. Variable pay shall be in the form of "pay at risk". Depending on performance and risk outcomes at individual, business units and company-wide level, the variable pay shall be truly variable and can even be reduced to zero.

The level of total compensation is designed to be appropriate to attract, retain and motivate employees to contribute their best. In determining the total compensation of employees, the Company takes into account the role and its responsibilities, the individuals' and teams' performance, and the Company's performance, as well as market factors. The Company's remuneration strategy is market-driven and aims at attracting and retaining high caliber talent.

Factors such as profitability and achievement of key performance indicators are taken into consideration, in determining the bonus pool for the Company and its business units. Individual bonus allocation is based on performance against various set of pre-defined objectives.

The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements, on a periodical basis.

1.6.3 Remuneration of Key Management Personnel and Senior Management Personnel

The Company shall review, at least annually, the Key Management and Senior Management personnel's remuneration arrangements in light of current market benchmarks and expert advice on remuneration levels and, with due consideration to law and corporate governance principles.

Remuneration of the Key Management and Senior Management Personnel consists of a fixed component and a variable performance incentive. The annual appraisal of the Key Management personnel is based on a detailed performance evaluation of their Key Performance Indicators (KPI's)

- i. **Fixed Component:** As mentioned in Clause 1.6.2 above.
- ii. **Perquisites:** As mentioned in Clause 1.6.2 above.
- iii. **Retirement Benefits:** Pension contributions, Gratuity payments are made in accordance with applicable laws and employment agreements.
- iv. **Severance payments:** In accordance with termination clauses in employment agreements, the severance payment is in accordance with applicable local legal framework.

v. **Medical Insurance** – Coverage of ₹5 Lacs every year to the personnel, his/her spouse, two children and parents (In case of female employees they can choose the option for including their in-laws in lieu of her parents).

vi. **Term Insurance** – Coverage between ₹50 Lacs to ₹1 Cr. based on the grade.

vii. **Variable pay** – shall comprise of share linked instruments or a mix of cash and share linked instruments. A substantial portion of remuneration will be variable and shall be linked to the below three factors:

- a) the financial results of the company;
- b) business units performance;
- c) the individual performance and that of the department/team

Portion of Variable pay in the Total Compensation should be higher at higher level of responsibility. KMPs and SMPs employed in financial control, risk management, compliance and internal audit roles shall have higher proportion of Fixed Pay in the Total Compensation. However, care should be taken that reasonable proportion of Total Compensation should be in the form of variable pay to enable company to exercise malus and/or clawback, if required.

viii. **Annual Performance Linked Bonus:** Individual bonus allocation takes performance ratings and performance against various set of objectives mentioned below into consideration:

- a) In the beginning of the year the Board sets the organization performance objectives based on qualitative and quantitative measures.
- b) These objectives are reviewed periodically to ensure they remain consistent with the Company's priorities and the changing nature of the Company's business.
- c) These objectives form part of the performance targets for the Managerial Personnel.
- d) Performance against these objectives is reviewed annually by the Board and is reflected in the Managerial Personnel's remuneration review.

ix. **Deferral of Variable Pay:** Of the total variable pay, certain portion as may be decided by the Nomination and Remuneration Committee and Board, shall be deferred to the time horizon of the risk. The Deferred compensation will be in the form of share linked instruments. The deferral period for share linked instruments will be governed by the share linked instrument

Plan document which will be approved by the Nomination and Remuneration Committee and the Board.

x. **Guaranteed Bonus:** No amount of bonus can be guaranteed to KMPs and SMPs except for hiring/sign-on bonus to be paid to new hire. The said bonus shall not form part of Fixed or Variable pay.

xi. **Malus/ Clawback Arrangement:** The deferred variable compensation in a year shall be subject to:

a. Malus arrangement wherein in case of subdued or negative financial performance arising not on account of gross negligence or misconduct of the KMP/SMP, the Company may withhold cash incentives/bonus or vesting of share linked instrument and may lapse unvested share linked instrument in accordance with the share linked instrument Plan.

b. Clawback arrangement wherein in case of gross negligence or misconduct or cause as defined in the Company's code of conduct, the KMP and/or SMP shall be liable to return previously paid or vested deferred variable compensation.

• NRC may invoke Malus or Clawback clause with respect to the KMPs and SMPs in the following illustrative scenarios:

- o Gross negligence, Reckless, or willful actions or exhibited inappropriate values and behavior. Errors of judgment shall not be construed to be breaches under this note.
- o Material Misstatement of the company's results
- o Fraud that requires financial restatements
- o Reputational harms
- o Exercise his/her responsibilities in a mala fide manner
- o Significant deterioration of financial health of the Company
- o Exposing Company to substantial Risk
- o Any other situation where the Board and the Nomination & Remuneration Committee deems invoking Malus and/or Clawback provision is necessary and justified.

• The time horizon for the applicable of malus/clawback clause shall be three years

or the deferral period or the Retention Period of the variable compensation, whichever is higher, from the date of reward

- Once Nomination and Remuneration Committee decides to invoke Malus and/or Clawback clause, it will have power to take any of the following action basis the nature and severity of trigger

In case of Malus Clause:

- o Cancel the vesting of up to 100% of the deferred cash or share linked component due for vesting in that particular year
- o Cancel the vesting for up to 100% of entire unvested deferred cash or share linked component including vesting remaining in future years

In case of Clawback Clause:

- o Recovery of up to 100% of compensation received in the form of cash component of deferred variable pay paid over the applicable period
- o Recovery of up to 100% of benefit accrued to the employee on account of exercise of stock options or through any other share linked instrument granted during the applicable period
- o Forfeiture of up to 100% of vested but unexercised stock options or any other share linked instrument granted during the applicable period

1.6.4 Remuneration of Other Employees.

In general, the principles laid down in Clause 1.6.1 above will be considered for governance and remuneration decisions related to other employees.

In general, the proportion of Variable Pay in the Total Compensation should be higher at higher level of responsibility.

There should be appropriate proportion of variable pay in the total compensation so that performance and/or risk adjustment can be affected.

1.6.5 Remuneration of Non-executive Directors including Independent Directors

The Non-Executive Directors / Independent Directors of the Company (who are not in the employment of the Company and /or its subsidiaries / associates) shall be paid sitting fees as per the limits prescribed under the Companies Act, 2013.

Commission, if any, payable to NEDs, may be paid in accordance with the provisions of the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in addition to the sitting fees and shall be approved by the Board of the Company based on the recommendation of the Committee and the approval of the shareholders, as applicable.

The Non-Executive Directors / Independent Directors shall be covered under the Directors and Officers Liability Insurance (D&O) Policy.

An independent Director shall not be entitled to any Stock Options of the Company.

1.7 DEVIATIONS FROM THE POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

1.8 DISCLOSURES IN THE BOARD REPORT

The disclosures as required under the relevant provisions of the Companies Act, 2013, the rules made there under and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be made with regard to the remuneration details of the Directors, KMPs, Senior Management and other employees.

1.9 AMENDMENTS

The Remuneration policy may be reviewed by the Board of the Company on the recommendation of the Nomination & Remuneration Committee of the Board. This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to the Companies Act, 2013 and rules made there under, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI Guidelines.

Annexure-II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Schedule V Part C(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Capri Global Capital Limited
502, Tower - A, Peninsula Business Park,
Senapati Bapat Marg, Parel, Mumbai 400013

We have examined the relevant records, information, forms, and disclosures received from the Directors of **Capri Global Capital Limited** (hereinafter called the “**the Company**”), as may be relevant for the purpose of this certificate, which has been relied upon to make this certification, for the year ended 31st March 2024. In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), we hereby certify pursuant to Schedule V Part C(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, that none of the Directors on the Board of the Company as on 31st March, 2024 (list annexed), have been debarred or disqualified from being appointed or continuing as the Directors of Companies by the Board / Ministry of Corporate Affairs or any such other statutory authority.

| Sr. No. | Name of Director | DIN | Designation | Date of appointment |
|---------|---------------------------|----------|------------------------------------|---------------------|
| 1. | Mr. Desh Raj Dogra | 00226775 | Non-Executive Independent Director | 01/02/2021 |
| 2. | Mr. Ajit Mohan Sharan | 02458844 | Non-Executive Independent Director | 01/06/2019 |
| 3. | Mr. Mukesh Kacker | 01569098 | Non-Executive Independent Director | 11/02/2012 |
| 4. | Mr. Beni Prasad Rauka | 00295213 | Non-Executive Independent Director | 12/01/2011 |
| 5. | Mr. Rajesh Sharma | 00020037 | Managing Director | 15/05/2007 |
| 6. | Ms. Bhagyam Ramani | 00107097 | Non-Executive Independent Director | 28/07/2012 |
| 7. | Mr. S. Ranganathan | 00125493 | Non-Executive Independent Director | 31/10/2023 |
| 8. | Mr. L.V. Prabhakar | 08110715 | Non-Executive Independent Director | 27/01/2024 |
| 9. | Mr. Shishir Priyadarshi | 03459204 | Non-Executive Independent Director | 27/01/2024 |
| 10. | Ms. Nupur Sunil Mukherjee | 10061931 | Non-Executive Independent Director | 27/01/2024 |

For Sandeep P Parekh & Co.
Company Secretaries

Sd/-
FCS No: 7118, CP No: 7693

Sandeep P. Parekh

Date: May 13, 2024

Place: Mumbai

Annexure-III**CORPORATE GOVERNANCE CERTIFICATE**

To,
The Members,
Capri Global Capital Limited
CIN: L65921MH1994PLC173469
502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel
Mumbai 400013.

I have examined the compliance of conditions of Corporate Governance by **Capri Global Capital Limited** ("the Company"), as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the financial year ended March 31, 2024.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of my findings from the examination of the records produced, explanations and information furnished to me and the representation made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the Listing Regulations for the financial year ended March 31, 2024.

I further state that this Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Sandeep P Parekh & Co.
Company Secretaries

Sd/-
FCS No: 7118, CP No: 7693
Sandeep P. Parekh
Place: Mumbai
Date: May 13, 2024
UDIN: F007118F000360680

Annexure-IV**DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL AS REQUIRED PURSUANT TO SCHEDULE V OF SECURITIES & EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive and Independent Directors. These Codes are available on the Company's website.

I, Rajesh Sharma, Managing Director of the Company, do hereby confirm that the Company has in respect of the year ended March 31, 2024, received from the Members of the Board and Senior Management Personnel a declaration of compliance with the Code of Conduct, as applicable to them.

for **Capri Global Capital Limited**

Sd/-
Rajesh Sharma
Managing Director
(DIN: 00020037)
Date: May 8, 2024
Place: Mumbai

Financial Statements

| | |
|----------------------------------|-----|
| Standalone Financial Statement | 161 |
| Consolidated Financial Statement | 279 |

Independent Auditor's Report

To the Members of Capri Global Capital Limited Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Capri Global Capital Limited ('the Company'), which comprise the standalone balance sheet as at 31 March 2024, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flow and the standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the 'standalone financial statements').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 state of affairs of the Company as at 31 March 2024, and its profit (including
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

other comprehensive income), its cash flows and the 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 Standalone Financial Statements section of our report. We are independent of the Company 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 standalone 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter | How our audit addressed the key audit matter |
|---|--|
| <p>Impairment of loans and advances to customers (Refer Note 2.05G for material accounting policies and Note 53A for credit risk disclosures)</p> <p>As at 31 March 2024, the Company has reported gross loan assets of ₹ 98,285.70 millions against which an impairment loss of ₹ 2,052.87 millions has been recorded. The Company recognized impairment provision for loan assets based on the Expected Credit Loss ("ECL") approach laid down under 'Ind AS 109 - Financial Instruments'.</p> <p>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:</p> <ul style="list-style-type: none"> • ensuring completeness and accuracy of the data considered for assumptions used in the model. • determining the criteria for a significant increase in credit risk. | <p>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:</p> <ul style="list-style-type: none"> • Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions; • Considered the Company'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; |

| Key Audit Matter | How our audit addressed the key audit matter |
|--|---|
| <ul style="list-style-type: none"> factoring of future economic variables techniques used to determine probability of default, loss given default and exposure at default. <p>These parameters are derived from the Company's internally developed statistical models and where sufficient internal experience is not available, then proxy of comparable data.</p> <p>On the basis of an estimate made by the management, an overlay of ₹ 208.12 millions has been carried by the 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 Company periodically and significantly depend on future developments in the economy.</p> | <ul style="list-style-type: none"> 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; 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); |
| <p>Disclosure</p> <p>The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 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.</p> | <ul style="list-style-type: none"> Performed test of details over calculations of ECL, in relation to the completeness and accuracy of 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 53 "Risk Disclosures" disclosed in the accompanying financial statements in accordance with the applicable accounting standards and related RBI circulars and Resolution Framework. |

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's management and 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 standalone 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 standalone 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 standalone 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 standalone 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 Directors' Responsibilities for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act, RBI Guidelines and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the 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 standalone financial statements

- that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 8. In preparing the standalone financial statements, the Board of Directors and management are responsible for assessing the Company's ability 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- 9. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

- 10. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 Company has adequate internal financial controls system with reference to the standalone financial statements in place 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 management and the Board of Directors;

- Conclude on the appropriateness of Board of Directors and management's 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 Company's ability 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 standalone 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 Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the standalone financial statements of the Company to express an opinion on the standalone financial statements.
- 12. We communicate with those charged with governance 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.
- 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 standalone 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.

Report on Other Legal and Regulatory Requirements

- 15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
- 16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of

India in terms of section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, 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 accompanying standalone financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 17(g)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules");
 - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors 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 standalone financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate Report in Annexure II 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:
 - i. The Company, as detailed in note 38 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
 - ii. The Company, as detailed in note 59.11 to the standalone financial statements, 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 Company during the year ended March 31, 2024;
- iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 62.6 to the standalone 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 Company to or in any person or entity, 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 Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 62.7 to the standalone financial statements, no funds have been received by the 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 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 notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act, to the extent it applies to payment of dividend; and

- vi. Based on our examination, which included test checks, the Company 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 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 Company could not provide sufficient appropriate audit evidence that audit trail feature has not been tampered 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 63 to the standalone financial statements.

For **M M Nissim & Co LLP**
Chartered Accountants
Firm's Registration No: 107122W/W100672

Manish Singhania
Partner
Membership No. 155411
ICAI UDIN: 24155411BKGVBV3799
Mumbai
08 May 2024

Annexure I

referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of Capri Global Capital Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets including quantitative details and situation of these assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Company has a policy of verification of Property, Plant and Equipment, so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.
- c. The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- d. The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
- e. According to information and explanations given to us and as verified by us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. a. The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- b. The Company has a working capital limit in excess of ₹ 5 crore sanctioned by banks and financial institutions based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and financial institutions and as per the information and explanations given to us and as verified by us, such returns/statements are materially

in agreement with the books of account of the Company for the respective periods, which were not subject to audit.

- iii. a. The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
 - b. The investments made and terms and conditions of the grant of all loans and advances in the nature of loans are not, prima facie, prejudicial to the Company's interest. Company has not provided any guarantee and also not given security to any party.
 - 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 for certain instances as below.
- Outstanding as on 31 March 2024 for overdue loans:
- | Particulars - Days past due | Total amount outstanding (₹ in millions) | 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 |
- d. According to the information and explanations given to us, 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.
 - e. The Company is a Non-Banking Finance Company, and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

- 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. Accordingly, reporting under clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans, made investments, or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.
- v. The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a non-banking financial company registered with the Reserve Bank of India ('the RBI'), and also the Company has not accepted any deposits from public or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- vii. a. In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, 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 for the following:

| 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 |
| GST | Order u/s 73 | 0.55 | 0.03 | Assessment Year 2019-20 | Appellate Authority |

- viii. According to the information and explanations given to us and as verified by us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- ix. a. According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- b. According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- c. In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for

- which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- d. In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- e. The Company did not have any associate or joint venture during the year. Further, according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- f. The Company did not have any associate or joint venture during the year. Further, according to the information and explanations given to us and as verified by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- x. a. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures. Accordingly, Clause 3(x)(b) of the order is not applicable to the Company.
- xi. a. According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit except for instances of fraud on the Company by its customers aggregating to ₹ 22.08 million as included in Note 55 to the accompanying standalone financial statements. The Company has initiated necessary action against the customers connected to such instances.
- b. According to the information and explanations given to us and as verified by us, no report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- c. We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv. a. In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- b. We have considered the reports issued by the Internal Auditors till 31 December 2023. We were unable to obtain the Internal auditors report for the quarter ended 31 March 2024 on a timely basis, hence we were unable to consider that in our audit.
- xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- xvi. a. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.
- b. During the year, the Company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. Further, Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
- c. According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- d. Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has no CICs which are registered with the Reserve Bank of India.
- xvii. The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- xxi. reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **M M Nissim & Co LLP**
Chartered Accountants
Firm's Registration No: 107122W/W100672

Manish Singhania
Partner
Membership No. 155411
ICAI UDIN: 24155411BKGYBV3799
Mumbai
08 May 2024

Annexure II

to the Independent Auditor's Report of even date to the members of Capri Global Capital Limited on the standalone financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 17 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In conjunction with our audit of the standalone financial statements of Capri Global Capital Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Board of Director's Responsibilities for Internal Financial Controls

2. The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the 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 Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, 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 financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls

with reference to standalone 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 Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components

of internal control stated in the Guidance Note issued by the ICAI.

For **M M Nissim & Co LLP**
Chartered Accountants
Firm's Registration No: 107122W/W100672

Manish Singhania
Partner
Membership No. 155411
ICAI UDIN: 24155411BKGVBV3799
Mumbai
08 May 2024

Standalone Balance Sheet

As at March 31, 2024

| (₹ in Millions) | | | |
|--|----------|---------------------|---------------------|
| Particulars | Note No. | As at 31 March 2024 | As at 31 March 2023 |
| ASSETS | | | |
| (I) Financial Assets | | | |
| (a) Cash and cash equivalents | 3 | 2,149.82 | 14,446.52 |
| (b) Bank balances other than cash and cash equivalents | 4 | 138.58 | 134.25 |
| (c) Derivative financial instruments | 17 | 31.23 | - |
| (d) Receivables | | | |
| (i) Trade receivables | 5 | 981.02 | 321.43 |
| (ii) Other receivables | 6 | 51.54 | 5.69 |
| (e) Loans | 7 | 96,232.83 | 69,347.24 |
| (f) Investments | 8 | 5,815.56 | 3,599.74 |
| (g) Other financial assets | 9 | 787.55 | 705.02 |
| | | 106,188.13 | 88,559.89 |
| (II) Non Financial Assets | | | |
| (a) Current tax assets (net) | 10 | 259.96 | 189.75 |
| (b) Deferred tax assets (net) | 11 | 564.85 | 365.10 |
| (c) Property, plant and equipment | 12 | 2,994.92 | 2,657.68 |
| (d) Capital work-in-progress | 13 | 0.79 | 25.22 |
| (e) Intangible assets under development | 14 | 90.43 | 73.71 |
| (f) Intangible assets | 15 | 197.32 | 53.86 |
| (g) Other non financial assets | 16 | 865.65 | 1,058.33 |
| | | 4,973.92 | 4,423.65 |
| Total Assets | | 111,162.05 | 92,983.54 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| (I) Financial Liabilities | | | |
| (a) Derivative financial instruments | 17 | - | 58.05 |
| (b) Payables | 18 | | |
| i) Trade payables | | | |
| Total outstanding dues of micro and small enterprises | | 4.48 | 6.16 |
| Total outstanding dues of creditors other than micro and small enterprises | | 801.12 | 839.31 |
| ii) Other Payables | 19 | | |
| Total outstanding dues of micro and small enterprises | | - | - |
| Total outstanding dues of creditors other than micro and small enterprises | | 188.05 | 105.92 |
| (c) Debt securities | 20 | 1,521.65 | 4,386.14 |
| (d) Borrowings (other than debt securities) | 21 | 69,584.86 | 49,497.74 |
| (e) Other financial liabilities | 22 | 3,069.38 | 4,090.59 |
| | | 75,169.54 | 58,983.91 |
| (II) Non-Financial Liabilities | | | |
| (a) Current tax liabilities (net) | 10 | 6.98 | 5.80 |
| (b) Provisions | 23 | 199.95 | 176.86 |
| (c) Other non-financial liabilities | 24 | 178.62 | 111.85 |
| | | 385.55 | 294.51 |
| EQUITY | | | |
| (a) Equity share capital | 25 | 824.94 | 412.31 |
| (b) Other equity | 26 | 34,782.02 | 33,292.81 |
| | | 35,606.96 | 33,705.12 |
| Total Liabilities and Equity | | 111,162.05 | 92,983.54 |

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)

Sd/-
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: L65921MH1994PLC173469

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 08, 2024

Standalone Statement of Profit and Loss

For the year ended March 31, 2024

| (₹ 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 | 14,207.68 | 8,901.45 |
| b) Fee and commission income | 28 | 1,705.56 | 1,494.87 |
| c) Net gain on fair value change | 29 | 273.73 | 103.40 |
| d) Net gain on derecognition of financial instruments under amortised cost category | 30 | 756.48 | 513.06 |
| e) Sale of services | | 442.71 | 145.11 |
| f) Other operating income | 31 | 396.23 | 290.87 |
| Total revenue from operations | | 17,782.39 | 11,448.76 |
| (II) Other income | 32 | 49.50 | 50.22 |
| Total income | | 17,831.89 | 11,498.98 |
| (III) Expenses | | | |
| (a) Finance costs | 33 | 6,198.03 | 3,850.57 |
| (b) Fees and commission expense | | 781.49 | 257.76 |
| (c) Impairment on financial instruments | 34 | 691.31 | 486.37 |
| (e) Employee Benefits Expenses | 35 | 5,020.45 | 3,550.25 |
| (f) Depreciation, amortization and impairment | 12&15 | 800.18 | 389.67 |
| (g) Others expenses | 36 | 1,720.84 | 1,065.51 |
| Total expenses | | 15,212.30 | 9,600.13 |
| (IV) Profit before tax for the year (I + II - III) | | 2,619.59 | 1,898.85 |
| (V) Tax Expense : | | | |
| (a) Current tax | | 845.94 | 475.87 |
| (b) Deferred tax | | (199.35) | 4.40 |
| (c) Short / (Excess) provision for earlier years | | (7.59) | 3.21 |
| | | 639.00 | 483.48 |
| (VI) Net profit after tax for the year (IV - V) | | 1,980.59 | 1,415.37 |
| (VII) Other Comprehensive Income | | | |
| (a) Items that will not be reclassified to profit and loss | | | |
| (i) Remeasurement on defined benefit plans | | (24.83) | (6.49) |
| (ii) Income Tax impact on above | | 6.25 | 1.63 |
| Total (a) | | (18.58) | (4.86) |
| (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 | | (33.90) | (19.80) |
| (ii) Fair Value Gain on loans measured at Fair value through OCI | | - | - |
| Income Tax impact on above (i & ii) | | 8.53 | 4.98 |
| Total (b) | | (25.37) | (14.82) |
| Other Comprehensive income (a+b) | | (43.95) | (19.68) |
| (VIII) Total Comprehensive Income for the year (VI + VII) | | 1,936.64 | 1,395.69 |
| (IX) Earnings per equity share in Rupees (Face value ₹ 1 each) | | | |
| Basic | 37 | 2.40 | 1.76 |
| Diluted | 37 | 2.38 | 1.76 |

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)

Sd/-
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: L65921MH1994PLC173469

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 08, 2024

Standalone Statement of cash flow

For the year ended March 31, 2024

| Particulars | ₹ in Millions) | |
|--|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| A Cash flow from operating activities | | |
| Profit before tax | 2,619.59 | 1,898.85 |
| Adjustments for | | |
| Depreciation & amortisation | 800.18 | 389.67 |
| Impairment on financial instruments | 691.31 | 486.37 |
| Net Gain on Fair Valuation of Financial Instruments | (273.73) | (103.40) |
| Net Gain on Derecognition of Financial Instruments | (756.48) | (513.06) |
| Loss/(Gain) on sale of Fixed Assets | (3.02) | 0.81 |
| Write off - Fixed Assets | 2.41 | 0.56 |
| Write off - Others | 1.82 | 1.03 |
| Gain on early termination of Lease | (1.35) | (6.26) |
| Gain on sale of Investment Property | (2.91) | - |
| Share Based Payments to employees | 70.63 | 141.75 |
| Interest on Lease liability | 322.76 | 134.36 |
| Interest income | (14,207.68) | (8,901.45) |
| Finance cost | 5,875.27 | 3,716.21 |
| Interest received | 13,699.65 | 8,767.32 |
| Interest Paid | (6,201.06) | (3,893.78) |
| Operating cash flow before working capital changes | 2,637.39 | 2,118.98 |
| Add / (Less): Adjustments for working capital changes | | |
| (Increase)/Decrease in | | |
| Loans | (27,192.88) | (23,952.15) |
| Receivables | 62.51 | 251.19 |
| Other Financial Assets | (84.35) | (492.11) |
| Other Non-financial Assets | 195.59 | (726.73) |
| Increase/(Decrease) in | | |
| Trade payables | 42.26 | 617.14 |
| Other financial liability | (1,647.11) | 249.28 |
| Derivative instrument | (123.18) | 29.62 |
| Other Non-financial liability | 66.77 | 35.48 |
| Provision | 40.08 | 47.95 |
| Cash used in operations | (26,002.92) | (21,821.35) |
| Income taxes paid (Net of Refunds Received) | (893.00) | (666.66) |
| Net cash used in operating activities - A | (26,895.92) | (22,488.01) |
| B Cash flow from investing activities | | |
| Increase/(decrease) in Fixed deposits not considered as cash and cash equivalent | (4.33) | (118.34) |
| Purchase of property, plant and equipment and intangible assets | (519.91) | (1,117.95) |
| Intangible Assets Under Development | (16.72) | (61.32) |
| Capital work-in-progress | 24.43 | (25.22) |
| Proceeds from sale of property and equipment | 73.12 | 2.17 |
| Purchase of Mutual Fund units | - | (300.99) |
| Proceed from sale of mutual fund units | 497.58 | 2,396.87 |
| Proceeds from / (Purchase of) shares/bonds (Net) | 52.81 | 306.74 |
| Investment in shares of subsidiaries | (2,000.10) | - |
| Proceeds from Sale of investment (PTC) | 113.59 | 543.04 |
| Purchase of Investment (PTC) | (602.37) | - |
| Interest received on PTC | 58.91 | 70.43 |
| Net cash generated from / (used in) investing activities - B | (2,322.99) | 1,695.43 |

Standalone Statement of cash flow

For the year ended March 31, 2024

| Particulars | ₹ in Millions) | |
|---|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 | 32,988.37 | 28,243.98 |
| Repayment of Borrowings other than debt securities Repaid | (15,924.68) | (7,691.36) |
| Other short term loan (net) | 3,151.37 | (58.05) |
| Payments for the principal portion of the lease liability | (197.99) | (128.53) |
| Payments for the interest portion of the lease liability | (322.76) | (134.36) |
| Dividends paid | (103.08) | (79.83) |
| Proceed from issue of equity Shares | 11.74 | 14,347.89 |
| Right issue expenses | (18.81) | - |
| Proceeds from ESOP | 4.72 | 5.08 |
| Net cash generated from financing activities - C | 16,922.21 | 34,328.03 |
| Net increase / (Decrease) in cash and cash equivalents (A+B+C) | (12,296.70) | 13,535.45 |
| Cash and cash equivalent as at the beginning of the year | 14,446.52 | 911.07 |
| Cash and cash equivalent as at the end of the year | 2,149.82 | 14,446.52 |
| Components of cash and cash equivalents | | |
| a) Cash on hand | 88.47 | 160.33 |
| b) Balances with Banks (of the nature of cash and cash equivalents) | | |
| i) In current accounts | 2,030.65 | 3,016.43 |
| ii) Fixed deposits with original maturity of 3 Months or less | - | 11,252.16 |
| c) Cheques on hand | 30.70 | 17.60 |
| Total cash and cash equivalents | 2,149.82 | 14,446.52 |

Notes:

- Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
- 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)

Sd/-
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: L65921MH1994PLC173469

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 08, 2024

Statement of changes in equity

As at March 31, 2024

A. Equity Share Capital

| Particulars | (₹ in Millions) | | | |
|--|----------------------|---------------|----------------------|---------------|
| | 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 | 206,152,844 | 412.31 | 175,654,055 | 351.31 |
| Changes in equity share capital due to prior period errors | - | - | - | - |
| Restated balance as at the beginning of the year | 206,152,844 | 412.31 | 175,654,055 | 351.31 |
| Add: Shares Issued during the year | 82,149 | 0.16 | 30,498,789 | 61.00 |
| Less: Shares bought back during the year | - | - | - | - |
| Add: Shares issued for Split of face value | 206,234,993 | - | - | - |
| Add: Bonus Shares Issued during the year | 412,469,986 | 412.47 | - | - |
| Issued, subscribed and fully paid up equity shares outstanding at the end of the year | 824,939,972 | 824.94 | 206,152,844 | 412.31 |

B. Other Equity

| Particulars | (₹ in Millions) | | | | | | | |
|---|----------------------|--------------------|-------------------|-----------------------------------|--|--|--|------------------|
| | 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 | Remeasurement of defined benefit plans | Fair Value Gain on time value of forward element of forward contract in hedging relationship | |
| Balance as at April 01, 2022 | 642.05 | 4,541.13 | 9,517.45 | 105.08 | 2,731.73 | 9.00 | (3.22) | 17,543.22 |
| Changes in accounting policy/ prior period errors | - | - | - | - | - | - | - | - |
| Restated balance as at April 01, 2022 | 642.05 | 4,541.13 | 9,517.45 | 105.08 | 2,731.73 | 9.00 | (3.22) | 17,543.22 |
| Profit for the year | - | - | 1,415.37 | - | - | - | - | 1,415.37 |
| Other comprehensive income / (losses) for the year | - | - | - | - | - | (4.86) | (14.82) | (19.68) |
| Dividends | - | - | (87.87) | - | - | - | - | (87.87) |
| Securities premium proceeds received on rights issue of equity shares | - | 14,268.06 | - | - | - | - | - | 14,268.06 |
| On account of ESOP exercised / lapsed | - | 25.34 | - | 148.37 | - | - | - | 173.71 |
| Transfer from / (to) retained earnings | - | - | (283.07) | - | 283.07 | - | - | - |
| Balance as at March 31, 2023 | 642.05 | 18,834.53 | 10,561.88 | 253.45 | 3,014.80 | 4.14 | (18.04) | 33,292.81 |
| Changes in accounting policy/ prior period errors | - | - | - | - | - | - | - | - |
| Restated balance as at March 31, 2023 | 642.05 | 18,834.53 | 10,561.88 | 253.45 | 3,014.80 | 4.14 | (18.04) | 33,292.81 |
| Profit for the year | - | - | 1,980.59 | - | - | - | - | 1,980.59 |
| Other comprehensive income / (losses) for the year | - | - | - | - | - | (18.58) | (25.37) | (43.95) |
| Dividends | - | - | (103.08) | - | - | - | - | (103.08) |
| Securities premium proceeds received on rights issue of equity shares | - | - | - | - | - | - | - | - |
| On account of ESOP exercised / lapsed | 14.44 | 11.58 | - | 60.91 | - | - | - | 86.93 |
| Unamortised right issue expenses amortised | - | (18.81) | - | - | - | - | - | (18.81) |

Statement of changes in equity

As at March 31, 2024

| Particulars | (₹ in Millions) | | | | | | | Total |
|--|----------------------|--------------------|-------------------|-----------------------------------|--|--|--|------------------|
| | Reserves and Surplus | | | | Other Comprehensive Income | | | |
| | General Reserve | Securities Premium | Retained Earnings | Employee Share Option Outstanding | Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934 | Remeasurement of defined benefit plans | Fair Value Gain on time value of forward element of forward contract in hedging relationship | |
| Transfer from / (to) retained earnings | - | - | (396.12) | - | 396.12 | - | - | - |
| Utilised for issue of Bonus shares | - | (412.47) | - | - | - | - | - | (412.47) |
| Balance as at March 31, 2024 | 656.49 | 18,414.83 | 12,043.27 | 314.36 | 3,410.92 | (14.44) | (43.41) | 34,782.02 |

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)

Sd/-
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: L65921MH1994PLC173469

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 08, 2024

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

1 Corporate Information

Capri Global Capital Limited (the 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, Unsecured business loan in India and in providing ancillary services related to the said business activities. The 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.

The standalone 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 Statement of compliance and basis of preparation and presentation

The Standalone 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') 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 Company uses accrual basis of accounting

except in case of significant uncertainties [Refer note 2.03 (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 or other regulations are implemented prospectively when they become applicable.

The standalone 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 standalone 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 Company are discussed in Note 2.13 Significant accounting judgements, estimates and assumptions.

The standalone financial statements are presented in Indian Rupees (₹) millions and all values are rounded to two decimal, except when otherwise indicated.

2.02 Presentation of financial statement

The Company presents its balance sheet in the order of liquidity.

The Company prepares and presents its Standalone Financial Statements in the format prescribed by Division III of Schedule III to the Act as amended from time to time.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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 Company and/or its counterparties

2.03 Revenue from operations

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 (H) regarded as 'Stage 3'), the Company 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 are collected towards processing of loan. These are amortised on EIR basis over the weighted average behavioral life of the loan for MSME, Gold loan and Unsecured business loan and over the contractual tenure for Construction Finance and Indirect Lending.

B Fees & Commission Income

The Company 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 Company will collect the consideration for items.

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 Company as part of the contract.

The Company 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 Company 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 Company allocates the

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company 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 Company under its agency code sells the insurance policies.

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.

D Net gain on Fair value changes

Any differences between the fair values of financial assets classified as FVTPL held by the Company 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.

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.

2.04 Expenses

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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

- 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 cost, 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.

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 Company provides a defined contribution plan for all the eligible employees of the Company 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 Company 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 Company 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

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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 Company 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”). 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.

C Leases Rent

The Company 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 Company 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 Company assesses whether (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a Right-of-use assets (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 Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. For short-term leases and low value leases, the Company 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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 Company 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 Company 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.

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 asset's 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.

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.

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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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.

2.05 Financial instruments

Financial assets and financial liabilities are recognised in the Company's Balance Sheet on trade date, i.e. when the Company 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.

A Classification of financial instruments

The Company 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 Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company'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 Company'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 Company's original expectations, the Company 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 Company 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 Company 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 Company 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.

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.

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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Where a financial liability is designated at FVTPL, the movement in fair value attributable to changes in the Company'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 Company has not designated any financial instruments as measured at fair value through profit or loss.

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).

E Reclassification

If the business model under which the Company 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 Company'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.

F 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 Company.

- Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company 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 Company 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 Company, 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 Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets and financial liability 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 Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if the Company has transferred its contractual rights to receive cash flows from the financial asset.

A transfer only qualifies for derecognition, if either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company 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 Company 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 Company's continuing involvement, in which case, the Company 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 Company 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.

G Impairment of financial assets

Overview of the ECL principles

The Company 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 Company has grouped its loan portfolio into Micro, Small and Medium Enterprises (MSMEs), Construction Finance, Indirect Lending, Gold Loan and Unsecured business loan

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

The Company 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 Company 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 Company 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 Company 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 Company 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:

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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 Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company 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 Company based on its internal data/external data. While the internal estimates of PD rates by the Company 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, Company repossess assets under SARFAESI/ Arbitration Act, but do not transfer these assets in its book of accounts. The company 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.

H Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company 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.

I Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company 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 Company.

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

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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 Company 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 Company has access to at the measurement date. The Company 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 Company 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 Company 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 Company 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 Company 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.

J Derivative Financial Instruments

The Company 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

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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 Company 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 Company documents the risk management objective and strategy for undertaking the hedge. The Company 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 Company 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.

2.06 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.

2.07 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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.

2.08 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 Company.

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"

2.09 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.

2.10 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 Company 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 Company does not recognize

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

a contingent liability but discloses its existence in the financial statements.

2.11 Earning Per Share

The Company 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 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.

2.12 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:

- A Defined employee benefit assets and liabilities - Refer 2.04.B
- B Impairment of loans portfolio - Refer 2.05.G
- C Effective Interest Rate (EIR) method - Refer 2.03.A and 2.04.A
- D Lease accounting - Refer 2.04.C
- E Impairment test of non-financial assets - Refer 2.04.D
- F Useful life of property, plant, equipment and intangibles - Refer 2.07 and 2.08
- G Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions - Refer 2.04.E
- H Recognition and Measurement of Provision and Contingencies - Refer 2.09 and 2.10
- I Determination of the fair value of financial instruments - Refer 2.05.I
- J Business Model Assessment - Refer 2.05.A

2.13 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 Company for current reporting period.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

3. Cash and cash equivalents

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| a) Cash on hand | 88.47 | 160.33 |
| b) Balances with Banks (of the nature of cash and cash equivalents) | | |
| i) in current accounts | 2,030.65 | 3,016.43 |
| ii) in deposit accounts having original maturity less than 3 months | - | 11,252.16 |
| c) Cheques, drafts on hand | 30.70 | 17.60 |
| Total | 2,149.82 | 14,446.52 |

Of the above, the balances that meet the definition of Cash and Cash equivalent as per Ind AS 7 "Statement of Cash Flows" is:

4. Bank balances other than cash and cash equivalents

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Other Bank balances | | |
| a) In fixed deposit accounts | | |
| i) Fixed deposit accounts with maturity more than 3 months | 138.43 | 134.06 |
| b) In earmarked accounts | | |
| i) Unclaimed Dividend Account | 0.15 | 0.19 |
| Total | 138.58 | 134.25 |

Notes :

- Out of the above ₹ 138.43 million (As at March 31, 2023 - ₹ 134.06 million) 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 6 month to 2 years and earn interest from 4.9% to 8.7% p.a.

5. Trade receivables

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| a) Trade receivables considered good - Secured | 990.81 | 332.83 |
| Receivables considered good - Unsecured | - | - |
| b) Trade receivables which have significant increase in credit risk | | |
| i) Secured, considered doubtful | - | - |
| ii) Fixed deposit accounts with maturity more than 3 months | - | - |
| c) Trade receivables - Credit impaired | - | - |
| | 990.81 | 332.83 |
| Less: Impairment loss allowance | (9.79) | (11.40) |
| Total | 981.02 | 321.43 |

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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

A Trade receivables - Ageing

As at March 31, 2024

(₹ in Millions)

| | Unbilled due | Outstanding for the following period from due date of payments: | | | | | Total |
|--|-----------------|---|-----------------------|-----------------------|----------------|----------------|---------------|
| | | Current but Not due | Less than 6 months | 6 months to 1 year | 1 - 2 years | 2 - 3 Years | |
| a) Undisputed - Considered Good | - | 245.66 | 744.12 | 0.93 | 0.10 | - | 990.81 |
| b) Undisputed - considered credit impaired | - | - | - | - | - | - | - |
| c) Disputed - Considered Good | - | - | - | - | - | - | - |
| d) Disputed - considered credit impaired | - | - | - | - | - | - | - |
| Total (Gross) | - | 245.66 | 744.12 | 0.93 | 0.10 | - | 990.81 |
| Less: Loss allowance for doubtful debts. | - | - | (8.76) | (0.93) | (0.10) | - | (9.79) |
| Total Trade Receivables (Net) | - | 245.66 | 735.36 | - | - | - | 981.02 |

As at March 31, 2023

(₹ in Millions)

| | Unbilled due | Outstanding for the following period from due date of payments: | | | | | Total |
|--|-----------------|---|-----------------------|-----------------------|----------------|----------------|---------------|
| | | Current but Not due | Less than 6 months | 6 months to 1 year | 1 - 2 years | 2 - 3 Years | |
| a) Undisputed - Considered Good | - | 0.87 | 331.96 | - | - | - | 332.83 |
| b) Undisputed - considered credit impaired | - | - | - | - | - | - | - |
| c) Disputed - Considered Good | - | - | - | - | - | - | - |
| d) Disputed - considered credit impaired | - | - | - | - | - | - | - |
| Total (Gross) | - | 0.87 | 331.96 | - | - | - | 332.83 |
| Less: Loss allowance for doubtful debts. | - | - | (11.40) | - | - | - | (11.40) |
| Total Trade Receivables (Net) | - | 0.87 | 320.56 | - | - | - | 321.43 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

6. Other receivables

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| a) Other Receivables considered good - Secured | 51.54 | 5.69 |
| b) Other Receivables considered good - Unsecured | - | - |
| c) Other Receivables which have significant increase in credit risk | - | - |
| d) Other Receivables - Credit impaired | - | - |
| | 51.54 | 5.69 |
| Less: Allowance for expected credit losses | - | - |
| Total | 51.54 | 5.69 |

A Other receivables - Ageing

(₹ in Millions)

| | Unbilled due | Outstanding for the following period from due date of payments: | | | | | Total |
|------------------------------------|-----------------|---|-----------------------|-----------------------|----------------|----------------|-------|
| | | Current but Not due | Less than 6 months | 6 months to 1 year | 1 - 2 years | 2 - 3 Years | |
| As at March 31, 2024 | | | | | | | |
| a) Undisputed - Considered Good | - | - | 51.54 | - | - | - | 51.54 |
| As at March 31, 2023 | | | | | | | |
| a) Undisputed - Considered Good | - | - | 5.69 | - | - | - | 5.69 |

7. Loans

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| A. Category of Loans wise Details | | |
| I. At Amortised cost | | |
| Term loans | 98,274.87 | 70,763.01 |
| Loan to employees | 10.83 | 3.04 |
| II. At Fair value through profit or loss | | |
| Secured | | |
| Term loans | - | - |
| III. At Fair value through OCI | | |
| Secured | | |
| Term loans | - | - |
| Total (i) - Gross | 98,285.70 | 70,766.05 |
| Less: Impairment loss allowance on loans : | | |
| a. at Amortised cost | (2,052.87) | (1,418.81) |
| b. at Fair value through profit or loss | - | - |
| c. at Fair value through OCI | - | - |
| Total (ii) - Impairment loss allowance | (2,052.87) | (1,418.81) |
| Total (A) = (i - ii) Net | 96,232.83 | 69,347.24 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| B. Nature of Security wise details | | |
| I. At Amortised cost | | |
| i) Secured by Tangible Assets | 95,138.93 | 67,352.05 |
| ii) Secured by Book Debts | 2,662.55 | 3,410.96 |
| iii) Unsecured | 484.22 | 3.04 |
| 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 | 98,285.70 | 70,766.05 |
| Less: Impairment loss allowance | (2,052.87) | (1,418.81) |
| Total (B) - Net | 96,232.83 | 69,347.24 |
| C. Location wise details | | |
| i) Loans in India | | |
| a. Public Sector | - | - |
| b. Others | 98,285.70 | 70,766.05 |
| Total | 98,285.70 | 70,766.05 |
| ii) Loans outside India | | |
| Total (C) - Gross | 98,285.70 | 70,766.05 |
| Less: Impairment loss allowance | (2,052.87) | (1,418.81) |
| Total (C) - Net | 96,232.83 | 69,347.24 |

Notes:

- The Company's 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 Company does not have any loans outside India.

8. Investments

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| A. | | |
| Investments Carried at cost | | |
| a) in Subsidiaries | 5,250.10 | 3,250.00 |
| Investments Carried at fair value through profit and loss | | |
| a) Mutual Fund (Quoted/ Unquoted) | - | 300.98 |
| b) Equity Shares - Listed | 24.32 | - |
| Investments Carried at amortised cost | | |
| a) Investments in Debt Securities | | |
| i) Pass Through Certificates | 541.14 | 48.76 |
| Total | 5,815.56 | 3,599.74 |
| B. | | |
| i. Investments outside India | - | - |
| ii. Investments in India | 5,815.56 | 3,599.74 |
| Total | 5,815.56 | 3,599.74 |

Notes:

- As per para 10 of Ind AS 27, the Company has opted to account the investments in subsidiary entities at cost.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

C. Script wise details of investments

(₹ in Millions)

| Particulars | Face Value | As at March 31, 2024 | | As at March 31, 2023 | |
|---|------------|----------------------|-----------------|----------------------|-----------------|
| | | Quantity | Amount | Quantity | Amount |
| (a) Investments in Subsidiaries - Equity shares (Unquoted) | | | | | |
| 1 Capri Global Housing Finance Limited | 10 | 78,808,203 | 5,250.00 | 71,203,790 | 3,250.00 |
| 2 Capri Loans Car Platform Private Limited | 10 | 10,000 | 0.10 | - | - |
| (b) Investment in Pass Through Certificates (Unquoted) | | | | | |
| 1 Indian Receivable Trust 2019 Series 5 - Series A2 PTC 01 Mar 2019 | | 2,143 | 541.14 | 143 | 48.76 |
| (c) Investment in Mutual Fund units (Quoted) | | | | | |
| 1 DSP Liquidity Fund - Direct Plan - Growth | | - | - | 46,707.427 | 150.27 |
| 2 ICICI Pru. Floating Interest Fund -Direct Growth | | - | - | 452,358.553 | 150.71 |
| (d) Investments in Equity shares (Quoted) | | | | | |
| 1 Alpex Solar Limited | 10 | 73,200 | 24.32 | - | - |
| Total | | | 5,815.56 | | 3,599.74 |

9. Other financial assets

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Unsecured, considered good | | |
| a) Security Deposits | 104.44 | 113.37 |
| b) Receivable from Subsidiary Company | 1.48 | 1.61 |
| c) Spread receivable on assigned portfolio | 680.25 | 589.76 |
| d) Others | 1.38 | 0.28 |
| | 787.55 | 705.02 |
| Less: Impairment loss allowance | - | - |
| Total | 787.55 | 705.02 |

10. Current tax assets and Current tax liabilities

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| 10.A Current tax assets (Net) | | |
| [Advance tax net of provision for tax ₹ 3,611.13 million (March 31, 2023 ₹ 3,618.32 million)] | 259.96 | 189.75 |
| Total | 259.96 | 189.75 |
| 10 B Current tax liabilities (Net) | 6.98 | 5.80 |
| Total | 6.98 | 5.80 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

11. Deferred tax assets (net)

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| A. Deferred tax assets / (Deferred tax liabilities) | | |
| a) Difference between WDV as per books and tax books | 77.08 | 34.63 |
| b) Provision for Loans | 472.82 | 371.20 |
| c) Provision for Compensated absences | 34.23 | 23.54 |
| d) Amortised Fees Income | - | 1.01 |
| e) ECL on Interest on NPA | 84.20 | 55.13 |
| f) Others (net) | 71.80 | 28.46 |
| Total Deferred Tax Assets | 740.13 | 513.97 |
| a) Amortised Finance Cost | (0.07) | (0.29) |
| b) Unrealised gain on Financial Instruments at FVTPL | (4.00) | (0.15) |
| c) Gain on derecognition of financial instruments | (171.21) | (148.43) |
| Total Deferred tax liabilities | (175.28) | (148.87) |
| Net Deferred tax assets / (Deferred tax liabilities) | 564.85 | 365.10 |

B. For yearly movement in balances of deferred tax assets/(liabilities) refer Note no. - 45

12. Property, plant and equipment

(₹ in Millions)

| Particulars | Property, plant and equipment | | | | | | | | Right-of-use assets |
|---|-------------------------------|--------------------|-------------------|------------------------|-------------------|--------------|-------------------------|-------------------|---------------------|
| | Buildings | Leasehold Premises | Computer Hardware | Furniture and Fixtures | Office Equipments | Vehicles | Electrical Installation | Total | Right-of-use assets |
| | (A) | (B) | (C) | (D) | (E) | (F) | (G) | H = A+B+C+D+E+F+G | |
| A. Gross carrying amount | | | | | | | | | |
| Balance as at April 01, 2022 | 2.70 | 22.85 | 92.41 | 42.96 | 23.43 | 56.65 | 9.64 | 250.64 | 284.35 |
| Addition | - | 164.29 | 159.55 | 366.59 | 214.01 | 11.36 | 140.60 | 1,056.40 | 1,744.07 |
| Disposal | - | 0.43 | 7.19 | 0.27 | 2.19 | 9.57 | 0.22 | 19.87 | 46.20 |
| Balance as at March 31, 2023 | 2.70 | 186.71 | 244.77 | 409.28 | 235.25 | 58.44 | 150.02 | 1,287.17 | 1,982.22 |
| Addition | - | 124.14 | 66.12 | 82.95 | 101.80 | 8.58 | (77.84) | 305.75 | 844.78 |
| Disposal | - | - | 1.97 | 1.25 | 7.33 | 18.53 | 62.36 | 91.44 | 30.87 |
| Balance as at March 31, 2024 | 2.70 | 310.85 | 308.92 | 490.98 | 329.72 | 48.49 | 9.82 | 1,501.48 | 2,796.13 |
| B. Accumulated Depreciation / amortisation | | | | | | | | | |
| Balance as at April 01, 2022 | 0.60 | 17.65 | 56.80 | 31.96 | 19.55 | 39.40 | 7.54 | 173.50 | 108.06 |
| Depreciation / Amortisation expense | 0.10 | 19.59 | 68.96 | 39.69 | 39.22 | 6.60 | 14.67 | 188.83 | 172.84 |
| Disposal | - | 0.35 | 6.75 | 0.18 | 2.06 | 6.80 | 0.19 | 16.33 | 15.19 |
| Balance as at March 31, 2023 | 0.70 | 36.89 | 119.01 | 71.47 | 56.71 | 39.20 | 22.02 | 346.00 | 265.71 |
| Depreciation / Amortisation expense | 0.10 | 68.64 | 111.22 | 88.40 | 107.10 | 6.03 | (13.59) | 367.90 | 362.02 |
| Disposal | - | - | 1.59 | 0.75 | 1.53 | 15.53 | - | 19.40 | 19.54 |
| Balance as at March 31, 2024 | 0.80 | 105.53 | 228.64 | 159.12 | 162.28 | 29.70 | 8.43 | 694.50 | 608.19 |
| C. Net carrying amount (A-B) | | | | | | | | | |
| As at March 31, 2022 | 2.10 | 5.20 | 35.61 | 11.00 | 3.88 | 17.25 | 2.10 | 77.14 | 176.29 |
| As at March 31, 2023 | 2.00 | 149.82 | 125.76 | 337.81 | 178.54 | 19.24 | 128.00 | 941.17 | 1,716.51 |
| As at March 31, 2024 | 1.90 | 205.32 | 80.28 | 331.86 | 167.44 | 18.79 | 1.39 | 806.98 | 2,187.94 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

13 Capital work-in-progress

(₹ in Millions)

| Particulars | Property, plant and equipment | | | | | | | Total H = A+B+C+ D+E+F+G |
|-------------------------------------|-------------------------------|-----------|-------------|--------------|-------------|----------|------------|--------------------------------|
| | Buildings | Leasehold | Computer | Furniture | Office | Vehicles | Electrical | |
| | (A) | (B) | (C) | (D) | (E) | (F) | (G) | |
| 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 |

14 Intangible assets under development

(₹ in Millions)

| Particulars | As at | As at |
|-------------------------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Opening as at April 1 | 73.71 | 12.39 |
| Addition | 93.57 | 92.29 |
| Deduction | (76.85) | (30.97) |
| Closing as at March 31 | 90.43 | 73.71 |

Aging of Capital work-in-progress & Intangible assets under development

As at March 31, 2024

(₹ in Millions)

| Particulars | Less than 1 | 1-2 years | 2-3 years | More than 3 | Total |
|---------------------------------------|-------------|-----------|-----------|-------------|-------|
| | year | | | years | |
| 1 Intangible Assets under development | 89.94 | 0.49 | - | - | 90.43 |
| 2 Capital work in progress | 0.47 | 0.32 | - | - | 0.79 |

As at March 31, 2023

(₹ in Millions)

| Particulars | Less than 1 | 1-2 years | 2-3 years | More than 3 | Total |
|---------------------------------------|-------------|-----------|-----------|-------------|-------|
| | year | | | years | |
| 1 Intangible Assets under development | 73.25 | 0.46 | - | - | 73.71 |
| 2 Capital work in progress | 25.22 | - | - | - | 25.22 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

15. Intangible assets

(₹ in Millions)

| Particulars | Computer Software | Trade Mark | Total C = (A+B) |
|-------------------------------------|-------------------|-------------|--------------------|
| | (A) | (B) | |
| A. Gross carrying amount | | | |
| Balance as at April 01, 2022 | 89.63 | - | 89.63 |
| Addition | 61.53 | - | 61.53 |
| Disposal | - | - | - |
| Balance as at March 31, 2023 | 151.16 | - | 151.16 |
| Addition | 214.03 | 0.11 | 214.14 |
| Disposal | 16.22 | - | 16.22 |
| Balance as at March 31, 2024 | 348.97 | 0.11 | 349.08 |

(₹ in Millions)

| Particulars | Computer Software | Trade Mark | Total C = (A+B) |
|---|-------------------|------------|--------------------|
| | (A) | (B) | |
| B. Accumulated Depreciation / amortisation | | | |
| Balance as at April 01, 2022 | 69.30 | - | 69.30 |
| Addition | 28.00 | - | 28.00 |
| Disposal | - | - | - |
| Balance as at March 31, 2023 | 97.30 | - | 97.30 |
| Addition | 70.26 | - | 70.26 |
| Disposal | 15.80 | - | 15.80 |
| Balance as at March 31, 2024 | 151.76 | - | 151.76 |

(₹ in Millions)

| Particulars | Computer Software | Trade Mark | Total C = (A+B) |
|-------------------------------------|-------------------|-------------|--------------------|
| | (A) | (B) | |
| C. Net carrying amount (A-B) | | | |
| Balance as at April 01, 2022 | 20.33 | - | 20.33 |
| Balance as at March 31, 2023 | 53.86 | - | 53.86 |
| Balance as at March 31, 2024 | 197.21 | 0.11 | 197.32 |

(₹ in Millions)

| Particulars | FY 2023-24 | FY 2022-23 |
|--|---|---------------|
| | D. Depreciation and Amortisations for the year | |
| (a) Depreciation on property, plant and equipments | 367.90 | 188.83 |
| (b) Depreciation on right-of-use assets | 362.02 | 172.84 |
| (c) Amortisation of intangible assets | 70.26 | 28.00 |
| Total | 800.18 | 389.67 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

16. Other non financial assets

| Particulars | (₹ in Millions) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| I. Unsecured, considered good | | |
| a) Prepaid Expenses | 91.25 | 68.39 |
| b) Accrued Income | 59.19 | 419.04 |
| c) Advance to vendor | 194.12 | 226.11 |
| d) Balances with Statutory Authorities | 53.88 | - |
| e) Other Assets | 3.45 | 21.08 |
| 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 | 187.94 |
| Less: Provision on Assets held for sale | (38.10) | (42.98) |
| Net Assets Held for sale | 209.95 | 144.96 |
| Total | 865.65 | 1,058.33 |

17. Derivative financial instruments

A Fair value derivative assets / (Liabilities)

| Particulars | (₹ in Millions) | |
|------------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| a) Currency Derivatives - Forwards | 31.23 | (58.05) |
| Total | 31.23 | (58.05) |

| Particulars | (₹ in Millions) | |
|----------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Derivative Assets (Net) (A) | 31.23 | - |
| Derivative Liabilities (Net) (B) | - | 58.05 |
| Total Net (A-B) | 31.23 | (58.05) |

B As at March 31, 2024

| Particulars | (₹ in Millions) | | |
|--|-----------------------|------------------------|-----------------------------|
| | Notional Amounts * | Fair Value - Assets | Fair Value - Liabilities |
| Part I | | | |
| (i) Currency Derivatives: | | | |
| Forwards | 14,964.91 | 31.23 | - |
| Total Derivative Financial Instruments | 14,964.91 | 31.23 | - |
| Part II | | | |
| Included in above (Part I) are derivatives held for hedging and risk management purposes as follows: | | | |
| (i) Cashflow Hedging: | | | |
| Currency Derivatives : Forwards | 14,964.91 | 31.23 | - |
| (ii) Others | - | - | - |
| Total Derivative Financial Instruments | 14,964.91 | 31.23 | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

C As at March 31, 2023

| Particulars | (₹ in Millions) | | |
|--|-----------------------|------------------------|-----------------------------|
| | Notional Amounts * | Fair Value - Assets | Fair Value - Liabilities |
| Part I | | | |
| (i) Currency Derivatives: | | | |
| Forwards | 9,563.89 | - | 58.05 |
| Total Derivative Financial Instruments | 9,563.89 | - | 58.05 |
| Part II | | | |
| Included in above (Part I) are derivatives held for hedging and risk management purposes as follows: | | | |
| (i) Cashflow Hedging: | | | |
| Currency Derivatives : Forwards | 9,563.89 | - | 58.05 |
| (ii) Others | - | - | - |
| Total Derivative Financial Instruments | 9,563.89 | - | 58.05 |

Note:* Notional amount of the respective currency has been converted at exchange rate of March 31 of the respective year. 3

18. Trade payables

| Particulars | (₹ in Millions) | |
|---------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| (a) Micro and small enterprises | 4.48 | 6.16 |
| (b) Due to related parties | - | - |
| (c) Due to Others | 801.12 | 839.31 |
| Total | 805.60 | 845.47 |

19. Other Payables

| Particulars | (₹ in Millions) | |
|---------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| (a) Micro and small enterprises | - | - |
| (b) Due to related parties | - | - |
| (c) Due to Others | 188.05 | 105.92 |
| Total | 188.05 | 105.92 |

Notes:

1 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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:

| Particulars | (₹ in Millions) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| 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) | 4.48 | 6.16 |
| - 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. | - | - |

B 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 | |
| (a) Micro and small enterprises | - | 4.48 | - | - | - | 4.48 |
| (b) Others | - | 786.15 | 201.52 | 1.49 | 0.01 | 989.17 |
| (c) Disputed - Micro and small enterprises | - | - | - | - | - | - |
| (d) Disputed - Others | - | - | - | - | - | - |
| Total | - | 790.63 | 201.52 | 1.49 | 0.01 | 993.65 |

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 | |
| (a) Micro and small enterprises | - | 6.16 | - | - | - | 6.16 |
| (b) Others | - | 935.30 | 9.93 | - | - | 945.23 |
| (c) Disputed - Micro and small enterprises | - | - | - | - | - | - |
| (d) Disputed - Others | - | - | - | - | - | - |
| Total | - | 941.46 | 9.93 | - | - | 951.39 |

Ageing of the trade and other payable is determined from the date of transaction.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

20. Debt securities

A At amortised cost

| Particulars | (₹ in Millions) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| I. Secured | 1,521.65 | 4,386.14 |
| a) Non convertible debentures (listed, fully paid and privately placed) | - | - |
| II. Unsecured | - | - |
| a) Commercial Paper | - | - |
| Total | 1,521.65 | 4,386.14 |

B

| Particulars | (₹ in Millions) | |
|-----------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| i) Debt securities in India | 1,521.65 | 4,386.14 |
| ii) Debt securities outside India | - | - |
| Total | 1,521.65 | 4,386.14 |

C Terms of repayment, nature of security & rate of interest

| No. | Name of Security | Maturity date | Terms of repayment | Coupon / Interest rate | (₹ in Millions) | |
|---------------------------------------|-------------------------|---------------|---------------------------------------|------------------------|-------------------------|-------------------------|
| | | | | | 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) | 5-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) | 9-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 |

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

E Disclosure under regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Related party transaction - Refer Note 54

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

F Disclosure under regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements), 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 company with asset cover of 1.34 times.

The 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.

21 Borrowings (Other than debt securities)

A

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| I At amortised cost | | |
| a) Term Loans (Secured) | | |
| i) from banks | 61,537.94 | 45,336.46 |
| ii) from others | 4,252.05 | 3,517.78 |
| b) Loans repayable on demand from Banks | | |
| i) Cash credit facility | 3,794.87 | 643.50 |
| ii) Overdraft facility | - | - |
| Total | 69,584.86 | 49,497.74 |
| II | | |
| a) Borrowings in India | 69,584.86 | 49,497.74 |
| b) Borrowings outside India | - | - |
| Total | 69,584.86 | 49,497.74 |

B Security and cost

a) Term loans from banks

First pari-passu charge by way of hypothecation of the company'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 9.33% p.a. and for FY 2022-23 is 8.64% p.a.

b) Term loans from others

Exclusive charge by way of hypothecation of Company's loan receivables with minimum assets cover of 1.25 times in favour of borrowing from NABARD of ₹ 2000 million.

First pari-passu charge by way of hypothecation of the Company'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 8.77% p.a. and for FY 2022-23 is 8.32% p.a.

c) Other borrowings

First pari-passu charge by way of hypothecation of the Company's loan receivables / book debts, bank balance and investments with asset cover of 1.25 times.

Weighted average cost for FY 2023-24 is 9.69% p.a. and for FY 2022-23 is 8.27% p.a.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

C Terms of repayment & rate of interest in case of Borrowings (Other than Debt Securities)

(₹ in Millions)

| No. | Nature of Facility | Maturity Range | Interest Range | No. of installments Due (Range) | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|--------------------|----------------|----------------|---------------------------------|----------------------|----------------------|
| 1 | Term Loans | 0 - 3 years | 8.05% - 10.55% | 1 to 19 | 14,712.47 | 17,640.55 |
| 2 | Term Loans | 3 - 5 years | 8.80% - 10.25% | 13 to 20 | 31,177.06 | 17,743.79 |
| 3 | Term Loans | 5 - 7 years | 8.80% - 10.25% | 21 to 27 | 20,315.30 | 13,756.79 |
| 4 | Cash Credit | NA | 9.20% - 9.70% | NA | 3,794.87 | 643.50 |
| Sub Total (A) | | | | | 69,999.70 | 49,784.63 |
| Add: Interest accrued but not due (B) | | | | | 65.72 | 19.93 |
| Less: Unammortised borrowing cost (C) | | | | | (480.56) | (306.82) |
| Total (A+B-C) | | | | | 69,584.86 | 49,497.74 |

Notes:

The company 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 company with the banks or financial institutions are in agreement with the books of accounts

22. Other financial liabilities

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------|-------------------------|-------------------------|
| a) Unpaid unclaimed dividends | 0.15 | 0.19 |
| b) Margin Money from customers | 83.83 | 87.53 |
| c) Book overdraft | 47.01 | 2,155.88 |
| d) Excess money received | 50.96 | - |
| e) Advances from customers | 125.05 | 67.88 |
| f) Lease liability | 2,396.28 | 1,770.38 |
| g) Auction surplus refundable | 5.62 | - |
| h) Others | 360.48 | 8.73 |
| Total | 3,069.38 | 4,090.59 |

23. Provisions

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| a) Provision for Employee Benefits - Gratuity | 42.49 | 20.04 |
| b) Provision for Employee Benefits - Compensated absences | 136.00 | 93.54 |
| c) Provision on non-fund exposure / undrawn commitments | 21.46 | 63.28 |
| Total | 199.95 | 176.86 |

24. Other non-financial liabilities

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------|-------------------------|-------------------------|
| a) Statutory dues payable | 115.97 | 100.58 |
| b) Others | 62.65 | 11.27 |
| Total | 178.62 | 111.85 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

25. Equity share capital

A Share capital authorised, issued, subscribed and paid up

(₹ in Millions)

| 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) | 2,000,000,000 | 2,000.00 | 360,000,000 | 720.00 |
| Issued, Subscribed And Fully Paid Up | | | | |
| Equity Shares of ₹ 1 each (Previous year - ₹ 2 each) | 824,939,972 | 824.94 | 206,152,844 | 412.31 |

B Reconciliations of the number of equity shares and share capital

(₹ in Millions)

| 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 | 206,152,844 | 412.31 | 175,654,055 | 351.31 |
| Shares Issued during the year | 82,149 | 0.16 | 30,498,789 | 61.00 |
| Shares issued for Split of face value | 206,234,993 | - | - | - |
| Bonus shares issued during the year | 412,469,986 | 412.47 | - | - |
| Shares bought back during the year | - | - | - | - |
| Balance at the end of the year | 824,939,972 | 824.94 | 206,152,844 | 412.31 |

Notes:

- i During the year, the Company has allotted 328,596 equity shares of ₹ 1/- each for consideration of ₹ 11.75 million as ESOPs.
During the previous year, the Company had allotted 7,32,000 equity shares of ₹ 1/- each for consideration of ₹ 12.49 million as ESOPs.

C Terms/rights attached to equity shares:

- i The 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 Company declares and pays dividends in Indian Rupees.
- ii In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

D Shareholder holding more than 5% of equity shares as at the end of the year:

(₹ in Millions)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|--------|----------------------|--------|
| | No. of Shares | Amount | No. of Shares | Amount |
| i Capri Global Holdings Pvt. Ltd. | 392,903,656 | 47.63% | 98,225,914 | 47.65% |
| ii Rajesh Sharma | 183,600,140 | 22.26% | 45,900,035 | 22.27% |
| iii Life Insurance Corporation Of India | 77,955,556 | 9.45% | 19,975,981 | 9.69% |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

E Details of shares held by promoters

(₹ in Millions)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|---------------|----------------------|---------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| 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 Jinisha Sharma | 800 | 0.00% | 200 | 0.00% |
| 5 Raghav Sharma | 800 | 0.00% | 200 | 0.00% |
| Promoter Trust | | | | |
| 1 Rajesh Sharma | 183,600,140 | 22.26% | 45,900,035 | 22.27% |
| Bodies Corporate | | | | |
| 1 Capri Global Holdings Private Limited | 392,903,656 | 47.63% | 98,225,914 | 47.65% |
| Total | 576,511,308 | 69.89% | 144,127,827 | 69.91% |

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).

G Objective for managing capital:

The 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 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.

H On March 5, 2024 ("Record Date"), the 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/- (Rupees One only) each.

Further on March 07, 2024, the 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 shares of ₹ 1/- each.

26. Other equity

(₹ in Millions)

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | March 31, 2024 | March 31, 2023 |
| a) Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934 | | |
| Opening balance as at beginning of the year | 3,014.80 | 2,731.73 |
| Add: Amount transferred from surplus balance in the Statement of Profit and Loss | 396.12 | 283.07 |
| Add/Less: Other changes | - | - |
| Closing balance | 3,410.92 | 3,014.80 |
| b) 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) | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

| Particulars | ₹ in Millions) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Less: Umaortised right issue expenses amortised | (18.81) | - |
| Closing balance | 18,414.83 | 18,834.53 |
| c) General reserve | | |
| Opening balance as at beginning of the year | 642.05 | 642.05 |
| Add: Changes during the period | 14.44 | - |
| Closing balance | 656.49 | 642.05 |
| d) Other reserves & surplus - Employee stock option outstanding | | |
| Opening balance as at beginning of the year | 253.45 | 105.08 |
| Add/Less: Amount transferred from surplus balance in the Statement of Profit and Loss | 60.91 | 148.37 |
| Closing balance | 314.36 | 253.45 |
| e) Retained earnings (Surplus in profit & loss account) | | |
| Opening balance as at beginning of the year | 10,547.98 | 9,523.23 |
| Add: Profit for the period | 1,980.59 | 1,415.37 |
| Add: Other Comprehensive Income for the period | (43.95) | (19.68) |
| Less: Transfer to Reserve Fund under Section 45 I C(1) of Reserve Bank of India Act, 1934 | (396.12) | (283.07) |
| Less: Dividend paid | (103.08) | (87.87) |
| Closing balance | 11,985.42 | 10,547.98 |
| Total | 34,782.02 | 33,292.81 |

f) Dividend Payment

During the current year the Company has paid dividend of ₹ 0.50 per share amounting to ₹ 103.08 millions

During the previous year the Company has paid dividend of ₹ 0.50 per share amounting to ₹ 87.87 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) Securities Premium

Securities premium reserve is used to record the premium on issue of shares and used for allotment of bonus share in accordance with the provisions of the Companies Act, 2013.

c) 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.

d) 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

27. Interest income

| Particulars | ₹ in Millions) | |
|---|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| On Financial Assets measured at Amortised Cost * | | |
| a) Interest on Loans | 13,971.40 | 8,767.47 |
| b) Interest income from investments | 62.51 | 67.66 |
| c) Interest on deposits with banks | 165.57 | 62.23 |
| d) Interest on Others | 8.20 | 4.09 |
| Total | 14,207.68 | 8,901.45 |

* - As per effective interest rate - Refer Note No. - "&C23

28. Fee and commission income

| Particulars | ₹ in Millions) | |
|--------------------------------|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| a) Application fees | 46.27 | 57.81 |
| b) Commission on loan sourcing | 1,618.12 | 1,437.06 |
| c) Other Commission Income | 41.17 | - |
| Total | 1,705.56 | 1,494.87 |

29. Net gain on fair value change

| Particulars | ₹ in Millions) | |
|---|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| a) Profit/(loss) at FVTPL on Trading portfolio - investment in shares | 74.67 | 10.97 |
| b) Profit/(loss) on Trading portfolio - Mutual Fund & Bonds | 196.60 | 92.43 |
| c) Profit/(loss) on REITs | 2.46 | - |
| Total Net Gain / (Loss) | 273.73 | 103.40 |
| Total Gain (Net) | 273.73 | 103.40 |
| Total (Loss) (Net) | - | - |
| Of the above | | |
| Realised | 257.82 | 102.81 |
| Unrealised | 15.91 | 0.59 |
| Total | 273.73 | 103.40 |

30. Net gain on derecognition of financial instruments under amortised cost category

| Particulars | ₹ in Millions) | |
|--|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| a) Net gain on derecognition of financial instruments | 762.52 | 523.75 |
| b) Loss on sale of pool DA | (8.12) | (11.27) |
| c) Gain/(loss) on sale of investments not designated at fair value | 2.08 | 0.58 |
| Total | 756.48 | 513.06 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

31. Other operating income

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|---------------------|----------------------------------|----------------------------------|
| a) Foreclosure Fees | 194.80 | 139.64 |
| b) Other Charges | 201.43 | 151.23 |
| Total | 396.23 | 290.87 |

32. Other income

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|---|----------------------------------|----------------------------------|
| a) Profit on sale of assets (net) | 3.02 | - |
| b) Credit balance / Provision no longer required written back | 0.29 | 1.16 |
| c) Profit on sale of Investment Property | 2.91 | - |
| d) Service Fees from Subsidiary | 40.77 | 40.77 |
| e) Other income | 2.51 | 8.29 |
| Total | 49.50 | 50.22 |

33. Finance costs

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|--|----------------------------------|----------------------------------|
| On Financial liabilities measured at Amortised Cost | | |
| a) Interest on Borrowings (other than debt securities) | 5,657.40 | 3,276.36 |
| 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 | 322.76 | 134.36 |
| f) Other finance Charges | 23.70 | 19.19 |
| Total | 6,198.03 | 3,850.57 |

34. Impairment on financial instruments

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|---|----------------------------------|----------------------------------|
| a) Impairment on Loans | | |
| i) At amortised cost | 634.07 | 11.42 |
| b) Impairment / (write back) on Undrawn commitments | (41.82) | (13.11) |
| c) Impairment / (write back) on Others | (11.47) | 16.39 |
| d) Write off of Loans | 110.53 | 471.67 |
| Total | 691.31 | 486.37 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

35. Employee Benefits Expenses

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|---|----------------------------------|----------------------------------|
| a) Salaries and wages | 4,589.83 | 3,143.14 |
| b) Contribution to Provident fund and other funds | | |
| i) Contribution to Provident fund and funds other than gratuity | 248.43 | 164.25 |
| ii) Contribution to Gratuity | 17.65 | 13.59 |
| c) Share Based Payments to employees | 70.63 | 141.75 |
| d) Staff welfare expenses | 92.50 | 87.52 |
| e) Ex-gratia payments | 1.41 | - |
| Total | 5,020.45 | 3,550.25 |

36. Others expenses

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|---|----------------------------------|----------------------------------|
| a) Advertising | 170.71 | 43.54 |
| b) Auditors' Remuneration (Refer note 36.A below) | 6.59 | 4.44 |
| c) Business Development Expenses | 25.46 | 43.64 |
| d) Corporate Social Responsibility Expenses (Refer note 36.B below) | 35.91 | 39.97 |
| e) Directors' Fees and Commission | 7.74 | 9.05 |
| f) Electricity Charges | 81.96 | 43.16 |
| g) Filing & Other Fees to ROC | 10.54 | 0.05 |
| h) Legal and Professional Expenses | 240.29 | 233.31 |
| i) Loss On Sale of Fixed Assets | - | 0.81 |
| j) Membership & Subscription Expenses | 4.64 | 3.51 |
| k) Miscellaneous Expenses | 430.55 | 148.57 |
| l) Postage, Telephone and Fax | 70.10 | 41.56 |
| m) Printing and Stationery | 28.47 | 24.41 |
| n) Processing Fees on Co Lending | 1.56 | 7.66 |
| o) Recruitment Expenses | 24.87 | 15.98 |
| p) Rent | 35.55 | 24.26 |
| q) Service fees Subsidiary | 93.01 | 61.10 |
| r) Software Expenses | 208.72 | 121.15 |
| s) Travelling and Conveyance | 239.94 | 197.75 |
| t) Write off - Fixed Assets | 2.41 | 0.56 |
| u) Write off - Others | 1.82 | 1.03 |
| Total | 1,720.84 | 1,065.51 |

A Auditors' Remuneration

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|---|----------------------------------|----------------------------------|
| 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 | 0.14 |
| f) GST to the extent of ITC not availed | 0.54 | 0.35 |
| Total | 6.59 | 4.44 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

B Corporate Social Responsibility Expenses

Amount of CSR spent by Company during the year is for purposes other than construction / acquisition of any asset. Gross amount of CSR required to be spent by the Company for the year aggregates to ₹ " &TEXT(L68,"#,###.##")&'Master Data'!F22&" (Previous year ₹ " &TEXT(N68,"#,###.##")&'Master Data'!F22&"

| (₹ in Millions) | | |
|--|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| i) Amount required to be spent during the year | 35.91 | 39.97 |
| ii) Amount spent during the year | - | - |
| a) Construction/acquisition of any asset | - | - |
| b) On purposes other than (a) above | 35.91 | 39.97 |
| iii) Amount offset against CSR Liability | - | - |
| iv) Amount of shortfall at the end of the year, out of the amount required to be spent during the year | - | - |
| 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

37. Earning per Share (Ind AS -33)

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| A. Basic Earnings per Share | | |
| a) Profit after tax attributable to equity shareholders | 1,980.59 | 1,415.37 |
| b) Weighted average number of equity shares outstanding during the year (No.s) | 824,893,735 | 803,695,385 |
| c) Nominal value of equity shares (₹) (Refer No. 25.H) | 1.00 | 1.00 |
| d) Basic earnings per share (EPS) (₹) | 2.40 | 1.76 |
| B. Diluted Earnings per Share | | |
| a) Profit after tax attributable to equity shareholders for diluted EPS | 1,980.59 | 1,415.37 |
| b) Weighted average number of equity shares for calculating diluted EPS (No.s) | 830,935,245 | 805,803,019 |
| c) Nominal value of equity shares (₹) (Refer No. 25.H) | 1.00 | 1.00 |
| d) Diluted earnings per share (EPS) (₹) | 2.38 | 1.76 |
| C. No. of equity shares for calculating diluted EPS | | |
| Weighted average number of equity shares for calculating Basic EPS | 824,893,735 | 803,695,385 |
| Add : Equity shares for no consideration arising on grant of stock options under ESOP | 6,041,510 | 2,107,634 |
| Weighted average number of equity shares for calculating diluted EPS | 830,935,245 | 805,803,019 |

38. Contingent Liabilities

| (₹ in Millions) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2024 | As at March 31, 2023 |
| a) Income Tax and GST matters under dispute | 47.61 | 139.44 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

39. Capital and Other Commitments

| (₹ in Millions) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2024 | As at March 31, 2023 |
| i) Estimated amount of contracts remaining to be executed on capital account and not provided | 26.36 | 213.15 |
| ii) Amount payable towards acquisition of Property | 76.89 | 53.15 |
| iii) Other Commitments- Pending disbursements of sanctioned loans | 17,343.62 | 12,325.40 |

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 Company 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 Company 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'.

43 Details of loans given, investments made and guarantee given u/s 186 (2) of the Companies Act, 2013

The Company has not given loan or guarantee and has not made investments u/s 186(2) of the Companies Act 2013

44 Disclosure pursuant to Ind AS 12 "Income Taxes"

A Income Tax recognised in statement of profit and loss

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| Income-tax related to items recognised directly in the statement of profit and loss | | |
| Current income tax: | | |
| i) Current income tax expense | 845.94 | 475.87 |
| ii) (Excess) / Short provision for tax relating to prior years | (7.59) | 3.21 |
| Total | 838.35 | 479.08 |
| Deferred tax (benefit) / charge | (199.35) | 4.40 |
| Total income tax expense recognised relating to continuous operations | 639.00 | 483.48 |

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 Company's effective income-tax rate for the year ended March 31 is as follows :

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| Profit before tax | 2,619.59 | 1,898.85 |
| Total tax expense (As per Statement of Profit and loss) | | |
| i) Current tax | 845.94 | 475.87 |
| ii) Deferred tax | (199.35) | 4.40 |
| Total Tax Expenses | 646.59 | 480.27 |
| Effective tax rate (%) | 24.68 | 25.29 |
| Adjustments of allowable and non-allowable income and expenses: | | |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|---|----------------------------------|----------------------------------|
| Effect on Effective Tax rate due to Permanent Difference | | |
| a) Non allowability of Claim of CSR | 35.91 | 39.97 |
| b) Earlier years provision for ECL / Lease adjustments | - | - |
| c) STT & Brokerage | 1.28 | (0.25) |
| d) Fixed Assets written off and others | 6.65 | - |
| e) OCI on Gratuity | (24.83) | - |
| f) Deduction under Chapter VI A u/s 80M & 80JJA | (47.79) | (26.97) |
| Total (A) | (28.78) | 12.75 |
| a) Difference due to Tax Rate of STCG | 72.59 | 11.55 |
| Total (B) | 72.59 | 11.55 |
| Total of items affecting tax rate (A+B) | 43.81 | 24.30 |

C Reconciliation of income tax rate is as follows:

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|--|----------------------------------|----------------------------------|
| 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 | (0.28) | 0.17 |
| Difference due to Tax Rate of STCG | (0.21) | (0.05) |
| Effective Tax Rate (%) | 24.68 | 25.29 |

45 Movement in Deferred Taxes

A. Movement in deferred tax balances For the year ended March 31, 2024

(₹ in Millions)

| | 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 | 34.63 | 42.45 | - | 77.08 |
| b) Impairment allowance for financial assets | 371.20 | 101.62 | - | 472.82 |
| c) Provision for Employee benefits | 23.54 | 10.69 | - | 34.23 |
| d) Amortised Fees Income | 1.01 | (1.01) | - | - |
| e) ECL on Interest on NPA | 55.13 | 29.07 | - | 84.20 |
| f) Others (net) | 28.46 | 43.34 | - | 71.80 |
| g) Amortised Finance Cost | (0.29) | 0.22 | - | (0.07) |
| h) Unrealised gain on Financial Instruments at FVTPL | (0.15) | (3.85) | - | (4.00) |
| i) Gain on derecognition of financial instruments* | (148.43) | (22.78) | - | (171.21) |
| Total | 365.10 | 199.75 | - | 564.85 |

*As per Ind AS 109 'Financial Instruments', on derecognition of loans, the Company 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

B. Movement in deferred tax balances For the year ended March 31, 2023

(₹ in Millions)

| | 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 | 20.27 | 14.36 | - | 34.63 |
| b) Impairment allowance for financial assets | 297.69 | 73.51 | - | 371.20 |
| c) Provision for Employee benefits | 12.28 | 11.26 | - | 23.54 |
| d) Amortised Fees Income | 2.79 | (1.78) | - | 1.01 |
| e) ECL on Interest on NPA | - | 55.13 | - | 55.13 |
| f) Others (net) | 5.00 | 23.46 | - | 28.46 |
| g) Amortised Finance Cost | (0.65) | 0.36 | - | (0.29) |
| h) Unrealised gain on Financial Instruments at FVTPL | (1.82) | 1.67 | - | (0.15) |
| i) Gain on derecognition of financial instruments | (42.40) | (106.03) | - | (148.43) |
| Total | 293.16 | 71.94 | - | 365.10 |

Deferred Tax Assets / Liabilities are calculated at the applicable rate of 25.17%

46. Employee benefits - Disclosure pursuant to Ind AS 19 'Employee Benefits'

A Defined contribution plans

The Company'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 company or retirement whichever is earlier. The benefit vests immediately on rendering of services by the employee.

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|--|----------------------------------|----------------------------------|
| i) Employer's contribution to provident fund | 226.41 | 147.21 |
| ii) Employer's contribution to National Pension Scheme | 5.60 | 3.71 |

B Defined Benefit Plan

The Company has a defined benefit gratuity plan in India (funded). The Company'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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

a) Principal assumptions used for the actuarial valuations are as follows:

| | (₹ in Millions) | |
|--------------------------------|--|--|
| | As at March 31, 2024 | As at March 31, 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) | 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 Company:-

| | (₹ in Millions) | |
|--|----------------------------------|----------------------------------|
| Change in present value of defined benefit obligations: | For year ended March 31, 2024 | For year ended March 31, 2023 |
| Defined benefit obligation, beginning of the year | 60.31 | 43.67 |
| Current service cost | 16.21 | 13.00 |
| Past service cost | - | - |
| Interest cost | 4.34 | 2.46 |
| Remeasurements (gains) / losses | | |
| Actuarial (gains) / losses | | |
| arising from changes in demographic assumptions | 8.29 | (11.17) |
| arising from changes in financial assumptions | 4.28 | 4.95 |
| arising from changes in experience adjustments | 12.67 | 13.20 |
| Benefits paid from plan assets | (10.15) | (5.80) |
| Net transfer in / (out) (and effect of any business combinations/ divestures/ transfers) | - | - |
| Defined benefit obligation, end of the year | 95.95 | 60.31 |

| | (₹ in Millions) | |
|--|----------------------------------|----------------------------------|
| Change in plan assets: | For year ended March 31, 2024 | For year ended March 31, 2023 |
| Fair value of plan assets, beginning of the year | 40.28 | 33.32 |
| Interest income | 2.90 | 1.87 |
| Remeasurements gains / (losses) | - | - |
| Return on plan assets, (excluding amount included in net Interest expense) | 0.41 | 0.49 |
| Employer's contributions | 20.02 | 10.40 |
| Transfer in/(out) of assets | - | - |
| Net transfer in / (out) (and effect of any business combinations/ divestures/ transfers) | - | - |
| Benefits paid | (10.15) | (5.80) |
| Fair value of plan assets, end of the year | 53.46 | 40.28 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

c) Amount recognized in the balance sheet consists of:

| | (₹ in Millions) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Present value of defined benefit obligation | 95.95 | 60.31 |
| Fair value of plan assets | 53.46 | 40.28 |
| Net liability / (assets) recognised in balance sheet | 42.49 | 20.03 |

d) The amounts recognised in the Statement of Profit and Loss are as follows:

| | (₹ in Millions) | |
|---|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| Service Cost | | |
| Current service cost | 16.21 | 13.00 |
| Past service cost | - | - |
| Total Service cost (i) | 16.21 | 13.00 |
| Net interest cost | | |
| Interest expense on DBO | 4.34 | 2.46 |
| Interest (income) on plan assets | (2.90) | (1.87) |
| Total Interest cost (ii) | 1.44 | 0.59 |
| Defined benefit cost included in Statement of Profit and Loss (iii) = (i+ii) | 17.65 | 13.59 |
| Remeasurements recognised in other comprehensive income (OCI) | | |
| Actuarial (gains) / losses on defined benefit obligation | | |
| Due to changes in demographic assumptions | 8.29 | (11.17) |
| Due to changes in financial assumptions | 4.28 | 4.95 |
| Due to changes in experience adjustments | 12.67 | 13.20 |
| Return on plan assets (excl. interest income) | (0.41) | (0.49) |
| Total remeasurement in other comprehensive income (OCI) | 24.83 | 6.49 |
| Total Defined benefit cost included in Statement of P&L and OCI | 42.48 | 20.08 |

e) The fair value of the plan assets for India are as follows:

| | (₹ in Millions) | |
|--------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| a) Insurer managed funds | 53.46 | 40.28 |

f) Maturity Analysis of benefit payments

| | (₹ in Millions) | |
|---|-------------------------|-------------------------|
| Projected Benefits Payable in Future Years From the Date of Reporting | As at March 31, 2024 | As at March 31, 2023 |
| 1 st Following Year | 17.19 | 9.74 |
| 2 nd Following Year | 13.30 | 8.92 |
| 3 rd Following Year | 12.71 | 7.67 |
| 4 th Following Year | 16.10 | 7.80 |
| 5 th Following Year | 15.70 | 7.65 |
| Sum of Years 6 To 10 | 38.53 | 25.27 |
| Sum of Years 11 and above | 13.27 | 19.89 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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

(₹ in Millions)

| | For the year ended March 31, | | | |
|--------------------------------------|------------------------------|-------------|-------------|-------------|
| | 2024 | | 2023 | |
| | 1% increase | 1% decrease | 1% increase | 1% decrease |
| Sensitivity Level | | | | |
| Impact on defined benefit obligation | | | | |
| i) Discount Rate | (3.13) | (2.41) | 3.36 | 2.64 |
| ii) Future Salary Increases | 3.02 | 2.30 | (2.90) | (2.18) |
| iii) Employee Turnover | (1.83) | (0.78) | 1.90 | 0.81 |

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.

47. 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. Company as a lessee

The Company's lease asset classes primarily consist of leases for premises. The Company 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 Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

C. The details of Right to use Asset of the company are as follows:

(₹ in Millions)

| Asset Class | Leasehold Property | |
|---|--------------------|-----------------|
| | As at | As at |
| | March 31, 2024 | March 31, 2023 |
| Balance as at beginning of the year (net) | 1,716.51 | 176.29 |
| Add: Additions during the year | 844.78 | 1,744.07 |
| Less: Deductions during the year on account of modification / termination of leases | (11.33) | (31.01) |
| Less: Depreciation | (362.02) | (172.84) |
| Closing Balance as at March 31 | 2,187.94 | 1,716.51 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

D Following is the movement in lease liabilities for the period

(₹ in Millions)

| | Leasehold Property | |
|---|--------------------|-----------------|
| | As at | As at |
| | March 31, 2024 | March 31, 2023 |
| Balance as at beginning of the year | 1,770.38 | 196.21 |
| Add: Additions / modification during the year | 818.47 | 1,681.68 |
| Less: Deductions / modification during the year | (12.31) | (29.77) |
| Add: Interest Expense | 322.76 | 134.36 |
| Less: Lease Payments | (503.02) | (212.10) |
| Closing Balance as at March 31 | 2,396.28 | 1,770.38 |

E. Contractual maturities of lease liabilities on an undiscounted basis

(₹ in Millions)

| | Leasehold Property | |
|-------------------|--------------------|-----------------|
| | As at | As at |
| | March 31, 2024 | March 31, 2023 |
| Less than 1 year | 519.79 | 363.52 |
| 1-3 years | 1,075.04 | 739.23 |
| 3-5 years | 943.97 | 679.66 |
| More than 5 years | 1,224.54 | 1,071.22 |
| Total | 3,763.34 | 2,853.63 |

F. Right-of-use Assets and Lease liabilities related expenses booked in Statement of Profit and Loss

(₹ in Millions)

| | For the year | For the year |
|--|----------------|----------------|
| | ended | ended |
| | March 31, 2024 | March 31, 2023 |
| a. Depreciation on Right-of-use Assets | 362.02 | 172.84 |
| b. Interest on Lease liabilities | 322.76 | 134.36 |
| Total | 684.78 | 307.20 |

G. Short term Leases (in Statement of Profit and loss)

(₹ in Millions)

| | For the year | For the year |
|-------------------------------------|----------------|----------------|
| | ended | ended |
| | March 31, 2024 | March 31, 2023 |
| i) Office premises / Branch offices | 18.69 | 12.98 |
| Total | 18.69 | 12.98 |

Notes:

The entity has adequate liquidity for payment of lease liabilities. The Company regularly monitor and pays lease rentals on timely manner as per the terms of respective lease and license agreement.

The Company has right to extend lease term as per mutually agreed terms laid down in respective lease and license agreement. The Company takes into account effect of extended lease term while recording the lease assets and lease liabilities accordingly.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

48. Credit Risk

A MSME Loans

1 Credit quality of assets

As at March 31, 2024

(₹ in Millions)

| 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 |
| Non Performing | | | | |
| Individually impaired | - | - | 1,625.23 | 1,625.23 |
| Gross exposure (A) | 36,864.78 | 3,238.21 | 1,625.23 | 41,728.22 |
| Less: ECL (B) | 197.27 | 507.34 | 749.12 | 1,453.73 |
| Net exposure (C) = (A - B) | 36,667.51 | 2,730.87 | 876.11 | 40,274.49 |

As at March 31, 2023

(₹ in Millions)

| Particulars | Stage I | Stage II | Stage III | Total |
|-----------------------------------|------------------|-----------------|-----------------|------------------|
| Internal rating grade # | | | | |
| Performing | | | | |
| High grade | 32,421.23 | - | - | 32,421.23 |
| Standard grade | 1,591.65 | - | - | 1,591.65 |
| Sub-standard grade | - | 2,047.00 | - | 2,047.00 |
| Past due but not impaired | - | - | - | - |
| Restructured | - | 1,209.89 | - | 1,209.89 |
| Non Performing | | | | |
| Individually impaired | - | - | 1,305.84 | 1,305.84 |
| Gross exposure (A) | 34,012.88 | 3,256.89 | 1,305.84 | 38,575.61 |
| Less: ECL (B) | 160.17 | 632.46 | 338.35 | 1,130.98 |
| Net exposure (C) = (A - B) | 33,852.71 | 2,624.43 | 967.49 | 37,444.63 |

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

(₹ in Millions)

| Particulars | Stage I | Stage II | Stage III | Total |
|--|------------------|-----------------|-----------------|-------------------|
| Gross carrying amount opening balance | 34,012.88 | 3,256.89 | 1,305.84 | 38,575.61 |
| New Assets Originated or Purchased | 12,522.57 | 198.23 | 94.68 | 12,815.48 |
| 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 | (407.76) | (552.25) | 960.01 | - |
| Amounts written off * | (19.61) | (40.26) | (166.24) | (226.11) |
| Gross carrying amount closing balance | 36,864.78 | 3,238.21 | 1,625.23 | 41,728.22 |

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the company.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

(₹ in Millions)

| Particulars | Stage I | Stage II | Stage III | Total |
|--|------------------|-----------------|-----------------|-------------------|
| Gross carrying amount opening balance | 25,927.74 | 4,706.16 | 1,276.67 | 31,910.57 |
| New Assets Originated or Purchased | 14,720.12 | 145.29 | 20.43 | 14,885.84 |
| Assets derecognised or repaid (excluding write offs) | (6,920.57) | (469.79) | (178.27) | (7,568.63) |
| 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 | 34,012.88 | 3,256.89 | 1,305.84 | 38,575.61 |

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the company.

3 Reconciliation of ECL balance is given below

As at March 31, 2024

(₹ in Millions)

| Particulars | Stage I | Stage II | Stage III | Total |
|--|---------------|---------------|---------------|-----------------|
| ECL Allowance - Opening Balance | 160.17 | 632.46 | 338.35 | 1,130.98 |
| New Assets Originated or Purchased | 84.65 | 24.12 | 235.87 | 344.64 |
| 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 | (3.41) | (95.17) | 352.02 | 253.44 |
| Amounts written off | (0.76) | (27.16) | (81.27) | (109.19) |
| ECL Allowance - Closing Balance | 197.27 | 507.34 | 749.12 | 1,453.73 |

As at March 31, 2023

(₹ in Millions)

| 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 | 48.14 | 5.92 | 0.53 | 54.59 |
| Assets derecognised or repaid (excluding write offs) | (108.55) | (35.03) | (4.64) | (148.22) |
| 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) | (111.68) | (141.25) | (254.70) |
| ECL Allowance - Closing Balance | 160.17 | 632.46 | 338.35 | 1,130.98 |

4 #Internal rating grades are classified on below basis

(₹ in Millions)

| 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 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

5 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties

6 Advances (LTV band wise) :

(₹ in Millions)

| 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 |

7 Credit impaired advances (LTV band wise) :

(₹ in Millions)

| LTV ratio | Gross carrying amount of advances | Cumulative loss allowance |
|-------------|-----------------------------------|---------------------------|
| <= 50% | 468.65 | 222.63 |
| >50% <= 70% | 1,018.12 | 461.07 |
| >70% <=90% | 138.46 | 65.42 |
| >90% <=100% | - | - |

8 Reconciliation with Note No.7 :

(₹ in Millions)

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Gross advances as per Note No. 48.A.1 | 41,728.22 | 38,575.61 |
| 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 | 41,409.80 | 38,166.64 |

B Construction Finance Loans

1 Credit quality of assets

As at March 31, 2024

(₹ in Millions)

| 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 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

(₹ in Millions)

| 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 |

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

(₹ in Millions)

| 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 company.

As at March 31, 2023

(₹ in Millions)

| 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 company.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

3 Reconciliation of ECL balance is given below

As at March 31, 2024

(₹ in Millions)

| 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 |

As at March 31, 2023

(₹ in Millions)

| 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 |
| Other movements (on account of change in EAD) | - | - | - | - |
| Amounts written off | - | - | - | - |
| ECL Allowance - Closing Balance | 150.46 | 9.70 | 44.98 | 205.14 |

4 #Internal rating grades are classified on below basis

(₹ in Millions)

| 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 |

5 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties

6 Reconciliation with Note No.7 :

(₹ in Millions)

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Gross advances as per Note No. 48.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 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

C Gold Loans

1 Credit quality of assets

As at March 31, 2024

(₹ in Millions)

| 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

(₹ in Millions)

| 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 |

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

(₹ in Millions)

| 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 company.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

| (₹ in Millions) | | | | |
|--|------------------|---------------|--------------|------------------|
| 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 company.

3 Reconciliation of ECL balance is given below

As at March 31, 2024

| (₹ in Millions) | | | | |
|--|---------------|-------------|--------------|----------------|
| 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 |

As at March 31, 2023

| (₹ in Millions) | | | | |
|--|--------------|-------------|-------------|--------------|
| 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 | - | - | - | - |
| Other movements (on account of change in EAD) | - | - | - | - |
| Amounts written off | - | - | - | - |
| ECL Allowance - Closing Balance | 57.01 | 3.51 | 0.67 | 61.19 |

4 #Internal rating grades are classified on below basis

| (₹ in Millions) | | |
|---------------------------|------------------------|---------|
| 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 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

5 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying for the term loans secured by tangible assets are Gold Jewelleries

6 Advances (LTV band wise) :

| (₹ in Millions) | | |
|-----------------|-----------------------------------|---------------------------|
| 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% | - | - |

7 Credit impaired advances (LTV band wise) :

| (₹ in Millions) | | |
|-----------------|-----------------------------------|---------------------------|
| 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% | - | - |

8 Reconciliation with Note No.7 :

| (₹ in Millions) | | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Gross advances as per Note No. 48.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 |

D Indirect Retail Lending (IRL)

1 Credit quality of assets

As at March 31, 2024

| (₹ in Millions) | | | | |
|-----------------------------------|-----------------|----------|-----------|-----------------|
| Particulars | Stage I | Stage II | Stage III | Total |
| Internal rating grade # | | | | |
| Performing | | | | |
| High grade | 2,662.55 | - | - | 2,662.55 |
| Standard grade | - | - | - | - |
| Sub-standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| Restructured | - | - | - | - |
| Non Performing | | | | |
| Individually impaired | - | - | - | - |
| Gross exposure (A) | 2,662.55 | - | - | 2,662.55 |
| Less: ECL (B) | 10.74 | - | - | 10.74 |
| Net exposure (C) = (A - B) | 2,651.81 | - | - | 2,651.81 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

| (₹ in Millions) | | | | |
|-----------------------------------|-----------------|----------|--------------|-----------------|
| 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 |

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

| (₹ in Millions) | | | | |
|--|-----------------|----------|--------------|-------------------|
| 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 | 1,971.25 | - | - | 1,971.25 |
| 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 | 2,662.55 | - | - | 2,662.55 |

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the company.

As at March 31, 2023

| (₹ in Millions) | | | | |
|--|-----------------|----------|--------------|-------------------|
| 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 company.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

3 Reconciliation of ECL balance is given below

As at March 31, 2024

| (₹ in Millions) | | | | |
|--|--------------|----------|-----------|----------------|
| Particulars | Stage I | Stage II | Stage III | Total |
| ECL Allowance - Opening Balance | 5.60 | - | 15.90 | 21.50 |
| New Assets Originated or Purchased | 9.13 | - | - | 9.13 |
| Assets derecognised or repaid (excluding write offs) | (3.99) | - | - | (3.99) |
| Transfer to Stage 1 | - | - | - | - |
| Transfer to Stage 2 | - | - | - | - |
| Transfer to Stage 3 | - | - | - | - |
| Other movements (on account of change in EAD) | - | - | - | - |
| Amounts written off | - | - | (15.90) | (15.90) |
| ECL Allowance - Closing Balance | 10.74 | - | - | 10.74 |

As at March 31, 2023

| (₹ in Millions) | | | | |
|--|-------------|----------|--------------|----------------|
| 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 | - | - | - | - |
| Other movements (on account of change in EAD) | - | - | - | - |
| Amounts written off | - | - | - | - |
| ECL Allowance - Closing Balance | 5.60 | - | 15.90 | 21.50 |

4 #Internal rating grades are classified on below basis

| (₹ in Millions) | | |
|---------------------------|------------------------|---------|
| 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 |

5 Details of collateral received against loan portfolio :

Nature of security against advances :
Underlying securities for the assets secured by book debts.

6 Reconciliation with Note No.7 :

| (₹ in Millions) | | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Gross advances as per Note No. 48.D.1 | 2,662.55 | 3,408.17 |
| Reconciliation | | |
| Unamortised fees | (9.19) | (7.51) |
| Others | - | (0.03) |
| Gross advances as per Note No. 7 | 2,653.36 | 3,400.63 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

E Unsecured business loan

1 Credit quality of assets

As at March 31, 2024

(₹ in Millions)

| 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 |

As at March 31, 2023

(₹ in Millions)

| Particulars | Stage I | Stage II | Stage III | Total |
|-----------------------------------|---------|----------|-----------|-------|
| Internal rating grade # | | | | |
| Performing | | | | |
| High grade | - | - | - | - |
| Standard grade | - | - | - | - |
| Sub-standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| Restructured | - | - | - | - |
| Non Performing | | | | |
| Individually impaired | - | - | - | - |
| Gross exposure (A) | - | - | - | - |
| Less: ECL (B) | - | - | - | - |
| Net exposure (C) = (A - 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

(₹ in Millions)

| 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 company.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

(₹ in Millions)

| Particulars | Stage I | Stage II | Stage III | Total |
|--|---------|----------|-----------|-------|
| Gross carrying amount opening balance | - | - | - | - |
| 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 | - | - | - | - |

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the company.

3 Reconciliation of ECL balance is given below

As at March 31, 2024

(₹ in Millions)

| 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 | - | - | - | - |
| Other movements (on account of change in EAD) | - | - | - | - |
| Amounts written off | - | - | - | - |
| ECL Allowance - Closing Balance | 4.75 | - | - | 4.75 |

As at March 31, 2023

(₹ in Millions)

| Particulars | Stage I | Stage II | Stage III | Total |
|--|---------|----------|-----------|-------|
| ECL Allowance - Opening Balance | - | - | - | - |
| New Assets Originated or Purchased | - | - | - | - |
| 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 #Internal rating grades are classified on below basis

(₹ in Millions)

| 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 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

5 Details of collateral received against loan portfolio :

Nature of security against advances : Unsecured Advances

6 Reconciliation with Note No.7 :

(₹ in Millions)

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Gross advances as per Note No. 48.E.1 | 478.74 | - |
| Reconciliation | | |
| Unamortised fees | (3.46) | - |
| Others | (1.89) | - |
| Gross advances as per Note No. 7 | 473.39 | - |

49. 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 Company uses the same basis of expected repayment as used for estimating the EIR.

(₹ in Millions)

| 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 |
| ASSETS | | | | | | |
| Financial Assets | | | | | | |
| Cash and cash equivalents | 2,149.82 | - | 2,149.82 | 14,446.52 | - | 14,446.52 |
| Bank Balances other than cash and cash equivalents | 135.76 | 2.82 | 138.58 | 131.75 | 2.50 | 134.25 |
| Derivative financial instruments | 31.23 | - | 31.23 | - | - | - |
| Trade Receivables | 981.02 | - | 981.02 | 321.43 | - | 321.43 |
| Other Receivables | 51.54 | - | 51.54 | 5.69 | - | 5.69 |
| Loans | 34,979.91 | 61,252.92 | 96,232.83 | 18,275.45 | 51,071.79 | 69,347.24 |
| Investments | 100.04 | 5,715.52 | 5,815.56 | 306.65 | 3,293.09 | 3,599.74 |
| Other financial Assets | 381.63 | 405.92 | 787.55 | 136.43 | 568.59 | 705.02 |
| Total Financial Assets | 38,810.95 | 67,377.18 | 106,188.13 | 33,623.92 | 54,935.97 | 88,559.89 |
| Non-Financial assets | | | | | | |
| Current Tax Assets (Net) | 259.96 | - | 259.96 | 189.75 | - | 189.75 |
| Deferred tax assets (Net) | - | 564.85 | 564.85 | - | 365.10 | 365.10 |
| Property, plant and equipment | - | 2,994.92 | 2,994.92 | - | 2,657.68 | 2,657.68 |
| Capital work-in-progress | 0.79 | - | 0.79 | - | 25.22 | 25.22 |
| Intangible Assets Under Development | 90.43 | - | 90.43 | - | 73.71 | 73.71 |
| Other intangible assets | - | 197.32 | 197.32 | - | 53.86 | 53.86 |
| Other non-financial assets | 398.85 | 466.80 | 865.65 | 727.86 | 330.47 | 1,058.33 |
| Total Non financial Assets | 750.03 | 4,223.89 | 4,973.92 | 917.61 | 3,506.04 | 4,423.65 |
| Total Assets | 39,560.98 | 71,601.07 | 111,162.05 | 34,541.53 | 58,442.01 | 92,983.54 |
| LIABILITIES | | | | | | |
| Financial Liabilities | | | | | | |
| Derivative financial instruments | - | - | - | 58.05 | - | 58.05 |
| Payables | | | | | | |
| - Trade Payables | 805.60 | - | 805.60 | 843.83 | 1.64 | 845.47 |
| - Other Payables | 188.05 | - | 188.05 | 104.49 | 1.43 | 105.92 |
| Debt Securities | 21.65 | 1,500.00 | 1,521.65 | 2,886.14 | 1,500.00 | 4,386.14 |
| Borrowings (Other than debt securities) | 21,941.59 | 47,643.27 | 69,584.86 | 13,877.67 | 35,620.07 | 49,497.74 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| 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 |
| Other financial liabilities | 2,865.31 | 204.07 | 3,069.38 | 2,465.03 | 1,625.56 | 4,090.59 |
| Total Financial Liabilities | 25,822.20 | 49,347.34 | 75,169.54 | 20,235.21 | 38,748.70 | 58,983.91 |
| Non-Financial Liabilities | | | | | | |
| Current tax liability | 6.98 | - | 6.98 | 5.80 | - | 5.80 |
| Provisions | 86.31 | 113.64 | 199.95 | 60.49 | 116.37 | 176.86 |
| Other Non Financials Liabilities | 178.62 | - | 178.62 | 111.85 | - | 111.85 |
| Total Non-Financial Liabilities | 271.91 | 113.64 | 385.55 | 178.14 | 116.37 | 294.51 |
| Total Liabilities | 26,094.11 | 49,460.98 | 75,555.09 | 20,413.35 | 38,865.07 | 59,278.42 |
| Net Assets | 13,466.87 | 22,140.09 | 35,606.96 | 14,128.18 | 19,576.94 | 33,705.12 |

Classification of assets and liabilities under the maturity buckets is based on the same estimates and assumptions as used by the Company for compiling the return submitted to the RBI. The Above is based on the information available with the company which has been relied upon by the auditors.

50. Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company. The Company 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 Company's capital management are to ensure that the Company 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 Company 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.

For details of Capital to Risk Assets Ratio (CRAR) refer Note no. - 59.01

51. Change in liabilities arising from financing activities

(₹ in Millions)

| 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 | 49,497.74 | 20,215.06 | (127.94) | 69,584.86 |
| Total liabilities from financing activities | 53,883.88 | 17,548.39 | (325.76) | 71,106.51 |

(₹ in Millions)

| 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 | 29,182.81 | 20,519.34 | (204.41) | 49,497.74 |
| Total liabilities from financing activities | 33,743.69 | 20,342.55 | (202.36) | 53,883.88 |

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, conversation factor of derivative instruments.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

52. 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:

A Financial instruments by category

1 As at March 31, 2024

(₹ in Millions)

| Particulars | FVTPL | Amortised cost | FVTOCI | Total Carrying Value | Fair Value |
|--|--------------|-------------------|--------------|----------------------|--------------|
| Financial assets | | | | | |
| Investments | | | | | |
| - Mutual funds | - | - | - | - | - |
| - Equity instruments | 24.32 | - | - | 24.32 | 24.32 |
| - Debt Instrument | - | - | - | - | - |
| - Pass Through Certificates | - | 541.14 | - | 541.14 | - |
| Trade receivables | - | 981.02 | - | 981.02 | - |
| Other Receivables | - | 51.54 | - | 51.54 | - |
| Loans | - | 96,232.83 | - | 96,232.83 | - |
| Cash and cash equivalents | - | 2,149.82 | - | 2,149.82 | - |
| Bank Balances other than above | - | 138.58 | - | 138.58 | - |
| Derivative financial instruments | - | - | 31.23 | 31.23 | 31.23 |
| Other financial Assets | - | 787.55 | - | 787.55 | - |
| Total financial assets | 24.32 | 100,882.48 | 31.23 | 100,938.03 | 55.55 |
| Financial liabilities | | | | | |
| Derivative financial instruments | - | - | - | - | - |
| Borrowings (including Debt Securities) | - | 71,106.51 | - | 71,106.51 | - |
| Trade payables | - | 993.65 | - | 993.65 | - |
| Other financial liabilities | - | 3,069.38 | - | 3,069.38 | - |
| Total financial liabilities | - | 75,169.54 | - | 75,169.54 | - |

2 As at March 31, 2023

(₹ in Millions)

| Particulars | FVTPL | Amortised cost | FVTOCI | Total Carrying Value | Fair Value |
|-----------------------------|--------|----------------|--------|----------------------|------------|
| Financial assets | | | | | |
| Investments | | | | | |
| - Mutual funds | 300.98 | - | - | 300.98 | 300.98 |
| - Commercial Paper | - | - | - | - | - |
| - Equity instruments | - | - | - | - | - |
| - Debt Instrument | - | - | - | - | - |
| - Pass Through Certificates | - | 48.76 | - | 48.76 | - |
| Trade receivables | - | 321.43 | - | 321.43 | - |
| Other Receivables | - | 5.69 | - | 5.69 | - |
| Loans | - | 69,347.24 | - | 69,347.24 | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Particulars | FVTPL | Amortised cost | FVTOCI | Total Carrying Value | Fair Value |
|--|---------------|------------------|--------------|----------------------|---------------|
| Cash and cash equivalents | - | 14,446.52 | - | 14,446.52 | - |
| Bank Balances other than above | - | 134.25 | - | 134.25 | - |
| Other financial Assets | - | 705.02 | - | 705.02 | - |
| Total financial assets | 300.98 | 85,008.91 | - | 85,309.89 | 300.98 |
| Financial liabilities | | | | | |
| Derivative financial instruments | - | - | 58.05 | 58.05 | 58.05 |
| Borrowings (including Debt Securities) | - | 53,883.88 | - | 53,883.88 | - |
| Trade payables | - | 951.39 | - | 951.39 | - |
| Other financial liabilities | - | 4,090.59 | - | 4,090.59 | - |
| Total financial liabilities | - | 58,925.86 | 58.05 | 58,983.91 | 58.05 |

52.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.

B. 1 Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Millions)

| 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 | - | - | - | - | - |
| Derivative financial instruments | 31.23 | - | 31.23 | - | 31.23 |
| Total financial assets | 55.55 | 24.32 | 31.23 | - | 55.55 |
| Financial liabilities | | | | | |
| Derivative financial instruments | - | - | - | - | - |
| Total financial liabilities | - | - | - | - | - |

(₹ in Millions)

| 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 | 300.98 | 300.98 | - | - | 300.98 |
| Total financial assets | 300.98 | 300.98 | - | - | 300.98 |
| Financial liabilities | | | | | |
| Derivative financial instruments | 58.05 | - | 58.05 | - | 58.05 |
| Total financial liabilities | 58.05 | - | 58.05 | - | 58.05 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

B. 2 Assets and liabilities which are measured at amortised cost for which fair values are disclosed

(₹ in Millions)

| As at March 31, 2024 | Carrying Amount | Fair Value | | | Total Fair Value |
|---------------------------------------|-------------------|------------|-----------------|------------------|-------------------|
| | | Level 1 | Level 2 | Level 3 | |
| Financial assets | | | | | |
| Cash and cash equivalents | 2,149.82 | - | - | - | 2,149.82 |
| Bank Balance other than above | 138.58 | - | - | - | 138.58 |
| Trade receivable | 981.02 | - | - | - | 981.02 |
| Other receivables | 51.54 | - | - | - | 51.54 |
| Loans | | | | | |
| Loans to employees | 10.83 | - | - | - | 10.83 |
| Loans - SME,CF,IRL,GL&DL | 98,274.87 | - | - | 98,108.69 | 98,108.69 |
| Investments | | | | | |
| Debt Instrument | - | - | - | - | - |
| Pass Through Certificates | 541.14 | - | - | 541.14 | 541.14 |
| Other financial assets | 787.55 | - | - | 787.55 | 787.55 |
| Total financial assets | 102,935.35 | - | - | 99,437.38 | 102,769.17 |
| Financial Liabilities | | | | | |
| Trade Payable | 993.65 | - | - | 993.65 | 993.65 |
| Debt Securities | 1,521.65 | - | 1,521.65 | - | 1,521.65 |
| Borrowings other than debt securities | 69,584.86 | - | - | 69,584.86 | 69,584.86 |
| Other Financial liabilities | 3,069.38 | - | - | 3,069.38 | 3,069.38 |
| Total financial liabilities | 75,169.54 | - | 1,521.65 | 73,647.89 | 75,169.54 |

(₹ in Millions)

| As at March 31, 2023 | Carrying Amount | Fair Value | | | Total Fair Value |
|---------------------------------------|------------------|------------|-----------------|------------------|------------------|
| | | Level 1 | Level 2 | Level 3 | |
| Financial assets | | | | | |
| Cash and cash equivalents | 14,446.52 | - | - | - | 14,446.52 |
| Bank Balance other than above | 134.25 | - | - | - | 134.25 |
| Trade Receivable | 321.43 | - | - | - | 321.43 |
| Other Receivables | 5.69 | - | - | - | 5.69 |
| Loans | | | | | |
| Loans to employees | 3.04 | - | - | - | 3.04 |
| Loans - SME,CF,IRL& GL | 70,763.01 | - | - | 67,192.51 | 67,192.51 |
| Investments | | | | | |
| Debt Instrument | - | - | - | - | - |
| Pass Through Certificates | 48.76 | - | - | 48.76 | 48.76 |
| Other financial assets | 705.02 | - | - | 705.02 | 705.02 |
| Total financial assets | 86,427.72 | - | - | 67,946.29 | 82,857.22 |
| Financial liabilities | | | | | |
| Trade Payable | 951.39 | - | - | 951.39 | 951.39 |
| Debt Securities | 4,386.14 | - | 4,386.14 | - | 4,386.14 |
| Borrowings other than debt securities | 49,497.74 | - | - | 49,497.74 | 49,497.74 |
| Other financial liabilities | 4,090.59 | - | - | 4,090.59 | 4,090.59 |
| Total financial liabilities | 58,925.86 | - | 4,386.14 | 54,539.72 | 58,925.86 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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

53. Risk Disclosures

Company'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 Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and interest rate risk. It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture.

A Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties.

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 Company 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.

b) Significant increase in credit risk

The Company 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 Company assesses whether there has been a significant

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

increase in credit risk since initial recognition. The Company 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 Company 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 Company also considers a variety of instances that may indicate inability to pay. When such events occur, the Company 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:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event
- The restructuring of a loan or advance by the company on terms that the company would not consider otherwise; or
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation

It is the Company'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's days past due become "0" 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.

- The Company has applied 12 months PD to stage 1 advances
- The Lifetime PD is computed using basic exponentiation technique after considering the residual maturity of the respective loan.
- 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 Company collects performance and default information about its credit risk exposures analysed by portfolio. For some portfolios, rating based published information is used.

The Company 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 Company 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 Company 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

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 Company 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.

2 Analysis of risk concentration - Refer Note 59.15

3 Collateral and other credit enhancements

The Company 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 Company is unable to recover the dues, the Company through a legal process enforces the security and recovers the dues.

B Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company 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 Company 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 Company 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 as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) of the Company formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

1 The table below summarises the maturity profile of the undiscounted cash flow of the Company's financial liabilities:

As at March 31, 2024

| (₹ in Millions) | | | | | |
|-------------------------------|-----------------|------------------|---------------|-----------------|---------------------------|
| | Debt Securities | Borrowings | Trade Payable | Lease liability | Other Financial Liability |
| 1 upto 30/31 days | - | 1,683.27 | 993.65 | 43.32 | 673.10 |
| 2 Over 1 month upto 2 months | 59.38 | 1,814.82 | - | 43.33 | - |
| 3 Over 2 months upto 3 months | - | 3,070.33 | - | 43.33 | - |
| 4 Over 3 months to 6 months | 38.57 | 9,418.46 | - | 130.11 | - |
| 5 Over 6 months to 1 year | 77.19 | 11,735.88 | - | 259.69 | - |
| 6 Over 1 year to 3 years | 306.90 | 35,944.25 | - | 1,075.04 | - |
| 7 Over 3 year to 5 years | 306.90 | 18,210.98 | - | 943.98 | - |
| 8 Over 5 years | 1,576.09 | 1,882.73 | - | 1,224.54 | - |
| Total | 2,365.03 | 83,760.72 | 993.65 | 3,763.34 | 673.10 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

| (₹ in Millions) | | | | | |
|-------------------------------|-----------------|------------------|---------------|-----------------|---------------------------|
| | Debt Securities | Borrowings | Trade Payable | Lease liability | Other Financial Liability |
| 1 upto 30/31 days | - | 1,117.83 | 951.39 | 30.43 | 2,320.21 |
| 2 Over 1 month upto 2 months | 2,386.16 | 916.46 | - | 30.41 | - |
| 3 Over 2 months upto 3 months | 581.99 | 2,415.74 | - | 37.73 | - |
| 4 Over 3 months to 6 months | 230.14 | 4,583.01 | - | 83.95 | - |
| 5 Over 6 months to 1 year | 77.31 | 8,833.94 | - | 181.00 | - |
| 6 Over 1 year to 3 years | 306.94 | 24,573.71 | - | 739.23 | - |
| 7 Over 3 year to 5 years | 306.86 | 13,631.72 | - | 679.66 | - |
| 8 Over 5 years | 1,768.27 | 4,695.85 | - | 1,071.22 | - |
| Total | 5,657.67 | 60,768.26 | 951.39 | 2,853.63 | 2,320.21 |

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 company is providing loans to MSME, Construction Finance, Indirect Lending, Gold Loan and Unsecured business loan. The company borrows through various financial instruments to finance its core lending activity. These activities expose the company 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 Company's statement of profit and loss and equity.

1 FY 2023-24

| (₹ in Millions) | | | | | |
|----------------------------|---|-------------------------------|----------|-----------------------|----------|
| Financial Instruments Type | Increase / (decrease) in basis points (bps) | Sensitivity of profit or loss | | Sensitivity of equity | |
| a. Loans | 50 bps Up | Impact on Profit before Tax | 351.08 | Impact on equity | 264.44 |
| | 100 bps Up | | 702.17 | | 528.88 |
| | 50 bps Down | | (351.08) | | (264.44) |
| | 100 bps Down | | (702.17) | | (528.88) |
| b. Borrowings | 50 bps Up | Impact on Profit before Tax | (350.00) | Impact on equity | (263.62) |
| | 100 bps Up | | (700.00) | | (527.24) |
| | 50 bps Down | | 350.00 | | 263.62 |
| | 100 bps Down | | 700.00 | | 527.24 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

1 FY 2022-23

| (₹ in Millions) | | | | | |
|----------------------------|---|-------------------------------|----------|-----------------------|----------|
| Financial Instruments Type | Increase / (decrease) in basis points (bps) | Sensitivity of profit or loss | | Sensitivity of equity | |
| a. Loans | 50 bps Up | Impact on Profit before Tax | 299.44 | Impact on equity | 223.71 |
| | 100 bps Up | | 598.88 | | 447.42 |
| | 50 bps Down | | (299.44) | | (223.71) |
| | 100 bps Down | | (598.88) | | (447.42) |
| b. Borrowings | 50 bps Up | Impact on Profit before Tax | (248.92) | Impact on equity | (185.97) |
| | 100 bps Up | | (497.85) | | (371.94) |
| | 50 bps Down | | 248.92 | | 185.97 |
| | 100 bps Down | | 497.85 | | 371.94 |

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 Company cannot expect to eliminate all operational risks, but it endeavors 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.

E Capital Management :

Company's capital management objective is primarily to safeguard business continuity. The Company's capital raising policy is aligned to macro economic situation and incidental risk factors. The Company'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 company believes this approach would create shareholder value in long run. Also, the company has adopted a conservative approach for ALM management with primacy to adequate liquidity. At present a large portion of the company's resource base is equity. Therefore the company enjoys a low gearing.

The Company 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 :

| (₹ in Millions) | | |
|------------------------------------|----------------------|----------------------|
| Particulars | As at March 31, 2024 | As at March 31, 2023 |
| a. Debt (I)* | 73,502.79 | 55,654.26 |
| b. Cash and bank balances (II)# | 2,102.81 | 12,290.64 |
| c. Net debt (I - II) | 71,399.98 | 43,363.62 |
| d. Total equity | 35,606.96 | 33,705.12 |
| e. Net debt to equity ratio | 2.01 | 1.29 |

* Debt includes debt securities, borrowings and lease liability.

Cash and bank balance is net of book overdraft

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

54. Related Party Disclosure

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:

(₹ in Millions)

| No. | Name of the Related Party | Relationship |
|---|--|---|
| I Related Parties over which control exists: | | |
| | Capri Global Housing Finance Limited | Wholly owned Subsidiary |
| | Capri Loans Car Platform Private Limited | Wholly owned Subsidiary (Incorporated on October 16, 2023) |
| II Enterprises over which Management and/or their relatives have control | | |
| | Capri Global Holdings Private Limited | |
| | Parshwanath Buildcon Private Limited | |
| | Carlelo Private Ltd (w.e.f. July 01, 2023) | |
| III 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. 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) |
| IV Relative of Key Management Personnel | | |
| | Mr. Pranay Rauka | Son of Beni Prasad Rauka |
| | 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) | |

B Transactions with Related parties during the year

(₹ in Millions)

| No. | Nature of Transaction | Relationship | Name of Party | For the year Ended March 31, | |
|---------------------|------------------------------------|---|--------------------------------------|------------------------------|-------|
| | | | | 2024 | 2023 |
| I. INCOMES : | | | | | |
| 1 | Service Charge Income | Wholly owned Subsidiary | Capri Global Housing Finance Limited | 40.77 | 40.77 |
| 2 | Interest income from sale of loans | Wholly owned Subsidiary | Capri Global Housing Finance Limited | - | 1.04 |
| II. EXPENSES | | | | | |
| 3 | Rent Paid | Enterprises over which management and/or their relatives have control | Parshwanath Buildcon Private Limited | 0.19 | 0.15 |
| 4 | Service Charge expenses | Wholly owned Subsidiary | Capri Global Housing Finance Limited | 86.55 | 51.60 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| No. | Nature of Transaction | Relationship | Name of Party | For the year Ended March 31, | |
|--|--|---|--|------------------------------|--------|
| | | | | 2024 | 2023 |
| 5 | Commission Paid | Enterprises over which management and/or their relatives have control | Carlelo Private Ltd | 0.08 | - |
| 6 | Salaries, Commission and other benefits | Key Management Personnel | Mr. Rajesh Sharma | 2.40 | 2.40 |
| | | Relative of Key Management Personnel | Mr. Pranay Rauka | 2.11 | 0.88 |
| 7 | Director Sitting Fees | Key Management Personnel | Ms. Jinisha Sharma | 2.40 | 0.80 |
| | | | Mr. Beni Prasad Rauka | 1.69 | 2.23 |
| | | | Ms. Bhagyam Ramani | 3.05 | 3.11 |
| | | | 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 | - |
| 8 | Employee Benefits | Trust under common control | CGCL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Financial Services Limited Employee Group Gratuity Assurance Scheme) | 20.02 | 10.40 |
| | | | Mr. S Ranganathan | 0.22 | - |
| 9 | Donation - Corporate Social Responsibility | Trust under common control | Capri Foundation | 0.40 | - |
| III. Balance Sheet Items (Transaction during year): | | | | | |
| 1 | Investment in Equity Shares | Wholly owned Subsidiary | Capri Loans Car Platform Private Limited | 0.10 | - |
| | | | Capri Global Housing Finance Limited | 2,000.00 | -- |
| 2 | Sale of Investment | Wholly owned Subsidiary | Capri Global Housing Finance Limited | - | 361.86 |
| 3 | Sale of loans | Wholly owned Subsidiary | Capri Global Housing Finance Limited | 19.37 | 23.44 |
| 4 | Purchase of Investment | Wholly owned Subsidiary | Capri Global Housing Finance Limited | 602.36 | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

C Closing balances with Related parties as at year end

(₹ in Millions)

| No. | Nature of Transaction | Relationship | Name of Party | For the year Ended March 31, | |
|-----|-----------------------------|-------------------------|--|------------------------------|----------|
| | | | | 2024 | 2023 |
| 1 | Investment in Equity Shares | Wholly owned Subsidiary | Capri Global Housing Finance Limited | 5,250.00 | 3,250.00 |
| | | Wholly owned Subsidiary | Capri Loans Car Platform Private Limited | 0.10 | - |
| 2 | Other Receivable | Wholly owned Subsidiary | Capri Global Housing Finance Limited | 1.48 | 1.61 |
| 3 | Purchase of Investment | Wholly owned Subsidiary | Capri Global Housing Finance Limited | 501.39 | - |

55. Fraud Reporting

(₹ in Millions)

| Particulars | For the year Ended March 31, | |
|---|------------------------------|-------|
| | 2024 | 2023 |
| Frauds reported by the Company to the RBI through prescribed returns. | 22.08 | 11.18 |

56. Details of all collateral used as security for liabilities

(₹ in Millions)

| Particulars | Carrying amount of financial assets pledged as at March 31, | |
|---|---|-----------|
| | 2024 | 2023 |
| Assets type | | |
| a. Loans receivable as collateral under lending agreements | 97,175.07 | 70,137.64 |
| b. Loans receivable as collateral under PTC agreements | 541.14 | 48.76 |
| c. Receivables from investment in securities as collateral | - | 300.98 |
| d. Cash and other bank balance collateral under lending agreements* | 2,102.81 | 12,290.64 |

* Cash and other bank balance net of book overdraft

57. Employee Stock Option

The Company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2009 (ESOP 2009) to employees of the Company/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: -

(₹ in Millions)

| 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 | 8,849,194 | ₹ 0.50 to ₹ 187.50 | 12,241,600 | ₹ 0.50 to ₹ 130.00 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

The activity of the Stock Plans is summarised below:

(₹ in Millions)

| 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 | 2,098,400 | 0.50 | 2,261,600 | 0.50 |
| | 168,000 | 17.50 | 798,000 | 17.50 |
| | 1,039,200 | 25.00 | 1,153,600 | 25.00 |
| | 56,000 | 32.50 | 90,000 | 32.50 |
| | 200,000 | 43.50 | 200,000 | 43.50 |
| | 80,000 | 48.73 | 80,000 | 48.73 |
| | 280,000 | 56.25 | 280,000 | 56.25 |
| | 3,400,000 | 62.50 | 3,500,000 | 62.50 |
| | 4,000,000 | 75.00 | 3,800,000 | 75.00 |
| | 300,000 | 106.25 | - | - |
| | 400,000 | 112.50 | - | - |
| | 100,000 | 125.00 | - | - |
| | 80,000 | 127.50 | - | - |
| | 40,000 | 130.00 | - | - |
| Granted | - | - | 800,000 | 75.00 |
| | - | - | 300,000 | 106.25 |
| | - | - | 400,000 | 112.50 |
| | - | - | 100,000 | 125.00 |
| | - | - | 80,000 | 127.50 |
| | - | - | 40,000 | 130.00 |
| | 320,000 | 185.00 | - | - |
| | 200,000 | 187.50 | - | - |
| Exercised | 161,136 | 0.50 | 51,600 | 0.50 |
| | 36,000 | 17.50 | 630,000 | 17.50 |
| | 110,460 | 25.00 | 26,400 | 25.00 |
| | 12,000 | 32.50 | 24,000 | 32.50 |
| | 9,000 | 43.50 | - | - |
| Forfeited, expired and cancelled | 346,470 | 0.50 | 111,600 | 0.50 |
| | 36,000 | 17.50 | 88,000 | 25.00 |
| | 598,340 | 25.00 | 10,000 | 32.50 |
| | 12,000 | 32.50 | 100,000 | 62.50 |
| | 51,000 | 43.50 | 600,000 | 75.00 |
| | 60,000 | 62.50 | - | - |
| | 2,400,000 | 75.00 | - | - |
| | 80,000 | 185.00 | - | - |
| Outstanding at the end 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 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Particulars | Year ended | | | |
|-----------------------------------|----------------------|--------------------------------------|----------------------|--------------------------------------|
| | As at March 31, 2024 | | As at March 31, 2023 | |
| | Numbers | Exercise Price/ Vesting Price (₹) | Numbers | Exercise Price/ Vesting Price (₹) |
| | 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 | - | - |
| Of the above, Options exercisable | 823,594 | 0.50 | 496,200 | 0.50 |
| | 96,000 | 17.50 | 72,000 | 17.50 |
| | 330,400 | 25.00 | 712,800 | 25.00 |
| | 60,000 | 43.50 | 60,000 | 43.50 |
| | 24,000 | 48.73 | - | - |
| | 24,000 | 56.25 | - | - |

(₹ in Millions)

| Particulars | 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

(₹ in Millions)

| 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 | 1,590,794 | 5.14 | 2,098,400.00 | 10.86 |
| 17.50 | 96,000 | 0.03 | 168,000.00 | 4.51 |
| 25.00 | 330,400 | 0.03 | 1,039,200.00 | 2.10 |
| 32.50 | 32,000 | 5.67 | 56,000.00 | 12.64 |
| 43.50 | 140,000 | 3.25 | 200,000.00 | 8.86 |
| 48.73 | 80,000 | 11.76 | 80,000.00 | 23.24 |
| 56.25 | 280,000 | 19.38 | 280,000.00 | 31.50 |
| 62.50 | 3,340,000 | 21.49 | 3,400,000.00 | 33.69 |
| 75.00 | 1,600,000 | 27.30 | 4,000,000.00 | 37.01 |
| 106.25 | 300,000 | 27.55 | 300,000.00 | 39.75 |
| 112.50 | 400,000 | 27.75 | 400,000.00 | 39.95 |
| 125.00 | 100,000 | 27.65 | 100,000.00 | 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 | 240,000 | 50.37 | - | - |
| 187.50 | 200,000 | 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

The following table summarizes the assumptions used in calculating the grant date fair value.

(₹ in Millions)

| Particulars | As at | As at |
|------------------------------|----------------|--------------------|
| | March 31, 2024 | 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% | 7.09% to 7.39% |

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 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).

(₹ in Millions)

| Particulars | 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 million) | 70.63 | 141.75 |

(₹ in Millions)

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Receivable from the subsidiary company with which employees are employed (Amount receivable is difference between the exercise price and fair value of the options) | 1.47 | 1.61 |

58. Analytical Ratios

A Analytical Ratios as per Ministry of Corporate Affairs ("MCA") notification dated 24th March 2021 are as below:

(₹ in Millions)

| No. | Particulars | As at March 31, 2024 | As at March 31, 2023 | % Change | Notes |
|-----|--|-------------------------|-------------------------|----------|-------|
| 1 | Capital to risk-weighted assets ratio (CRAR) | 26.62% | 39.86% | -33.2% | a |
| 2 | Tier I CRAR | 26.15% | 39.35% | -33.5% | a |
| 3 | Tier II CRAR | 0.48% | 0.51% | -5.9% | |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

| (₹ in Millions) | | | | | |
|-----------------|--------------------------|---------------------------------|---------|----------|-------|
| 4 | Liquidity Coverage Ratio | For the Quarter ended March 31, | | % Change | Notes |
| | | 2024 | 2023 | | |
| | | 264.03% | 257.34% | 2.6% | d |

B Explanation for change in ratios exceeding 25% compared to previous year (For CRAR, Tier I and II)

- a. There is decrease in Net Owned Fund (Tier I Capital) as compared to previous year due to change in treatment of Right of use assets (₹ 2187.94 millions) as now considered as Intangible assets and increase in Investment in subsidiary.

C

| (₹ in Millions) | | | |
|-----------------|--|-------------------------------------|---|
| No. | Ratios | Numerator | Denominator |
| 1 | Capital to risk-weighted assets ratio (CRAR) | Total Capital Funds | Total risk weighted assets/ exposures |
| 2 | Tier I CRAR | Net Owned Fund | Total risk weighted assets/ exposures |
| 3 | Tier II CRAR | Aggregate Tier II Capital | Total risk weighted assets/ exposures |
| 4 | Liquidity Coverage Ratio | Stock of High Quality Liquid Assets | Total Cash Net Outflows over the next 30 calendar days. |

59. Regulatory disclosures - RBI

The following additional information is disclosed in the terms of Master Direction – Reserve Bank of India (Non-Banking Financial Company –

Scale Based Regulation) Directions, 2023 issued vide RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 as amended from time to time.

The additional disclosure notes required by the Reserve Bank of India (the 'RBI') are prepared under Indian Accounting Standards (Ind AS) issued by Ministry of Corporate Affairs (MCA), unless otherwise stated. Disclosures are provided in the currency in which financial statements are prepared.

1 Capital to risk assets ratio (CRAR)

| (₹ in Millions) | | |
|---|----------------------|----------------------|
| Particulars | As at March 31, 2024 | As at March 31, 2023 |
| CRAR (%) | 26.62% | 39.86% |
| CRAR - Tier I capital (%) | 26.15% | 39.35% |
| CRAR - Tier II Capital (%) | 0.48% | 0.51% |
| Amount of Subordinated debt raised as tier II capital | - | - |
| Amount raised by issue of perpetual debt instruments | - | - |

2 Investments

| (₹ in Millions) | | |
|---|----------------|----------------|
| Particulars | March 31, 2024 | March 31, 2023 |
| I) Value of Investment | | |
| (i) Gross value of investments | | |
| (a) In India | 5,815.56 | 3,599.74 |
| (b) Outside India | - | - |
| (ii) Provisions for depreciation | | |
| (a) In India | - | - |
| (b) Outside India | - | - |
| (iii) Net value of investments | | |
| (a) In India | 5,815.56 | 3,599.74 |
| (b) Outside India | - | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

II) Movement of provisions held towards depreciation on investments.

| (₹ in Millions) | | |
|--|------------------------------|----------------|
| Particulars | For the year Ended March 31, | |
| | March 31, 2024 | March 31, 2023 |
| Opening balance | - | - |
| Add : Provisions made during the year | - | - |
| Less : Write-off / write-back of excess provisions during the year | - | - |
| Closing balance | - | - |

3 Derivatives

1 Forward rate agreement / interest rate swap

| (₹ in Millions) | | |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2024 | As at March 31, 2023 |
| i) The notional principal of swap agreements | 14,964.91 | 9,563.89 |
| ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | - | - |
| iii) Collateral required by the NBFC upon entering into swaps | NA | NA |
| iv) Concentration of credit risk arising from the swaps* | NA | NA |
| v) The fair value of the swap book | 31.23 | (58.05) |

* % of concentration of credit risk arising from swaps with banks

2 Exchange traded interest rate (IR) derivatives (instrument wise)

| (₹ in Millions) | | |
|---|----------------------|----------------------|
| Particulars | As at March 31, 2024 | As at March 31, 2023 |
| i) Notional principal amount of exchange traded IR derivatives undertaken during the year | - | - |
| a. Instrument a | - | - |
| b. Instrument b | - | - |
| ii) Notional principal amount of exchange traded IR derivatives outstanding | - | - |
| a. Instrument a | - | - |
| b. Instrument b | - | - |
| iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" | - | - |
| a. Instrument a | - | - |
| b. Instrument b | - | - |
| iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" | - | - |
| a. Instrument a | - | - |
| b. Instrument b | - | - |

3 Disclosures on risk exposure in derivatives

Qualitative disclosure

The Company undertakes derivative transactions for hedging on-balance sheet liabilities, these derivative transactions are in form of Forward Exchange Contracts.

The Asset Liability Management Committee and Risk Management Committee closely monitors such transactions and reviews the risks involved. The Company has entered into these Forward Exchange Contract to mitigate the foreign exchange risk pertaining to FCNR (B) Term Loan.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

All derivative contracts including the Forward Exchange Contracts are recognised on the balance sheet and measured at fair value. Hedge accounting is applied to all the derivative instruments including the Forward Exchange Contracts as per IND AS 109. Gain / loss arising on account of fair value changes are recognised in the Statement of Profit and Loss to the extent of ineffective portion of hedge instruments and hedged items. The gains / losses of effective portion of hedge instrument are offset against gain / losses of hedged items in Other Comprehensive Income.

Foreign exchange forward contracts outstanding at the Balance Sheet date, are recorded at fair value. The premium or discount arising at the inception of such forward exchange contract is amortised as expense or income over the life of the contract. The Company has entered into cashflow hedges to hedge currency risk on certain foreign currency loans and to cover future interest on foreign currency borrowings.

Quantitative disclosure

(₹ in Millions)

| | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|---------------------------|----------------------|---------------------------|
| | Currency Derivatives | Interest Rate Derivatives | Currency Derivatives | Interest Rate Derivatives |
| Derivatives (notional principal amount) | | | | |
| For hedging | 14,964.91 | - | 9,563.89 | - |
| Marked to market positions | | | | |
| Assets (+) | 31.23 | - | - | - |
| Liability (-) | - | - | 58.05 | - |
| Credit exposure | - | - | - | - |
| Unhedged exposures | - | - | - | - |

59.03.4 Unhedged foreign currency exposures

There are no Unhedged foreign currency exposures as at Current year end. (Previous year - Nil)

4 Asset liability management

A Maturity pattern of certain items of assets and liabilities As at March 31, 2024

(₹ in Millions)

| A.i | Assets | | | |
|----------------------------------|------------------|-----------------|----------|-------------------------|
| | Loans | Investments | Deposits | Foreign Currency Assets |
| 1 day to 7 days | 131.40 | - | - | - |
| 8 day to 14 days | 183.12 | 9.83 | - | - |
| 15 day to 30/31 days (One month) | 587.09 | 9.37 | - | - |
| Over One months to 2 months | 1,032.40 | 20.95 | - | - |
| Over 2 months up to 3 months | 711.42 | 6.06 | - | - |
| Over 3 months to 6 months | 4,895.16 | 18.51 | - | - |
| Over 6 months to 1 year | 27,439.32 | 35.32 | - | - |
| Over 1 year to 3 years | 23,120.92 | 133.32 | - | - |
| Over 3 years to 5 years | 14,447.39 | 140.41 | - | - |
| Over 5 years | 25,737.48 | 5,441.79 | - | - |
| | 98,285.70 | 5,815.56 | - | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| A.ii | Liabilities | | |
|----------------------------------|--------------------------------|----------|-------------------------|
| | Borrowings and Debt Securities | Deposits | Foreign Currency Assets |
| 1 day to 7 days | 635.21 | - | - |
| 8 day to 14 days | 34.86 | - | - |
| 15 day to 30/31 days (One month) | 465.89 | - | - |
| Over One months to 2 months | 1,275.28 | - | - |
| Over 2 months up to 3 months | 2,536.88 | - | - |
| Over 3 months to 6 months | 7,872.49 | - | - |
| Over 6 months to 1 year | 9,142.63 | - | - |
| Over 1 year to 3 years | 29,473.37 | - | - |
| Over 3 years to 5 years | 16,385.24 | - | - |
| Over 5 years | 3,284.66 | - | - |
| | 71,106.51 | - | - |

B Maturity pattern of certain items of assets and liabilities As at March 31, 2023

(₹ in Millions)

| B.i | Assets | | | |
|----------------------------------|------------------|-----------------|----------|-------------------------|
| | Loans | Investments | Deposits | Foreign Currency Assets |
| 1 day to 7 days | - | - | - | - |
| 8 day to 14 days | - | 0.43 | - | - |
| 15 day to 30/31 days (One month) | 514.83 | 301.28 | - | - |
| Over One months to 2 months | 948.08 | 0.43 | - | - |
| Over 2 months up to 3 months | 1,844.95 | 0.43 | - | - |
| Over 3 months to 6 months | 7,462.29 | 1.33 | - | - |
| Over 6 months to 1 year | 7,476.35 | 2.76 | - | - |
| Over 1 year to 3 years | 15,277.06 | 10.77 | - | - |
| Over 3 years to 5 years | 11,922.39 | 11.04 | - | - |
| Over 5 years | 25,320.10 | 3,271.27 | - | - |
| | 70,766.05 | 3,599.74 | - | - |

(₹ in Millions)

| B.ii | Liabilities | | |
|----------------------------------|--------------------------------|----------|-------------------------|
| | Borrowings and Debt Securities | Deposits | Foreign Currency Assets |
| 1 day to 7 days | 645.96 | - | - |
| 8 day to 14 days | 23.65 | - | - |
| 15 day to 30/31 days (One month) | 82.39 | - | - |
| Over One months to 2 months | 2,711.85 | - | - |
| Over 2 months up to 3 months | 2,591.55 | - | - |
| Over 3 months to 6 months | 3,712.75 | - | - |
| Over 6 months to 1 year | 6,995.66 | - | - |
| Over 1 year to 3 years | 19,812.14 | - | - |
| Over 3 years to 5 years | 11,707.35 | - | - |
| Over 5 years | 5,600.58 | - | - |
| | 53,883.88 | - | - |

i) Borrowings includes cash credit and overdraft facility classified under upto 30 days maturity period which are generally availed as rollover facility and Debt Securities

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

5 Details of financing of parent Company products:

Details of financing of parent Company products: Nil (Previous year : Nil)

6 Details of single borrower limit and borrower group limit exceeded by the Company:

During the year ended March 31, 2024 and March 31, 2023 the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI.

7 Unsecured advances

| Particulars | ₹ in Millions) | |
|--------------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| i The exposure to unsecured advances | 484.22 | 3.04 |

The portfolio of Company include unsecured loans. Details of loans are provided in note no. - 7

During the year, the Company has not given any advance against collateral of rights, licenses, authority, etc. (Previous year : Nil).

8 Registration obtained from other financial sector regulators

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

- Registration No with RBI : B-13.01882
- Ministry of Corporate Affairs
- Insurance regulatory and Development Authority (IRDA) - Corporate agent vide CA0881 (w.e.f. December 07, 2023)

9 Disclosure of penalties imposed by RBI and other regulators:

During the year ended March 31, 2024, RBI has imposed penalties ₹ Nil (Previous year Nil) and BSE has imposed penalties ₹ 0.07 millions (Previous year Nil)

10 Details of transaction with non executive directors - ₹ Nil (Previous year - ₹ Nil)

Non-Executive Directors have no pecuniary relationship with the Company, except receiving sitting fees for the meetings attended.

11 Provisions and contingencies

| | ₹ in Millions) | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| Breakup of provisions and contingencies shown under the head expenditure in the Statement of Profit and loss | 41,728.22 | 38,575.61 |
| Provision for depreciation on investments | - | - |
| Provision towards non-performing assets | 580.28 | 1.94 |
| Provision made towards income taxes | 639.00 | 483.48 |
| Provision for standard assets including restructured and others | 53.80 | 9.48 |
| Other Provision and Contingencies * | 816.78 | 442.41 |
| *Other provisions and contingencies | | |
| Provision for depreciation | 800.18 | 389.67 |
| Provision for gratuity expense | 22.45 | 9.68 |
| Provision for compensated absences | 42.46 | 44.77 |
| Provision for undrawn commitment | (41.82) | (13.11) |
| Provision for trade receivable | (1.61) | 11.40 |
| Provision for assets held for sale | (4.88) | - |
| Total | 2,089.86 | 937.31 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

12 Draw down from reserves

In the current year, the Company issued bonus share amount of ₹ 412.47 millions from security premium. (Previous year Nil)

13 Intra-group exposures

| | ₹ in Millions) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| (i) Total amount of intra-group exposures | - | - |
| (ii) Total amount of top 20 intra-group exposures | - | - |
| (iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers | - | - |
| Exposure excludes investment made in wholly owned subsidiary and other receivables there of | | |

14 Exposure to group companies engaged in real estate business

| | ₹ in Millions) | | | |
|--|----------------------|-----------------|----------------------|-----------------|
| | As at March 31, 2024 | | As at March 31, 2023 | |
| | Amount | % of owned fund | Amount | % of owned fund |
| Exposure to | | | | |
| (i) any single entity in a group engaged in real estate business | - | 0.00% | - | 0.00% |
| (ii) all entities in a group engaged in real estate business | - | 0.00% | - | 0.00% |

15 Concentration of deposits, advances, exposures and NPA assets

| | ₹ in Millions) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| A. Concentration of advances | | |
| Total Advances to twenty largest borrowers | 8,186.18 | 7,202.56 |
| % of Advances to twenty largest borrowers to Total Advances | 8.24% | 10.07% |
| B. Concentration of exposures | | |
| Total Exposures to twenty largest borrowers / Customers | 11,816.05 | 9,121.50 |
| % of Exposures to twenty largest borrowers / Customers to Total exposure on borrowers / customers | 10.13% | 11.04% |
| C. Concentration of NPA Advances | | |
| Total Exposures to top Four NPA Assets | 281.80 | 150.32 |
| D. Sector-wise NPA Assets | | |
| Sectors | | |
| Agriculture and allied activities | - | - |
| MSME | 3.89% | 3.39% |
| Corporate borrowers | 0.86% | 0.28% |
| Services | - | - |
| Unsecured loans - Bill discounting | - | - |
| Auto loans | - | - |
| Other personal loans | 0.95% | 0.11% |
| Unsecured business loan | - | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

The amount of NPAs and advances considered while calculating the above percentages are excluding notional Ind AS adjustment.

E. Concentration of deposits

The Company is a Non Deposit Accepting Systemically Important NBFC. Accordingly, the Company has not accepted any deposits during the current and previous year. Also there are no outstanding deposits from earlier years (Previous Year : Nil)

16 Movement in non-performing assets (NPAs)

The following table sets forth, for the periods indicated, the details of movement of Stage 3 assets net of provision (Also refer note no. 48)

| (₹ in Millions) | | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| (i) Net NPAs to net advances (%) (Net of provisions on NPA) | 1.18% | 1.38% |
| (ii) Movement of NPAs (gross) | | |
| (a) Opening balance | 1,379.50 | 1,299.84 |
| (b) Additions during the year | 1,600.34 | 872.22 |
| (c) Reductions during the year | (836.93) | (792.56) |
| (d) Closing balance | 2,142.91 | 1,379.50 |
| (iii) Movement of net NPAs | | |
| (a) Opening balance | 979.60 | 901.87 |
| (b) Additions during the year | 781.40 | 729.04 |
| (c) Reductions during the year | (598.27) | (651.31) |
| (d) Closing balance | 1,162.73 | 979.60 |
| (iv) Movement of provisions for NPAs (excluding provision on standard assets) | | |
| (a) Opening Balance | 399.90 | 397.97 |
| (b) Additions during the year | 818.94 | 143.18 |
| (c) Write off/ write back of excess provision | (238.66) | (141.25) |
| (d) Closing balance | 980.18 | 399.90 |

17 Customer complaints

1 Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

| (₹ in Millions) | | |
|--|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| Complaints received by the NBFC from its customers | 275 | 284 |
| i) No. of complaints pending at the beginning of the year | 3 | - |
| ii) No. of complaints received during the year | 275 | 284 |
| iii) Number of complaints disposed during the year | 270 | 281 |
| a) Of which, number of complaints rejected by the NBFC | 104 | 105 |
| iv) No. of complaints pending at the end of the year | 8 | 3 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

2 Maintainable complaints received by the NBFC from Office of Ombudsman

| (₹ in Millions) | | |
|--|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| i) Number of maintainable complaints received by the NBFC from Office of Ombudsman | 122 | 107 |
| ii) Of (i), number of complaints resolved in favor of the NBFC by Office of Ombudsman | 120 | 105 |
| iii) Of (i), number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman | 2 | 2 |
| iv) Of (i), number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC | - | - |
| v) Number of Awards unimplemented within the stipulated time (other than those appealed) | - | - |

3 Top 5 Grounds of complaints received by NBFC from customers

March 31, 2024

| (₹ in Millions) | | | | | |
|---|---|--|---|--|--|
| Grounds of complaints, (i.e. complaints relating to) | No. of complaints pending at the beginning of the year | No. of complaints received during the year | % increase/ decrease in the no. of complaints received over the previous year | No. of complaints pending at the end of the year | Of 5, no. of complaints pending beyond 30 days |
| | | | | | |
| (1) | | | | | |
| i) Collection / Settlement | - | 55 | 103.70% | 3 | 1 |
| ii) Rate of Interest / Tenure Related | - | 47 | 113.64% | - | - |
| iii) Charges Related : Reversals / Waivers | - | 28 | -3.45% | 1 | - |
| iv) Closure Related | - | 24 | 300.00% | 3 | - |
| v) FC Letter / LOD Issuance | - | 18 | -76.32% | - | - |
| vi) Others | 3 | 103 | -16.94% | 1 | - |
| Total | 3 | 275 | -3.17% | 8 | 1 |

March 31, 2023

| (₹ in Millions) | | | | | |
|---|---|--|---|--|--|
| Grounds of complaints, (i.e. complaints relating to) | No. of complaints pending at the beginning of the year | No. of complaints received during the year | % increase/ decrease in the no. of complaints received over the previous year | No. of complaints pending at the end of the year | Of 5, no. of complaints pending beyond 30 days |
| | | | | | |
| (1) | | | | | |
| i) FC Letter / LOD Issuance | - | 76 | 55.10% | - | - |
| ii) Document Related | - | 30 | 25.00% | - | - |
| iii) Charges Related : Reversals / Waivers | - | 29 | 16.00% | - | - |
| iv) Collection / Settlement | - | 27 | 50.00% | - | - |
| v) Rate of Interest / Tenure Related | - | 22 | -31.25% | - | - |
| vi) Others | - | 100 | 185.71% | 3 | - |
| Total | - | 284 | 55.19% | 3 | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

18 Rating assigned by credit rating agencies

(₹ in Millions)

| Sr. No. | Rating Agency | Instrument | Rating assigned March 24 | Rating assigned March 23 | Remarks | Amount (millions) |
|---------|---|--|--------------------------|--------------------------|---|-------------------|
| 1 | Infomerics Valuation and Rating Private Limited | Long Term Bank Facilities- Term Loans | IVR AA/Positive | IVR AA/Stable | Reaffirmed with revision in outlook | 75,900.00 |
| | | Long Term Bank Facilities- Cash Credit | IVR AA/Positive | IVR AA/Stable | | 5,050.00 |
| | | Non- Convertible Debentures | IVR AA/Positive | IVR AA/Stable | | 3,000.00 |
| | | Short Term- Commercial Paper Issue | IVR A1+ | IVR A1+ | Reaffirmed | 3,500.00 |
| 2 | Acuite Ratings & Research Limited | Bank Loan Ratings | ACUITE AA-/Stable | Nil | Assigned | 20,500.00 |
| | | Commercial Paper | ACUITE A1+ | Nil | | 1,000.00 |
| 3 | CARE Ratings Limited | Long Term Bank Facilities | Withdrawn | CARE A+/Stable | Reaffirmed and Withdrawn on 31 st January 2024 | - |
| | | Non Convertible Debentures | Withdrawn | CARE A+/Stable | | - |
| 4 | Brickwork Ratings India Pvt Ltd | Term Loans | BWR AA-/Stable | BWR AA-/Stable | Reaffirmed, Applied for Withdrawal in Feb'2024 | 37,079.30 |
| | | Cash Credit | BWR AA-/Stable | BWR AA-/Stable | | 1,200.00 |
| 5 | CRISIL Rating Limited | Commercial Paper | Nil | Nil | Assigned 'CRISIL A1+' on May 07 2024 | 5,000.00 |

19 Divergence In Asset Classification And Provisioning - Disclosure Pursuant To Reserve Bank Of India (Scale Based Regulation) RBI/2022-23/26 DOR.ACC.REC.No.20 /21.04.018 /2022-23 Dated April 19, 2022.

A. The additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5% of the reported profits before tax and impairment loss on financial instruments for the reference period

Not applicable

20 Disclose of all instances of breach of covenant of loan availed or debt securities issued.

There are no instances of breach of covenant of loan availed or debt securities issued during the current year as well as previous year.

21 Disclosure on Frauds Pursuant to RBI Master Direction

The frauds detected and reported for the year amounted to ₹ 22.08 million (Previous year ₹ 11.18 million)

22 Advances Against Intangible Securities

The Company has not given any loans against intangible securities.

23 Overseas Assets (For Those With Joint Ventures And Subsidiaries Abroad)

There are no overseas asset owned by the Company.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

24 Off-Balance Sheet SPVs Sponsored

The Company has not sponsored any SPVs. Accordingly, the disclosure is not applicable

25 Net profit / loss for the year, prior period, changes in accounting policies

There are no prior period items and changes in accounting policies impacting net profit for the year.

26 Revenue recognition

Revenue recognition have not been postponed on account of pending resolution of significant uncertainties in respect of any revenue stream of the Company.

27 Consolidated Financial Statements (CFS)

The Company has 2 subsidiaries as on March 31, 2024 and has consolidated financial statement of its all the underlying subsidiaries in accordance with the requirements of Ind AS 110 - Consolidated financial statements.

28 Loans to Directors, Senior Officers and relatives of Directors

(₹ in Millions)

| | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| 1 Directors and their relatives | - | - |
| 2 Entities associated with directors and their relatives | - | - |
| 3 Senior Officers and their relatives | - | - |

29 Remuneration of Directors

Refer note 54 to the standalone financial statements.

30 Management

The annual report has a detailed chapter on Management Discussion and Analysis.

31 Off balance sheet exposure

(₹ in Millions)

| | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|----------------------|----------------------|
| a. Undrawn commitments | | |
| Loan tenure less than one year | 13,541.81 | 9,559.86 |
| Loan tenure more than one year | 3,801.81 | 2,765.54 |
| b. Leases entered but not executed | - | - |
| c. Others | - | - |

32 Sectoral Exposures

Disclosure Pursuant to Reserve Bank of India Scale Based Regulation RBI/DoR/2023-24/106 DoR.FIN.REC. No.45/03.10.119/2023-24 dated October 19, 2023 amended from time to time.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

1 Exposure to real estate sector

| (₹ in Millions) | | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| i) Direct exposure | - | - |
| a) Residential mortgages - | | |
| Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. (Exposure includes non-fund based (NFB) limits.) | - | - |
| b) Commercial real estate - | | |
| Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure includes non-fund based (NFB) limits. | 40,306.14 | 29,030.28 |
| c) Investments in mortgage backed securities (MBS) and other securitised exposures - | | |
| - Residential | - | - |
| - Commercial Real Estate | - | - |
| ii) Indirect exposure | | |
| Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs) | - | - |
| Total | 40,306.14 | 29,030.28 |

2 Exposure to capital market

| (₹ in Millions) | | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt | 24.32 | - |
| ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds | - | - |
| iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security. | - | - |
| iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances. | - | - |
| v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers. | - | - |
| vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources | - | - |
| vii) bridge loans to companies against expected equity flows / issues | - | - |
| viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds | - | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

| (₹ in Millions) | | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| ix) Financing to stockbrokers for margin trading | - | - |
| x) All exposures to Alternative Investment Funds: | - | - |
| (i) Category I | - | - |
| (ii) Category II | - | - |
| (iii) Category III | - | - |
| xi) All exposures to Venture Capital Funds (both registered and unregistered) | - | - |
| xii) others (not covered above) | - | - |
| Total exposure to capital market | 24.32 | - |

3 Sectoral Exposures

| (₹ in Millions) | | | | | | |
|---|------------------------|-------------------------|---|------------------------|-------------------------|---|
| | March 31, 2024 | | | March 31, 2023 | | |
| | Total Exposure * | Gross NPAs (GNPA) | % of GNPA's to total exposure in that sector % | Total Exposure * | Gross NPAs (GNPA) | % of GNPA's to total exposure in that sector % |
| Total sectors exposure | 116,661.61 | 2,142.91 | 1.84% | 83,865.97 | 1,401.11 | 1.67% |
| 1 Agriculture and Allied Activities | 2,099.28 | 85.86 | 4.09% | 2,232.62 | 38.90 | 1.74% |
| 2 Industry | | | | | | |
| (i) Micro and Small | - | - | - | - | - | - |
| (ii) Medium | - | - | - | - | - | - |
| (iii) Others | - | - | - | - | - | - |
| Chemicals & chemical products | 2,904.05 | 149.46 | 5.15% | 3,386.80 | 65.06 | 1.92% |
| Engineering | 3,697.09 | 143.64 | 3.89% | 4,228.90 | 82.79 | 1.96% |
| Food Manufacturing and Processing | 2,715.39 | 144.51 | 5.32% | 3,431.63 | 116.64 | 3.40% |
| Textiles | 4,212.93 | 234.98 | 5.58% | 5,033.54 | 165.12 | 3.28% |
| Total of Industry | 13,529.46 | 672.59 | 4.97% | 16,080.87 | 429.61 | 2.67% |
| 3 Services | | | | | | |
| (i) Transport Operators | 34.71 | - | 0.00% | - | - | 0.00% |
| (ii) Computer software | 5.44 | - | 0.00% | - | - | 0.00% |
| (iii) Tourism, Hotel and Restaurants | 117.96 | - | 0.00% | 490.21 | 26.49 | 5.40% |
| (iv) Shipping | 0.42 | - | 0.00% | - | - | 0.00% |
| (v) Professional Services | 9,168.20 | 596.29 | 6.50% | 1,968.66 | 26.91 | 1.37% |
| (vi) Total of Trade | | | | | | |
| (a) wholesale Trade (other than Food Procurement) | - | - | - | - | - | - |
| (b) Retail Trade | 86.53 | - | 0.00% | - | - | 0.00% |
| (vii) Commercial Real Estate | 40,331.50 | 249.49 | 0.62% | 29,030.28 | 65.48 | 0.23% |
| (viii) NBFCs | 3,481.15 | - | 0.00% | 3,408.17 | 15.90 | 0.47% |
| (ix) Aviation | - | - | 0.00% | - | - | 0.00% |
| (x) Others | 2,940.05 | 6.39 | 0.22% | 9,521.71 | 582.52 | 6.12% |
| Total of Services | 56,165.96 | 852.17 | 1.52% | 44,419.03 | 717.30 | 1.61% |
| 4 Personal Loans | | | | | | |
| (i) Housing Loans (incl. priority sector Housing) | - | - | - | - | - | - |
| (ii) Consumer Durables | - | - | - | - | - | - |
| (iii) Credit Card Receivables | - | - | - | - | - | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| | March 31, 2024 | | | March 31, 2023 | | |
|---|------------------|-------------------|--|------------------|-------------------|--|
| | Total Exposure * | Gross NPAs (GNPA) | % of GNPA's to total exposure in that sector % | Total Exposure * | Gross NPAs (GNPA) | % of GNPA's to total exposure in that sector % |
| (iv) Vehicle/Auto Loans | - | - | - | - | - | - |
| (v) Education Loans | - | - | - | - | - | - |
| (vi) Advances against Fixed Deposit | - | - | - | - | - | - |
| (vii) Advances to Individuals against Shares, Bonds | - | - | - | - | - | - |
| (viii) Advances to Individuals against Gold | 29,078.73 | 268.19 | 0.92% | 11,255.71 | 12.78 | 0.11% |
| (ix) Micro finance loan/SHG Loan | - | - | - | - | - | - |
| (x) Others | - | - | - | - | - | - |
| Total of Personal Loans | 29,078.73 | 268.19 | 0.92% | 11,255.71 | 12.78 | 0.11% |
| 5 Others, if any (please specify) | | | | | | |
| 5.1 Trade | | | | | | |
| (i) Retail Trade | 6,946.66 | 221.08 | 3.18% | 7,285.35 | 114.23 | 1.57% |
| (ii) Wholesale Trade | 305.61 | - | 0.00% | 24.01 | - | 0.00% |
| 5.2 Financials intermediation | | | | | | |
| (i) Banking and Finance Service | - | - | - | - | - | - |
| (ii) Investment Company | - | - | - | - | - | - |
| 5.3 Transport and other support services | 686.96 | 21.52 | 3.13% | 833.31 | 19.83 | 2.38% |
| 5.4 Construction | 170.06 | - | 0.00% | 439.72 | 16.84 | 3.83% |
| 5.5 others | 7,678.89 | 21.50 | 0.28% | 1,295.35 | 51.62 | 3.99% |
| Total of Others | 15,788.18 | 264.10 | 1.67% | 9,877.74 | 202.52 | 2.05% |

59. Regulatory disclosures - RBI (Continued)

33 Disclosures relating to securitisation, assignments and sale of loan exposures

Disclosure as per requirements of Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 (RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22) dated September 24, 2021 amended from time to time and Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 (RBI circular no RBI/DOR/2021-22/86 DOR.STR.REC.51/ 21.04.048/2021-22) dated September 24, 2021 updated as on December 5, 2022 and amended from time to time is provided below.

1 Disclosure for Non STC Securitisation Transaction (STC - Simple, Transparent, and Comparable)

The Company has not entered into any Non STC securitisation transactions during the year ended March 31, 2024 and March 31, 2023

2 Disclosure for STC Securitisation Transactions (STC - Simple, Transparent, and Comparable)

Not applicable

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

3 Details of transfer through Assignment in respect of loans (not in default)

(₹ in Millions)

| No. | Particulars | March 31, 2024 | March 31, 2023 |
|------|--|----------------|----------------|
| i) | Number of accounts | 51,211 | 2,441 |
| ii) | Amount of loans transferred through assignment (₹ in millions) | 14,153.75 | 4,110.63 |
| iii) | Retention of beneficial economic interest (%) | 20 & 30 | 20 & 30 |
| iv) | Weighted average residual maturity (In year) | 4.82 | 12.05 |
| v) | Weighted average holding period (In year) | 0.21 | 0.33 |
| vi) | Aggregate consideration paid (₹ in millions) | - | - |
| vii) | Coverage of tangible security cover (%) | 156.83 | 203.10 |

4 Details of loans (not in default) acquired through assignment

No loans were acquired through assignment during the current year (previous year : NIL). Hence, relevant disclosure is not applicable.

5 Details of non-performing financial assets sold by the Company

The Company had transferred stressed loan to subsidiary company during the year ended March 31, 2024 and March 31, 2023

(₹ in Millions)

| No. | Particulars | March 31, 2024 | | | March 31, 2023 | | |
|------|---|----------------|--------------------------|----------------------|----------------|--------------------------|----------------------|
| | | To ARCs | To permitted transferees | To other transferees | To ARCs | To permitted transferees | To other transferees |
| i) | Number of accounts | - | 29 | - | - | 32 | - |
| ii) | Aggregate principal outstanding of loans transferred (₹ in millions) | - | 34.47 | - | - | 43.95 | - |
| iii) | Weighted average residual tenor of the loans transferred (in months) | - | 180.17 | - | - | 177.27 | - |
| iv) | Net book value of loans transferred (at the time of transfer) (₹ in millions) | - | 27.55 | - | - | 34.60 | - |
| v) | Aggregate consideration (₹ in millions) | - | 19.37 | - | - | 23.44 | - |
| vi) | Additional consideration realised in respect of accounts transferred in earlier years | - | - | - | - | - | - |
| vii) | Provision reversed to the statement of profit and loss | - | - | - | - | - | - |

6 Details of non-performing financial assets purchased / acquired by the Company

During the current and previous year, no non-performing financial assets has been purchased by the Company.

7 Security Receipts (SRs) rating for the transactions during the year

No transactions in Security Receipts were done during the current and previous year. Hence, this disclosure is not applicable.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

34 Comparison of Regulatory Provision for NPA and Impairment Provision as per Ind AS

As at March 31, 2024

(₹ in Millions)

| Asset Classification | | Gross Carrying Amount | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|------------------------------------|-------------------|-----------------------|---|---------------------|--|--|
| as per RBI Norms | as per Ind AS 109 | as per Ind AS | Ind AS 109 | Amount | per IRACP norms | 109 provisions and IRACP norms |
| Performing | | | | | | |
| Standard | Stage-1 | 92,340.01 | 512.33 | 91,827.68 | 371.09 | 141.24 |
| | Stage-2 | 4,835.06 | 560.38 | 4,274.68 | 71.79 | 488.59 |
| Sub total | | 97,175.07 | 1,072.71 | 96,102.36 | 442.88 | 629.83 |
| Non Performing Assets (NPA) | | | | | | |
| Substandard | Stage-3 | 1,622.54 | 629.73 | 992.81 | 206.56 | 423.17 |
| Doubtful | | | | | | |
| up to 1 year | Stage-3 | 309.82 | 183.23 | 126.59 | 67.23 | 116.00 |
| 1 to 3 Years | Stage-3 | 137.97 | 94.64 | 43.33 | 41.62 | 53.02 |
| More than 3 years | Stage-3 | 64.00 | 64.00 | - | 32.00 | 32.00 |
| Sub total for Doubtful | | 511.79 | 341.87 | 169.92 | 140.85 | 201.02 |
| Loss | Stage-3 | 8.58 | 8.58 | - | 8.58 | - |
| Subtotal for NPA | | 2,142.91 | 980.18 | 1,162.73 | 355.99 | 624.19 |
| Other items | Stage-1 | 15,517.22 | 21.30 | 15,495.92 | - | 21.30 |
| Other items | Stage-2 | 92.04 | 0.16 | 91.88 | - | 0.16 |
| Other items | Stage-3 | - | - | - | - | - |
| | | 15,609.26 | 21.46 | 15,587.80 | - | 21.46 |
| Total | Stage-1 | 92,340.01 | 533.63 | 91,806.38 | 371.09 | 162.54 |
| | Stage-2 | 4,835.06 | 560.54 | 4,274.52 | 71.79 | 488.75 |
| | Stage-3 | 2,142.91 | 980.18 | 1,162.73 | 355.99 | 624.19 |
| | Total | 99,317.98 | 2,074.35 | 97,243.63 | 798.87 | 1,275.48 |

As at March 31, 2023

(₹ in Millions)

| Asset Classification | | Gross Carrying Amount | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|------------------------------------|-------------------|-----------------------|---|---------------------|--|--|
| as per RBI Norms | as per Ind AS 109 | as per Ind AS | Ind AS 109 | Amount | per IRACP norms | 109 provisions and IRACP norms |
| Performing | | | | | | |
| Standard | Stage-1 | 66,024.25 | 373.24 | 65,651.01 | 287.34 | 85.90 |
| | Stage-2 | 4,136.81 | 645.67 | 3,491.14 | 99.84 | 545.83 |
| Sub total | | 70,161.06 | 1,018.91 | 69,142.15 | 387.18 | 631.73 |
| Non Performing Assets (NPA) | | | | | | |
| Substandard | Stage-3 | 804.27 | 243.57 | 560.70 | 93.27 | 150.30 |
| Doubtful | | | | | | |
| up to 1 year | Stage-3 | 225.94 | 69.48 | 156.46 | 48.13 | 21.35 |
| 1 to 3 Years | Stage-3 | 293.28 | 72.92 | 220.36 | 87.99 | (15.07) |
| More than 3 years | Stage-3 | 56.01 | 13.93 | 42.08 | 28.01 | (14.08) |
| Sub total for Doubtful | | 575.23 | 156.33 | 418.90 | 164.13 | (7.80) |
| Loss | Stage-3 | - | - | - | - | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Asset Classification | Gross Carrying Amount | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms | |
|-------------------------|-----------------------|---|---------------------|--|--|---------------|
| as per RBI Norms | as per Ind AS 109 | as per Ind AS | Amount | per IRACP norms | 109 provisions and IRACP norms | |
| Subtotal for NPA | 1,379.50 | 399.90 | 979.60 | 257.40 | 142.50 | |
| Other items | Stage-1 | 11,064.11 | 44.53 | 11,019.58 | - | 44.53 |
| Other items | Stage-2 | 9.31 | 0.05 | 9.26 | - | 0.05 |
| Other items | Stage-3 | 19.44 | 18.70 | 0.74 | - | 18.70 |
| | | 11,092.86 | 63.28 | 11,029.58 | - | 63.28 |
| Total | Stage-1 | 66,024.25 | 417.77 | 65,606.48 | 287.34 | 130.43 |
| | Stage-2 | 4,136.81 | 645.72 | 3,491.09 | 99.84 | 545.88 |
| | Stage-3 | 1,379.50 | 418.60 | 960.90 | 257.40 | 161.20 |
| | Total | 71,540.56 | 1,482.09 | 70,058.47 | 644.58 | 837.51 |

Other items include - guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.

35 Disclosure of Restructured Accounts

(as required by RBI guidelines under reference DNBS. CO. PD. No. 367 / 03.10.01 / 2013-14 dated January 23, 2014)

A

(₹ in Millions)

| SI No | Type of Restructuring → Asset Classification → Details ↓ | Standard | Sub Standard | Doubtful / Loss | Total |
|-------|--|------------------|--------------|-----------------|--------|
| 1 | Restructured Accounts as on April 1 of the Financial Year (opening figures) | No. of borrowers | - | - | - |
| | Amount outstanding | - | - | - | - |
| | Provision thereon | - | - | - | - |
| 2 | Fresh restructuring during the year | No. of borrowers | 1.00 | - | 1.00 |
| | Amount outstanding | - | 160.33 | - | 160.33 |
| | Provision thereon | - | 51.22 | - | 51.22 |
| 3 | Recovery | No. of borrowers | 1.00 | - | 1.00 |
| | Amount outstanding | - | 16.34 | - | 16.34 |
| | Provision thereon | - | - | - | - |
| 4 | Upgradations to restructured standard category during the Financial Year | No. of borrowers | - | - | - |
| | Amount outstanding | - | - | - | - |
| | Provision thereon | - | - | - | - |
| 5 | Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the Financial Year and hence need not be shown as restructured standard advances at the beginning of the next Financial Year | No. of borrowers | - | - | - |
| | Amount outstanding | - | - | - | - |
| | Provision thereon | - | - | - | - |
| 6 | Down gradations of restructured accounts during the Financial Year | No. of borrowers | - | - | - |
| | Amount outstanding | - | - | - | - |
| | Provision thereon | - | - | - | - |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| SI No | Type of Restructuring → Asset Classification → Details ↓ | | Standard | Sub Standard | Doubtful / Loss | Total |
|-------|--|--------------------|----------|--------------|--------------------|--------|
| 7 | Write-offs of restructured accounts during the Financial Year | No. of borrowers | - | - | - | - |
| | | Amount outstanding | - | - | - | - |
| | | Provision thereon | - | - | - | - |
| 8 | Restructured Accounts as on March 31 of the Financial Year (closing figures) | No. of borrowers | - | 1.00 | - | 1.00 |
| | | Amount outstanding | - | 144.12 | - | 144.12 |
| | | Provision thereon | - | 138.75 | - | 138.75 |
| | Outstanding as on 31 March 2024 | | | | | |

The Borrower has 3 loan accounts, however only one account out of 3 loans has been restructured.

The above outstanding amount comprises of all 3 loans of the borrower.

36 Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies from March 31, 2023 onward

a Funding Concentration based on significant counterparty (borrowings, debt securities)

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| No. of Significant Counterparties | 16 | 14 |
| Amount (₹ in millions)# | 69,555.55 | 52,395.70 |
| Percentage of funding concentration to total deposits | NA | NA |
| Percentage of funding concentration to total liabilities## | 92.06% | 88.39% |

b Top 20 large deposits

Not applicable as the Company does not accept deposits.

c Top 10 Borrowings

(₹ in Millions)

| Particulars | | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------------|-------------------------|-------------------------|
| Total amount of top 10 borrowings (₹ in millions)# | Banks | 60,021.67 | 43,874.40 |
| Percentage of amount of top 10 borrowings to total borrowings | Banks | 83.84% | 80.96% |
| Total amount of top 10 borrowings (₹ in millions)# | Financial Institutions | 4,252.05 | 3,517.78 |
| Percentage of amount of top 10 borrowings to total borrowings | Financial Institutions | 5.94% | 6.49% |
| Total amount of top 10 borrowings (₹ in millions)# | Non Convertible Debentures | 1,521.65 | 4,386.52 |
| Percentage of amount of top 10 borrowings to total borrowings | Non Convertible Debentures | 2.13% | 8.09% |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

d Funding concentration based on significant instrument / product:

(₹ in Millions)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|---------------------------|----------------------|---------------------------|
| | ₹ in million | % of Total liabilities ## | ₹ in million | % of Total liabilities ## |
| a) Term Loans from Bank | 62,018.50 | 82.08% | 45,643.28 | 77.00% |
| b) Term Loan from Financial Institution | 4,252.05 | 5.63% | 3,517.78 | 5.93% |
| c) Non-Convertible Debentures | 1,521.65 | 2.01% | 4,386.52 | 7.40% |
| d) Loans repayable on demand from Bank (Cash Credit Facility) | 3,794.87 | 5.02% | 643.50 | 1.09% |

e Stock Ratios:

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| i) Commercial Papers to Total Liabilities | NA | NA |
| ii) Commercial Papers to Total Assets | NA | NA |
| iii) Commercial Papers to Public funds | NA | NA |
| iv) NCD(Original Maturity < 1yrs.) to Total Liabilities | NA | NA |
| v) NCD(Original Maturity < 1yrs.) to Total Assets | NA | NA |
| vi) NCD(Original Maturity < 1yrs.) to Public funds | NA | NA |
| vii) Other Short Term Liabilities to Total Liabilities ### | 34.54% | 34.44% |
| viii) Other Short Term Liabilities to Total Assets ### | 23.47% | 21.95% |
| ix) Other Short Term Liabilities to Public funds ### | 36.45% | 37.67% |

All the above numbers are excluding notional Ind AS adjustments.

##Total Liabilities represents total liabilities as per balance sheet less total equity

Other short term liabilities include all the liabilities maturing within next 12 months

The above ratios reflect the strength of the Company as the short term liabilities are adequately funded by short term assets indicating the financial stability of the organisation.

37 Gold Loans

(₹ in Millions)

| Particulars | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| a) Loan against Gold portfolio to Total Assets (%) | 25.40% | 12.11% |
| b) Details of Gold Loan auctions conducted * | | |
| No. of Loan accounts | 6,043 | - |
| Outstanding Loan amount (₹ in millions) | 409.64 | - |
| Sale consideration of Gold (₹ in millions)** | 411.25 | - |

* - There is no sister concern participation in any of the above auctions

** the excess sales considered over and above the outstanding amount is repaid to the respective borrower.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

38 Related party transactions

- A. Disclosure of pursuant to para 4.3 for the Annex to RBI Master direction No. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 amended from time to time is provided below.
- B. Related party disclosure of pursuant to Section I of Annexure VII to RBI Master direction No. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 amended from time to time is provided below.

March 31, 2024

| Nature of Transactions | Parent (as per ownership or control) | | Subsidiaries | | Associates / Joint ventures | | Key Management personnel | | Relatives of Key Management personnel | | Others | | Total | |
|------------------------------------|--------------------------------------|--------------|---------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|---------------------------------------|--------------|---------------------------|--------------|---------------------------|--------------|
| | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. |
| Borrowings# | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Deposits# | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Placement of deposits# | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Advances# | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Investments# | - | 5,751.49 | - | 2,602.46 | - | - | - | - | - | - | - | - | 5,751.49 | 2,602.46 |
| Purchase of fixed/other assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sale of fixed/other assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest paid | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest received | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Others* | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Purchase of Investment | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Investment in Equity Shares | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sale of Investment to Subsidiaries | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sale of loans to Subsidiaries | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Others related party transaction## | - | - | 146.69 | 146.69 | - | - | 10.63 | 10.63 | 4.51 | 4.51 | 28.43 | 28.43 | 190.26 | 190.26 |

March 31, 2023

| Nature of Transactions | Parent (as per ownership or control) | | Subsidiaries | | Associates / Joint ventures | | Key Management personnel | | Relatives of Key Management personnel | | Others | | Total | |
|------------------------------------|--------------------------------------|--------------|---------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|---------------------------------------|--------------|---------------------------|--------------|---------------------------|--------------|
| | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. | As on Date / for the year | Maximum Amt. |
| Borrowings# | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Deposits# | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Placement of deposits# | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Advances# | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Investments# | - | 3,250.00 | - | - | - | - | - | - | - | - | - | - | 3,250.00 | - |
| Purchase of fixed/other assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sale of fixed/other assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest paid | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest received | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Others* | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sale of Investment to Subsidiaries | - | - | 361.86 | 361.86 | - | - | - | - | - | - | - | - | 361.86 | 361.86 |
| Sale of loans to Subsidiaries | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service Charge Income | - | - | 40.77 | 40.77 | - | - | - | - | - | - | - | - | 40.77 | 40.77 |
| Service Charge expenses | - | - | 51.60 | 51.60 | - | - | - | - | - | - | - | - | 51.60 | 51.60 |
| Others related party transaction## | - | - | 24.48 | 24.48 | - | - | 2.40 | 2.40 | 1.68 | 1.68 | 19.60 | 19.60 | 48.16 | 48.16 |

The outstanding at the year end and the maximum during the year are to be disclosed

*Specify item if total for the item is more than 5 percent of total related party transactions

Other related party transaction is items which is less than 5% of total related party transactions

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

39 Disclosure On Liquidity Risk Management Framework Pursuant To Reserve Bank Of India Notification RBI /DNBR / 2016-17/45 Master Direction Dnbr.Pd.008/03.10.119/2016-17 Dated December 29, 2022.

A. Qualitative Disclosure on LCR

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Risk Management Committee (RMC) which is responsible for monitoring the overall risk process within the Company.

The meetings of RMC are held at quarterly interval. The Risk owners are responsible for monitoring compliance with risk principles, policies and limits across the Company. RMC ensures that the credit and investment exposure to any party / Company / group of parties or companies does not exceed the internally set limits as well as statutory limits as prescribed by Reserve Bank of India from time to time. RMC Develops risk policies and procedures and verify adherence to various risk parameters and prudential limits; review the risk monitoring system and ensure effective risk management.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Board of Directors has constitution of Asset Liability Committee (ALCO). The Company's ALCO monitors asset liability mismatches to ensure that there are no imbalances or excessive concentrations on either side of the balance sheet. ALCO conducts quarterly reviews relating to the liquidity position and stress test assuming various 'what if' scenarios. The ALCO is a decision-making unit responsible for balance sheet planning from risk-return perspective including strategic management of interest rate and liquidity risks. The ALCO also evaluates the Borrowing Plan of subsequent quarters based on previous borrowings of the Company.

In assessing the Company's liquidity position, consideration is given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash, short-term bank deposits and investments in mutual fund available for immediate sale. Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers.

The minutes of ALCO meetings are placed before the RMC and the Board of Directors meeting for noting.

The Company exceeds the regulatory requirement of liquidity coverage ratio (LCR) introduced by the RBI in FY 2020. This requirement stipulates that NBFCs with an asset size of ₹ 5,000 crore and above are required to maintain 50% of its expected net cash outflows in a stressed scenario in high quality liquid assets (HQLA) by December 2021; which has to be increased to 100% by December 2024 in a phased manner.

As of 31 March 2024, Company maintained LCR of 264.03% which is well above the stipulated norms.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

B. Quantitative Disclosure on Liquidity Coverage Ratio (LCR) is given below:

March 31, 2024

| Particulars | Quarter ended March 31, 2024 | | | Quarter ended December 31, 2023 | | | Quarter ended September 30, 2023 | | | Quarter ended June 30, 2023 | | |
|--|------------------------------|---------------------------|------------------------|---------------------------------|---------------------------|------------------------|----------------------------------|---------------------------|------------------------|-----------------------------|---------------------------|------------------------|
| | Total Value (average)* | Weighted value (average)* | Total Value (average)* | Total Value (average)* | Weighted value (average)* | Total Value (average)* | Total Value (average)* | Weighted value (average)* | Total Value (average)* | Total Value (average)* | Weighted value (average)* | Total Value (average)* |
| High Quality Liquid Assets | | | | | | | | | | | | |
| 1 Total High Quality Liquid Assets (HQLA) | 3,146.18 | 3,146.18 | 2,564.46 | 2,564.46 | 2,564.46 | 2,564.46 | 3,297.36 | 3,297.36 | 1,641.28 | 1,641.28 | 1,641.28 | 1,641.28 |
| Cash Outflows | | | | | | | | | | | | |
| 2 Deposits (for deposit taking companies) | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 Unsecured wholesale funding | - | - | - | - | - | - | - | - | - | - | - | - |
| 4 Secured wholesale funding | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 Additional requirements, of which | | | | | | | | | | | | |
| (i) Outflows related to derivative exposures and other collateral requirements** | - | - | - | - | - | - | - | - | - | - | - | - |
| (ii) Outflows related to loss of funding on debt products | - | - | - | - | - | - | - | - | - | - | - | - |
| (iii) Credit and liquidity facilities | 2,244.20 | 2,580.83 | 2,134.27 | 2,454.41 | 2,083.08 | 2,483.96 | 2,395.54 | 2,483.96 | 2,483.96 | 2,483.96 | 2,856.55 | 2,856.55 |
| 6 Other contractual funding obligations | 1,900.44 | 2,185.51 | 1,756.30 | 2,019.75 | 1,339.07 | 1,528.64 | 1,539.93 | 1,528.64 | 1,528.64 | 1,528.64 | 1,757.94 | 1,757.94 |
| 7 Other contingent funding obligations | - | - | - | - | - | - | - | - | - | - | - | - |
| 8 Total Cash Outflows | 4,144.64 | 4,766.34 | 3,890.57 | 4,474.16 | 3,422.15 | 4,012.60 | 3,935.47 | 4,012.60 | 4,012.60 | 4,012.60 | 4,614.49 | 4,614.49 |
| Cash Inflows | | | | | | | | | | | | |
| 9 Secured Lending | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 Inflows from fully performing exposures | 3,200.93 | 2,400.70 | 5,336.70 | 4,002.53 | 3,468.67 | 3,185.34 | 2,601.50 | 3,185.34 | 3,185.34 | 3,185.34 | 2,389.01 | 2,389.01 |
| 11 Other cash inflows | 7,183.11 | 5,387.33 | 10,469.03 | 7,851.77 | 8,667.16 | 6,759.55 | 6,500.37 | 6,500.37 | 6,759.55 | 6,759.55 | 5,069.66 | 5,069.66 |
| 12 Total Cash Inflows | 10,384.04 | 7,788.03 | 15,805.73 | 11,854.30 | 12,135.83 | 9,944.89 | 9,101.87 | 9,101.87 | 9,944.89 | 9,944.89 | 7,458.67 | 7,458.67 |
| 13 Total HQLA | 3,146.18 | 3,146.18 | 2,564.46 | 2,564.46 | 2,564.46 | 3,297.36 | 3,297.36 | 3,297.36 | 1,641.28 | 1,641.28 | 1,641.28 | 1,641.28 |
| 14 Total Net Cash Outflows | 1,036.16 | 1,191.58 | 972.64 | 1,118.54 | 855.54 | 1,003.15 | 983.87 | 1,003.15 | 1,003.15 | 1,003.15 | 1,153.62 | 1,153.62 |
| 15 LIQUIDITY COVERAGE RATIO (%) | 303.64% | 264.03% | 263.66% | 229.27% | 385.41% | 163.61% | 335.14% | 335.14% | 163.61% | 163.61% | 142.27% | 142.27% |

Composition of HQLA: The HQLA maintained by Company comprises cash balance maintained in current account.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

March 31, 2023

| Particulars | Quarter ended March 31, 2023 | | | Quarter ended December 31, 2022 | | | Quarter ended September 30, 2022 | | | Quarter ended June 30, 2022 | | |
|--|------------------------------|---------------------------|-----------------|---------------------------------|---------------------------|-----------------|----------------------------------|---------------------------|-----------------|-----------------------------|---------------------------|-----------------|
| | Unweighted Value (average)* | Weighted value (average)* | Total | Unweighted Value (average)* | Weighted value (average)* | Total | Unweighted Value (average)* | Weighted value (average)* | Total | Unweighted Value (average)* | Weighted value (average)* | Total |
| High Quality Liquid Assets | | | | | | | | | | | | |
| 1 Total High Quality Liquid Assets (HQLA) | 2,305.09 | 2,305.09 | 810.88 | 810.88 | 660.47 | 660.47 | 660.47 | 660.47 | 479.70 | 479.70 | 479.70 | 479.70 |
| Cash Outflows | | | | | | | | | | | | |
| 2 Deposits (for deposit taking companies) | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 Unsecured wholesale funding | - | - | - | - | - | - | - | - | - | - | - | - |
| 4 Secured wholesale funding | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 Additional requirements, of which | | | | | | | | | | | | |
| (i) Outflows related to derivative exposures and other collateral requirements** | - | - | - | - | - | - | - | - | - | - | - | - |
| (ii) Outflows related to loss of funding on debt products | - | - | - | - | - | - | - | - | - | - | - | - |
| (iii) Credit and liquidity facilities | 1,664.58 | 1,914.27 | 1,082.21 | 1,244.54 | 876.48 | 1,007.95 | 1,007.95 | 990.24 | 1,138.78 | 990.24 | 1,138.78 | 1,138.78 |
| 6 Other contractual funding obligations | 746.03 | 857.93 | 615.42 | 707.73 | 246.26 | 283.20 | 283.20 | 264.48 | 304.15 | 264.48 | 304.15 | 304.15 |
| 7 Other contingent funding obligations | 704.97 | 810.72 | 1,262.10 | 1,451.42 | 1,129.40 | 1,298.81 | 1,298.81 | 1,163.49 | 1,338.01 | 1,163.49 | 1,338.01 | 1,338.01 |
| 8 Total Cash Outflows | 3,115.58 | 3,582.92 | 2,959.73 | 3,403.69 | 2,252.14 | 2,589.96 | 2,589.96 | 2,418.21 | 2,780.94 | 2,418.21 | 2,780.94 | 2,780.94 |
| Cash Inflows | | | | | | | | | | | | |
| 9 Secured Lending | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 Inflows from fully performing exposures | 1,356.71 | 1,017.53 | 1,804.34 | 1,353.26 | 1,606.43 | 1,204.82 | 1,204.82 | 1,738.60 | 1,303.95 | 1,738.60 | 1,303.95 | 1,303.95 |
| 11 Other cash inflows | 5,732.42 | 4,299.32 | 2,290.88 | 1,718.16 | 4,787.26 | 3,590.45 | 3,590.45 | 5,145.16 | 3,858.87 | 5,145.16 | 3,858.87 | 3,858.87 |
| 12 Total Cash Inflows | 7,089.13 | 5,316.85 | 4,095.22 | 3,071.42 | 6,393.69 | 4,795.27 | 4,795.27 | 6,883.76 | 5,162.82 | 6,883.76 | 5,162.82 | 5,162.82 |
| 13 Total HQLA | 2,305.09 | 2,305.09 | 810.88 | 810.88 | 660.47 | 660.47 | 660.47 | 479.70 | 479.70 | 479.70 | 479.70 | 479.70 |
| 14 Total Net Cash Outflows | 778.90 | 895.73 | 739.93 | 850.92 | 563.04 | 647.49 | 647.49 | 604.55 | 695.24 | 604.55 | 695.24 | 695.24 |
| 15 LIQUIDITY COVERAGE RATIO (%) | 295.94% | 257.34% | 109.59% | 95.29% | 117.31% | 102.00% | 102.00% | 79.35% | 69.00% | 79.35% | 69.00% | 69.00% |

Composition of HQLA: The HQLA maintained by Company comprises cash balance maintained in current account.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

40 Schedule to the Balance Sheet (as required in terms of paragraph 19 of Systemically Important Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016)

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|----------------------|----------------|------------------|----------------------|----------------|------------------|
| | Amount outstanding | Amount overdue | Total | Amount outstanding | Amount overdue | Total |
| 1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid: | | | | | | |
| (a) Debentures : Secured | 1,521.65 | - | 1,521.65 | 4,386.14 | - | 4,386.14 |
| : Unsecured (other than falling within the meaning of public deposits) | - | - | - | - | - | - |
| (b) Deferred credits | - | - | - | - | - | - |
| (c) Term loans | 65,789.99 | - | 65,789.99 | 48,854.24 | - | 48,854.24 |
| (d) Inter-corporate loans and borrowing | - | - | - | - | - | - |
| (e) Commercial paper | - | - | - | - | - | - |
| (f) Public deposits | - | - | - | - | - | - |
| (h) Other loans (Borrowings) - Cash credit / OD | 3,794.87 | - | 3,794.87 | 643.50 | - | 643.50 |
| Total 1 | 71,106.51 | - | 71,106.51 | 53,883.88 | - | 53,883.88 |
| 2) Break-up of (1) (f) above [Outstanding public deposits inclusive of interest accrued thereon but not paid] | | | | | | |
| (a) In the form of Unsecured debentures | - | - | - | - | - | - |
| (b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | - | - | - | - | - | - |
| (b) Other public deposits | - | - | - | - | - | - |

3) Break-up of loans and advances including bills receivables [other than those included in (4) below]

| Assets side : | As at March 31, 2024 | As at March 31, 2023 |
|---------------|----------------------|----------------------|
| | Amount outstanding | Amount outstanding |
| (a) Secured | 97,801.48 | 70,763.01 |
| (b) Unsecured | 484.22 | 3.04 |
| Total | 98,285.70 | 70,766.05 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

4) Break up of Leased assets and stock on hire and other assets counting towards AFC activities

(₹ in Millions)

| | As at | As at |
|---|--------------------|--------------------|
| | March 31, 2024 | March 31, 2023 |
| | Amount outstanding | Amount outstanding |
| (i) Lease assets including lease rentals under sundry debtors: | - | - |
| (a) Financial lease | - | - |
| (b) Operating lease | - | - |
| (ii) Stock on hire including hire charges under sundry debtors: | - | - |
| (a) Assets on hire | - | - |
| (b) Repossessed assets | - | - |
| (iii) Other loans counting towards AFC activities | - | - |
| (a) Loans where assets have been repossessed | - | - |
| (b) Loans other than (a) above | - | - |

5) Break-up of investments :

(₹ in Millions)

| | As at | As at |
|---|--------------------|--------------------|
| | March 31, 2024 | March 31, 2023 |
| | Amount outstanding | Amount outstanding |
| Current investments : | | |
| 1. Quoted | | |
| (i) Shares : (a) Equity | 24.32 | - |
| (b) Preference | - | - |
| (ii) Debentures and bonds | - | - |
| (iii) Units of mutual funds | - | 300.98 |
| (iv) Government securities | - | - |
| (v) Others (please specify) | - | - |
| 2. Unquoted | | |
| (i) Shares : (a) Equity | - | - |
| (b) Preference | - | - |
| (ii) Debentures and bonds | - | - |
| (iii) Units of mutual funds | - | - |
| (iv) Government securities | - | - |
| (v) Others (please specify) - Pass Through Certificates | 75.72 | 5.67 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

5) Break-up of investments :

(₹ in Millions)

| | As at | As at |
|--|--------------------|--------------------|
| | March 31, 2024 | March 31, 2023 |
| | Amount outstanding | Amount outstanding |
| Long term investments : | | |
| 1. Quoted | | |
| (i) Shares : (a) Equity | - | - |
| (b) Preference | - | - |
| (ii) Debentures and bonds | - | - |
| (iii) Units of mutual funds | - | - |
| (iv) Government securities | - | - |
| (v) Others (please specify) | - | - |
| 2. Unquoted | | |
| (i) Shares : (a) Equity | 5,250.10 | 3,250.00 |
| (b) Preference | - | - |
| (ii) Debentures and bonds | - | - |
| (iii) Units of mutual funds | - | - |
| (iv) Government securities | - | - |
| (v) Others (please specify) -Pass Through Certificates | 465.42 | 43.09 |

6) Borrower group-wise classification of assets financed as in (3) and (4) above:

(₹ in Millions)

| Category | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---------------------------------|--|---------------|------------------|--|-------------|------------------|
| | Amount net of provision (Refer note no. 7) | | | Amount net of provision (Refer note no. 7) | | |
| | Secured | Unsecured | Total | Secured | Unsecured | Total |
| 1. Related Parties | | | | | | |
| (a) Subsidiaries | - | - | - | - | - | - |
| (b) Companies in the same group | - | - | - | - | - | - |
| (c) Other related parties | - | - | - | - | - | - |
| 2. Other than related parties | 97,801.48 | 484.22 | 98,285.70 | 70,763.01 | 3.04 | 70,766.05 |
| Total | 97,801.48 | 484.22 | 98,285.70 | 70,763.01 | 3.04 | 70,766.05 |

7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

(₹ in Millions)

| Category | As at March 31, 2024 | | As at March 31, 2023 | |
|---------------------------------|--|--------------------------------|--|--------------------------------|
| | Market Value / Break up or fair value or NAV | Book Value (Net of provisions) | Market Value / Break up or fair value or NAV | Book Value (Net of provisions) |
| 1. Related Parties | | | | |
| (a) Subsidiaries | 7,859.95 | 5,250.10 | 5,077.84 | 3,250.00 |
| (b) Companies in the same group | - | - | - | - |
| (c) Other related parties | - | - | - | - |
| 2. Other than related parties | 565.46 | 565.46 | 349.74 | 349.74 |
| Total | 8,425.41 | 5,815.56 | 5,427.58 | 3,599.74 |

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

8) Other Information

| Particulars | As at | As at |
|---|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| | Amount | Amount |
| (i) Gross non- performing assets | | |
| (a) Related parties | - | - |
| (b) Other than related parties | 2,142.91 | 1,379.50 |
| (ii) Net non- performing assets | | |
| (a) Related parties | - | - |
| (b) Other than related parties | 1,162.73 | 979.60 |
| (iii) Assets acquired in satisfaction of debt | - | - |

Notes:

1. Provisioning norms shall be applicable as prescribed in Master Direction – Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 whichever is applicable.

2. All accounting standards and guidance notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt.

3. In respect of investment in property, fair value has been taken on account of amalgamation. Bond and quoted equity shares have been valued as per prevailing market standards.

60. Expenditure in Foreign Currency

| Particulars | (₹ in Millions) | |
|--------------------------|-----------------|------------|
| | FY 2023-24 | FY 2022-23 |
| a. Software Expenses | 5.22 | 5.15 |
| b. Professional Expenses | 7.69 | 9.24 |

61. Disclosure for insurance commission as required under Insurance Regulatory and Development Authority of India (IRDAI) Regulation

| Name of the Insurance Company | (₹ in Millions) | |
|---|-----------------|------------|
| | 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 | - |

62. Other Statutory Information:

- The Company 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.
- The Company 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.
- The Company has not been declared willful defaulter by any bank or financial institution or other lender or government or any government authority.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

4 The Company 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, 2024. Details of Struck off company as below-

| No. | Name of the struck off company | Nature of Transactions | (₹ in Millions) | |
|-----|--------------------------------|------------------------|---------------------------------|--|
| | | | Balance outstanding Amount in ₹ | Relationship with the struck-off company |
| 1 | Kothari Intergroup Limited | Equity shares investor | 40.00 | Shareholder of the company |

| No. | Name of the struck off company | Nature of Transactions | (₹ in Millions) | |
|-----|--------------------------------|------------------------|---------------------------------|--|
| | | | Balance outstanding Amount in ₹ | Relationship with the struck-off company |
| 1 | - | - | - | - |

- The Company did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.
- The Company 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.
- The Company 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.
- The Company 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).
- The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- The Company 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.
- The Company has not revalued Intangible assets during the year.
- Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- Compliance with approved Scheme(s) of Arrangements: Not applicable
- Borrowed funds have been utilised for the purpose they have been sanctioned and share premium has been utilised in working capital.
- The Company confirms that, the title deeds of immovable properties are held in the name of the Company.
- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- The Company is registered with Insurance Regulatory and Development Authority of India (IRDAI) as Corporate agent vide CA0881 dated December 07, 2023.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

63. Accounting Software Used for maintenance of Books of Accounts

As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014, the company 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 Company, the Company 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 Company could not extract the data to substantiate that the feature of recording audit trail was operated throughout the year.

64. 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 M Nissim & Co LLP**
Chartered Accountants
(Firm's Registration No. 107122W/W100672)

Sd/-
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: L65921MH1994PLC173469

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
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 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
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

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 Matter

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.

| Key Audit Matter | How our audit addressed the key audit matter |
|---|---|
| <p>Impairment of loans and advances to customers (Refer Note 2.06G for material accounting policies and Note 52.A for credit risk disclosures)</p> <p>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'.</p> <p>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:</p> <ul style="list-style-type: none"> ensuring completeness and accuracy of the data considered for assumptions used in the model. | <p>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:</p> <ul style="list-style-type: none"> 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. |

| Key Audit Matter | How our audit addressed the key audit matter |
|---|--|
| <ul style="list-style-type: none"> 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. <p>These parameters are derived from the Group's internally developed statistical models and other historical data.</p> <p>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.</p> <p>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.</p> <p>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.</p> | <ul style="list-style-type: none"> 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; 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.

- 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.
- The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's 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 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 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.
- 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.
- 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 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 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 tampered 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 Singhania
Partner
Membership No. 155411
ICAI 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.

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.

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
ICAI UDIN: 24155411BKGYBW5134
Mumbai
08 May 2024

Consolidated Balance Sheet

As at March 31, 2024

| (₹ in Millions) | | | |
|--|----------|---------------------|---------------------|
| Particulars | Note No. | As at 31 March 2024 | As at 31 March 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 | 322.34 |
| (ii) Other receivables | 6 | 52.78 | 6.92 |
| (e) Loans | 7 | 134,211.83 | 94,816.23 |
| (f) Investments | 8 | 2,162.29 | 2,155.15 |
| (g) Other financial assets | 9 | 948.51 | 778.91 |
| | | 145,529.52 | 113,179.76 |
| (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 | | 151,496.97 | 118,013.19 |
| 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 | 102,547.48 | 70,726.87 |
| (e) Other financial liabilities | 22 | 6,994.44 | 5,696.67 |
| | | 112,585.65 | 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 | 246.18 | 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 | | 151,496.97 | 118,013.19 |

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)

Sd/-
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

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 08, 2024

Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

| (₹ 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 category | 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 | 1,237.27 |
| 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)

Sd/-
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

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 08, 2024

Consolidated Statement of cash flow

For the year ended March 31, 2024

| Particulars | ₹ in Millions) | |
|--|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 |
| Add / (Less): Adjustments for working capital changes | | |
| (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 |

Consolidated Statement of cash flow

For the year ended March 31, 2024

| Particulars | ₹ in Millions) | |
|---|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 |
| Net increase / (Decrease) in cash and cash equivalents (A+B+C) | (8,368.65) | 11,539.87 |
| 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 | 6,396.49 | 14,765.14 |

Notes:

- Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
- 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)

Sd/-
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

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 08, 2024

Consolidated of changes in equity

As at March 31, 2024

A. Equity Share Capital

(₹ in Millions)

| 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 | 206,152,844 | 412.31 | 175,654,055 | 351.31 |
| Changes in equity share capital due to prior period errors | - | - | - | - |
| Restated balance as at the beginning of the year | 206,152,844 | 412.31 | 175,654,055 | 351.31 |
| Add: Shares issued during the year | 82,149 | 0.16 | 30,498,789 | 61.00 |
| Add: Shares issued for split of face value | 206,234,993 | - | - | - |
| Add: Bonus Shares issued during the year | 412,469,986 | 412.47 | - | - |
| Less: Shares bought back during the year | - | - | - | - |
| Issued, subscribed and fully paid up equity shares outstanding at the end of the year | 824,939,972 | 824.94 | 206,152,844 | 412.31 |

B. Other Equity

(₹ in Millions)

| 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 Section 29C of the National Housing Bank Act, 1987 | Remeasurement of defined benefit plans | Fair Value Gain on time value of forward element of forward contract in hedging relationship | |
| Balance as at April 01, 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 01, 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) for the year | - | - | - | - | - | - | (9.35) | (22.10) | (31.45) |
| Dividends | - | - | (87.91) | - | - | - | - | - | (87.91) |
| Securities premium proceeds received on rights issue of equity shares | - | 14,268.06 | - | - | - | - | - | - | 14,268.06 |
| On account of ESOP exercised/ lapsed | - | 25.34 | - | 148.37 | - | - | - | - | 173.71 |
| 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 | (1.95) | (26.67) | 35,242.35 |
| 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 | (1.95) | (26.67) | 35,242.35 |
| Profit for the year | - | - | 2,794.06 | - | - | - | - | - | 2,794.06 |
| Other comprehensive income / (losses) for the year | - | - | - | - | - | - | (21.53) | (29.53) | (51.06) |
| Dividends | - | - | (103.08) | - | - | - | - | - | (103.08) |
| Securities premium proceeds received on rights issue of equity shares | - | - | - | - | - | - | - | - | - |

Consolidated of changes in equity

As at March 31, 2024

(₹ in Millions)

| 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 Section 29C of the National Housing Bank Act, 1987 | Remeasurement of defined benefit plans | Fair Value Gain on time value of forward element of forward contract in hedging relationship | |
| On account of ESOP exercised/ lapsed | 17.29 | 11.58 | - | 60.91 | - | - | - | - | 89.78 |
| Transfer from / (to) retained earnings | - | - | (539.52) | - | 396.12 | 143.40 | - | - | - |
| Utilised for issue of Bonus shares | - | (412.47) | - | - | - | - | - | - | (412.47) |
| Unamortised right issue expenses amortised | - | (18.81) | - | - | - | - | - | - | (18.81) |
| Balance as at March 31, 2024 | 659.34 | 18,414.83 | 14,267.91 | 314.36 | 3,410.93 | 553.08 | (23.48) | (56.20) | 37,540.77 |

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)

Sd/-
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

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 08, 2024

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

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 / NHB 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:

- 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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

- 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.
- By considering all the contractual terms of the financial instrument in estimating the cash flows
- 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

- Defined contribution schemes

The Group provides a defined contribution plan for all the eligible employees of the Group who have opted to receive

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

2.06 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

- 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.

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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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:

- 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 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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.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:

- 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

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:

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

3. Cash and cash equivalents

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| 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

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| 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 :

- 1 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.
- 2 Deposits are made for varying period from 7 days to 10 years and earn interest from 4.9% to 8.7% p.a.

5. Trade receivables

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| 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 | - | - |
| d) Trade receivables - Credit impaired | - | - |
| | 1,376.77 | 333.74 |
| Less: Impairment loss allowance | (9.92) | (11.40) |
| Total | 1,366.85 | 322.34 |

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

A Trade receivables - Ageing Schedule

As at March 31, 2024

(₹ in Millions)

| | Unbilled due | Outstanding for the following period from due date of payments: | | | | | Total |
|--|-----------------|---|-----------------------|-----------------------|----------------|----------------|-----------------|
| | | Current but Not due | Less than 6 months | 6 months to 1 year | 1 - 2 years | 2 - 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

(₹ in Millions)

| | Unbilled due | Outstanding for the following period from due date of payments: | | | | | Total |
|--|-----------------|---|-----------------------|-----------------------|----------------|----------------|---------------|
| | | Current but Not due | Less than 6 months | 6 months to 1 year | 1 - 2 years | 2 - 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

6. Other receivables

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| 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 | - | - |
| | 52.78 | 6.92 |
| Less: Allowance for expected credit losses | - | - |
| Total | 52.78 | 6.92 |

A Other receivables - Ageing Schedule

(₹ in Millions)

| | Unbilled due | Outstanding for the following period from due date of payments: | | | | | Total |
|------------------------------------|-----------------|---|-----------------------|-----------------------|----------------|----------------|-------|
| | | Current but Not due | Less than 6 months | 6 months to 1 year | 1 - 2 years | 2 - 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 |

7. Loans

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| A. Category of Loans wise Details | | |
| I. At Amortised cost | | |
| Term loans | 136,714.04 | 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 | 136,778.66 | 96,610.70 |
| Less: Impairment loss allowance on loans : | | |
| 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 (ii) - Impairment loss allowance | (2,566.83) | (1,794.47) |
| Total (A) = (i - ii) Net | 134,211.83 | 94,816.23 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| B. Nature of Security wise details | | |
| I. At Amortised cost | | |
| i) Secured by Tangible Assets | 133,631.72 | 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 | 136,778.66 | 96,567.15 |
| Less: Impairment loss allowance | (2,566.83) | (1,794.47) |
| Total (B) - Net | 134,211.83 | 94,772.68 |
| C. Location wise details | | |
| i) Loans in India | | |
| a. Public Sector | - | - |
| b. Others | 136,778.66 | 96,589.55 |
| Total | 136,778.66 | 96,589.55 |
| ii) Loans outside India | | |
| Total (C) - Gross | 136,778.66 | 96,589.55 |
| Less: Impairment loss allowance | (2,566.83) | (1,794.47) |
| Total (C) - Net | 134,211.83 | 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.

8. Investments

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| 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 |
| Total | 2,162.29 | 2,155.15 |
| B. | | |
| i. Investments outside India | - | - |
| ii. Investments in India | 2,162.29 | 2,155.15 |
| Total | 2,162.29 | 2,155.15 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

C. Script wise details of investments

(₹ in Millions)

| Particulars | Face Value | As at March 31, 2024 | | As at March 31, 2023 | |
|---|------------|----------------------|-----------------|----------------------|-----------------|
| | | Quantity | Amount | Quantity | Amount |
| A. Investment in Pass Through Certificates (Unquoted) | | | | | |
| 1 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 | | - | - | 452,359 | 150.71 |
| 3 Aditya Birla Sunlife Liquid Fund | | - | - | 692,366 | 251.39 |
| 4 Axis Mutual Fund | | 37,312 | 100.13 | 80,395 | 201.06 |
| 5 Nippon India Money Market Fund | | - | - | 100,752 | 357.42 |
| 6 ICICI Prudential Ultra Short Fund | | - | - | 10,034,017 | 253.86 |
| 7 Aditya Birla Sunlife Money Manager Fund | | 590,305 | 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 | | 7,430,107 | 300.48 | - | - |
| 12 SBI Liquid Fund | | 26,495 | 100.13 | - | - |
| 13 Mirae Liquid Fund | | 39,262 | 100.13 | - | - |
| 14 ICICI Prudential Liquid Fund | | 280,163 | 100.13 | - | - |
| 15 ICICI Prudential Money Market Fund | | 860,399 | 300.49 | - | - |
| C. Investments in Equity shares (Quoted) | | | | | |
| 1 Alpex Solar Limited | 10 | 73,200 | 24.32 | - | - |
| Total | | | 2,162.29 | | 2,155.15 |

9. Other financial assets

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| 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 |
| | 948.51 | 778.91 |
| Less: Impairment loss allowance | - | - |
| Total | 948.51 | 778.91 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

10. Current tax assets and Current tax liabilities

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| 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 | 279.24 | 195.04 |
| 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 | 24.53 | 12.92 |

11. Deferred tax assets (net)

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| 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 | 911.97 | 634.36 |
| 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 | (205.72) | (158.27) |
| Net Deferred tax assets / (Deferred tax liabilities) | 706.25 | 476.09 |

B. For yearly movement in balances of deferred tax assets/(liabilities) refer Note no. - 44

12. Property, plant and equipment

(₹ in Millions)

| Particulars | Property, plant and equipment | | | | | | | Total | Right-of-use assets |
|-------------------------------------|-------------------------------|--------------------|-------------------|------------------------|-------------------|--------------|-------------------------|-----------------|---------------------|
| | Buildings | Leasehold Premises | Computer Hardware | Furniture and Fixtures | Office Equipments | Vehicles | Electrical Installation | | |
| | (A) | (B) | (C) | (D) | (E) | (F) | (G) | | |
| 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 | 352.98 |
| Addition | - | 164.29 | 173.76 | 367.03 | 220.77 | 14.78 | 140.85 | 1,081.48 | 1,885.98 |
| Disposal | - | 0.43 | 10.44 | 0.55 | 2.63 | 11.15 | 0.22 | 25.42 | 64.46 |
| Balance as at March 31, 2023 | 2.70 | 186.71 | 292.13 | 415.84 | 251.57 | 66.33 | 150.45 | 1,365.73 | 2,174.50 |
| Addition | - | 124.16 | 81.48 | 83.79 | 110.18 | 11.60 | (77.84) | 333.37 | 931.59 |
| Disposal | - | - | 2.64 | 3.33 | 8.73 | 18.53 | 62.42 | 95.65 | 65.98 |
| Balance as at March 31, 2024 | 2.70 | 310.87 | 370.97 | 496.30 | 353.02 | 59.40 | 10.19 | 1,603.45 | 3,040.11 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Particulars | Property, plant and equipment | | | | | | | | Right-of-use assets |
|---|-------------------------------|--------------|--------------|------------------|----------------|----------|------------------|-------------------|---------------------|
| | Buildings | Leasehold | Computer | Furniture | Office | Vehicles | Electrical | Total | Right-of-use assets |
| | (A) | Premises (B) | Hardware (C) | and Fixtures (D) | Equipments (E) | (F) | Installation (G) | H = A+B+C+D+E+F+G | |
| 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 | 129.86 |
| Depreciation / Amortisation expense | 0.10 | 19.59 | 79.94 | 40.23 | 41.28 | 7.68 | 14.70 | 203.52 | 200.35 |
| Disposal | - | 0.35 | 9.84 | 0.40 | 2.47 | 7.95 | 0.19 | 21.20 | 26.99 |
| Balance as at March 31, 2023 | 0.70 | 36.89 | 152.38 | 76.33 | 66.23 | 42.38 | 22.18 | 397.09 | 303.22 |
| Depreciation / Amortisation expense | 0.10 | 68.64 | 127.81 | 88.92 | 111.98 | 7.78 | (13.52) | 391.71 | 400.93 |
| Disposal | - | - | 2.23 | 2.48 | 2.85 | 15.53 | 0.05 | 23.14 | 36.33 |
| Balance as at March 31, 2024 | 0.80 | 105.53 | 277.96 | 162.77 | 175.36 | 34.63 | 8.61 | 765.66 | 667.82 |
| 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 | 223.12 |
| As at March 31, 2023 | 2.00 | 149.82 | 139.75 | 339.51 | 185.34 | 23.95 | 128.27 | 968.64 | 1,871.28 |
| As at March 31, 2024 | 1.90 | 205.34 | 93.01 | 333.53 | 177.66 | 24.77 | 1.58 | 837.79 | 2,372.29 |

13 Capital work-in-progress

(₹ in Millions)

| Particulars | Property, plant and equipment | | | | | | | |
|-------------------------------------|-------------------------------|--------------|--------------|------------------|----------------|----------|------------------|-------------------|
| | Buildings | Leasehold | Computer | Furniture | Office | Vehicles | Electrical | Total |
| | (A) | Premises (B) | Hardware (C) | and Fixtures (D) | Equipments (E) | (F) | Installation (G) | H = A+B+C+D+E+F+G |
| 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 |

14 Intangible assets under development

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|----------------------|----------------------|
| Opening as at April 1 | 148.04 | 23.20 |
| Addition | 171.47 | 156.85 |
| Deduction | (129.14) | (32.00) |
| Closing as at March 31 | 190.37 | 148.05 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

Aging of Capital work-in-progress & Intangible assets under development

As at March 31, 2024

(₹ in Millions)

| 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

(₹ in Millions)

| 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

A. Gross carrying amount

(₹ in Millions)

| Particulars | Computer Software (A) | Trade Mark (B) | Total C = (A+B) |
|-------------------------------------|-----------------------|----------------|-----------------|
| 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

(₹ in Millions)

| Particulars | Computer Software (A) | Trade Mark (B) | Total C = (A+B) |
|-------------------------------------|-----------------------|----------------|-----------------|
| Balance as at April 01, 2022 | 81.56 | - | 81.56 |
| Addition | 35.26 | - | 35.26 |
| Disposal | - | - | - |
| Balance as at March 31, 2023 | 116.82 | - | 116.82 |
| Addition | 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)

(₹ in Millions)

| Particulars | Computer Software (A) | Trade Mark (B) | Total C = (A+B) |
|-------------------------------------|-----------------------|----------------|-----------------|
| Balance as at March 31 2022 | 25.66 | - | 25.66 |
| Balance as at March 31, 2023 | 69.67 | - | 69.67 |
| Balance as at March 31, 2024 | 285.38 | 0.17 | 285.55 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

D. Depreciation and Amortisations for the year

(₹ in Millions)

| Particulars | 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 |

16. Other non financial assets

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| 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 |

17. Derivative financial instruments

A Fair value derivative assets / (Liabilities)

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| a) Currency Derivatives - Forwards | 41.05 | (75.72) |
| Total Net | 41.05 | (75.72) |

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------------|-------------------------|-------------------------|
| Derivative Assets (Net) (A) | 41.05 | - |
| Derivative Liabilities (Net) (B) | - | 75.72 |
| Total Net (A-B) | 41.05 | (75.72) |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

B As at March 31, 2024

(₹ in Millions)

| | 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 management purposes as follows: | | | |
| (i) Cashflow Hedging: | | | |
| Currency Derivatives : Forwards | 19,812.31 | 41.05 | - |
| (ii) Others | - | - | - |
| Total Derivative Financial Instruments | 19,812.31 | 41.05 | - |

C As at March 31, 2023

(₹ in Millions)

| | 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 management purposes as follows: | | | |
| (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.

18. Payables

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|-------------------------|-------------------------|
| (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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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:

| Particulars | (₹ in Millions) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| 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. | - | - |

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

19. Other Payables

| Particulars | (₹ in Millions) | |
|---------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| (a) Micro and small enterprises | - | - |
| (b) Due to related parties | - | - |
| (c) Due to Others | 211.32 | 144.99 |
| Total | 211.32 | 144.99 |

Notes:

1 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.

20. Debt securities

A At amortised cost

| Particulars | (₹ in Millions) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| 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 |

B

| Particulars | (₹ in Millions) | |
|-----------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| i) Debt securities in India | 1,521.65 | 4,386.14 |
| ii) Debt securities outside India | - | - |
| Total | 1,521.65 | 4,386.14 |

C Terms of repayment, nature of security & rate of interest

| No. | Name of Security | Maturity date | Terms of repayment | Coupon / Interest rate | (₹ in Millions) | |
|---------------------------------------|-------------------------|---------------|---------------------------------------|------------------------|-------------------------|-------------------------|
| | | | | | 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) | 5-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) | 9-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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

E Disclosure under regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Related party transaction - Refer Note 54

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.

21 Borrowings (Other than debt securities)

A

| Particulars | (₹ in Millions) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| I 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 | 102,547.48 | 70,726.87 |
| II | | |
| a) Borrowings in India | 102,547.48 | 70,726.87 |
| b) Borrowings outside India | - | - |
| Total | 102,547.48 | 70,726.87 |

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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 NHB 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.

C Terms of repayment & rate of interest in case of Borrowings (Other than Debt Securities)

| (₹ in Millions) | | | | | | |
|---------------------------------------|--------------------------|----------------|----------------|---------------------------------|----------------------|----------------------|
| No. | Nature of Facility | Maturity Range | Interest Range | No. of installments Due (Range) | 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 NHB | 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 NHB | 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) | | | | | 103,147.65 | 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) | | | | | 102,547.48 | 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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

22. Other financial liabilities

(₹ in Millions)

| Particulars | As at | |
|--------------------------------|-----------------|-----------------|
| | March 31, 2024 | March 31, 2023 |
| 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

(₹ in Millions)

| Particulars | As at | |
|---|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| 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

(₹ in Millions)

| Particulars | As at | |
|---------------------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| a) Statutory dues payable | 183.53 | 121.52 |
| b) Others | 62.65 | 11.27 |
| Total | 246.18 | 132.79 |

25. Equity share capital

A Share capital authorised, issued, subscribed and paid up

(₹ in Millions)

| 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) | 2,000,000,000 | 2,000.00 | 360,000,000 | 720.00 |
| Issued, Subscribed And Fully Paid Up | | | | |
| Equity Shares of ₹ 1 each (Previous year - ₹ 2 each) | 824,939,972 | 824.94 | 206,152,844 | 412.31 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

B Reconciliations of the number of equity shares and share capital

(₹ in Millions)

| 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 | 206,152,844 | 412.31 | 175,654,055 | 351.31 |
| Shares Issued during the year | 82,149 | 0.16 | 30,498,789 | 61.00 |
| 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 | 824,939,972 | 824.94 | 206,152,844 | 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.

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.

D Shareholder holding more than 5% of equity shares as at the end of the year:

(₹ in Millions)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|--------|----------------------|--------|
| | No. of Shares | Amount | No. of Shares | Amount |
| i Capri Global Holdings Pvt. Ltd. | 392,903,656 | 47.63% | 98,225,914 | 47.65% |
| ii Rajesh Sharma | 183,600,140 | 22.26% | 45,900,035 | 22.27% |
| iii Life Insurance Corporation Of India | 77,955,556 | 9.45% | 19,975,981 | 9.69% |

E Details of shares held by promoters

(₹ in Millions)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|--------|----------------------|--------|
| | No. of Shares | Amount | No. of Shares | Amount |
| 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 Jinisha Sharma | 800 | 0.00% | 200 | 0.00% |
| 5 Raghav Sharma | 800 | 0.00% | 200 | 0.00% |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|---------------|----------------------|---------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Promoter Trust | | | | |
| 1 Rajesh Sharma | 183,600,140 | 22.26% | 45,900,035 | 22.27% |
| Bodies Corporate | | | | |
| 1 Capri Global Holdings Private Limited | 392,903,656 | 47.63% | 98,225,914 | 47.65% |
| Total | 576,511,308 | 69.89% | 144,127,827 | 69.91% |

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).

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

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| 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 | 3,410.93 | 3,014.81 |
| 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 | 553.08 | 409.68 |
| 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 | 18,414.83 | 18,834.53 |
| d) General Reserve | | |
| Opening balance as at beginning of the year | 642.05 | 642.05 |
| Add: Changes during the period | 17.29 | - |
| Closing balance | 659.34 | 642.05 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| 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 | 314.36 | 253.45 |
| 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 | 14,188.23 | 12,087.83 |
| Total | 37,540.77 | 35,242.35 |

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.

27. Interest income

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|---|-------------------------------|-------------------------------|
| 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. - "&C23

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

28. Fee and commission income

| (₹ in Millions) | | |
|--------------------------------|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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

| (₹ in Millions) | | |
|--|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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

| (₹ in Millions) | | |
|--|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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

| (₹ in Millions) | | |
|----------------------------|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

33. Finance costs

| (₹ in Millions) | | |
|--|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| a) Salaries and wages | 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

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

| (₹ in Millions) | | |
|---------------------------------------|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 |

A Auditors' Remuneration

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 |

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 |

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)

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

| (₹ in Millions) | | |
|--|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 during the year | - | - |
| 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

37. Earning per Share (Ind AS -33)

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2024 | For year ended March 31, 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) | 824,893,735 | 803,695,385 |
| 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) | 830,935,245 | 805,803,019 |
| 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 | 824,893,735 | 803,695,385 |
| Add : Equity shares for no consideration arising on grant of stock options under ESOP | 6,041,510 | 2,107,634 |
| Weighted average number of equity shares for calculating diluted EPS | 830,935,245 | 805,803,019 |

38. Contingent Liabilities

| (₹ in Millions) | | |
|----------------------------------|-------------------------|-------------------------|
| Particulars | As at March 31, 2024 | As at March 31, 2023 |
| Income Tax matters under dispute | 50.77 | 141.65 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

39. Capital and Other Commitments

| Particulars | (₹ in Millions) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 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'.

43 Disclosure pursuant to Ind AS 12 "Income Taxes"

A Income Tax recognised in statement of profit and loss

| Particulars | (₹ in Millions) | |
|---|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 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 relating to continuous operations | 862.34 | 636.30 |

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 | (₹ in Millions) | |
|---|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 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 to 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 | - |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

| Particulars | (₹ in Millions) | |
|--|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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) |

C Reconciliation of income tax rate is as follows:

| Particulars | (₹ in Millions) | |
|--|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 | (1.02) | (0.99) |
| Difference due to Tax Rate of STCG | (0.30) | (0.04) |
| Effective Tax Rate (%) | 23.86 | 24.14 |

44 Movement in Deferred Taxes

A. Movement in deferred tax balances For the year ended March 31, 2024

| Particulars | (₹ in Millions) | | | |
|--|-------------------------|---------------------------------|----------------------|-------------------------|
| | 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

B. Movement in deferred tax balances For the year ended March 31, 2023

(₹ in Millions)

| | 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

45. Employee benefits - Disclosure pursuant to Ind AS 19 'Employee Benefits'

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.

(₹ in Millions)

| Particulars | For year ended March 31, 2024 | For year ended March 31, 2023 |
|---|----------------------------------|----------------------------------|
| i) Group's contribution to provident fund | 278.66 | 163.93 |
| ii) Group's contribution to National Pension Scheme | 6.26 | 4.17 |

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

a) Principal assumptions used for the actuarial valuations are as follows:

(₹ in Millions)

| | Capri Global Capital Limited (CGCL) | |
|--------------------------------|--|-------------------------|
| | As at March 31, 2024 | As at March 31, 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 rate for all service group) | 50.00% |
| For service 3 years to 4 years | | 30.00% |
| For service 5 years and above | | 20.00% |
| Mortality Table | Indian Assured Lives Mortality 2012-14 (Urban) | |

(₹ in Millions)

| | Capri Global Housing Finance Limited (CGHFL) | |
|-------------------------------|--|-------------------------|
| | As at March 31, 2024 | As at March 31, 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) | |

(₹ in Millions)

| | Capri Loan Car Platform Private Limited (CLCPPL) | |
|-------------------------------|--|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Discount Rate | 7.16 % 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 | Nil | Nil |
| Mortality Table | Indian Assured Lives Mortality 2012-14 (Urban) | |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

- 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:-

| (₹ in Millions) | | |
|--|----------------------------------|----------------------------------|
| Change in present value of defined benefit obligations: | For year ended March 31, 2024 | For year ended March 31, 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/ divestures/ transfers) | - | - |
| Defined benefit obligation, end of the year | 130.05 | 78.88 |

| (₹ in Millions) | | |
|--|----------------------------------|----------------------------------|
| Change in plan assets: | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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/ divestures/ 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:

| (₹ in Millions) | | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 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:

| (₹ in Millions) | | |
|-------------------------------|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| Service Cost | | |
| Current service cost | 28.26 | 15.66 |
| Past service cost | - | - |
| Total Service cost (i) | 28.26 | 15.66 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

| (₹ in Millions) | | |
|---|----------------------------------|----------------------------------|
| | For year ended March 31, 2024 | For year ended March 31, 2023 |
| 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 |

- e) The fair value of the plan assets for India are as follows:

| (₹ in Millions) | | |
|--------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| a) Insurer managed funds | 70.94 | 50.14 |

- f) Maturity Analysis of benefit payments

| (₹ in Millions) | | |
|---|-------------------------|-------------------------|
| Projected Benefits Payable in Future Years From the Date of Reporting | As at March 31, 2024 | As at March 31, 2023 |
| 1 st Following Year | 21.15 | 12.40 |
| 2 nd Following Year | 16.95 | 11.72 |
| 3 rd Following Year | 17.26 | 10.19 |
| 4 th Following Year | 21.24 | 10.19 |
| 5 th 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

g) Sensitivity analysis

(₹ in Millions)

| | For the year ended March 31, | | | |
|--------------------------------------|------------------------------|-------------|-------------|-------------|
| | 2024 | 2023 | 2024 | 2023 |
| | 1% increase | 1% increase | 1% decrease | 1% decrease |
| Sensitivity Level | | | | |
| 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.

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:

(₹ in Millions)

| Asset Class | Leasehold Property | |
|---|----------------------|----------------------|
| | As at March 31, 2024 | As at March 31, 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

(₹ in Millions)

| | Leasehold Property | |
|---|----------------------|----------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

E. Contractual maturities of lease liabilities on an undiscounted basis

(₹ in Millions)

| | Leasehold Property | |
|-------------------|----------------------|----------------------|
| | As at March 31, 2024 | As at March 31, 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

(₹ in Millions)

| | For the year ended March 31, 2024 | For the year ended March 31, 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)

(₹ in Millions)

| | For the year ended March 31, 2024 | For the year ended March 31, 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 lease and license agreement.

The Group has right to extend lease term as per mutually agreed terms laid down in respective lease and license agreement. The Group takes into account effect of extended lease term while recording the lease assets and lease liabilities accordingly.

47. Credit Risk

A MSME Loans

1 Credit quality of assets

As at March 31, 2024

(₹ in Millions)

| 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 |
| Credit Impaired | - | 821.87 | - | 821.87 |
| Restructured | - | - | - | - |
| 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

| (₹ in Millions) | | | | |
|-----------------------------------|------------------|-----------------|-----------------|------------------|
| 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 | - | - | - | - |
| Credit Impaired | - | 1,209.89 | - | 1,209.89 |
| Restructured | - | - | - | - |
| 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

| (₹ in Millions) | | |
|---------------------------|------------------------|---------|
| 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 |

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

| (₹ in Millions) | | | | |
|--|------------------|-----------------|-----------------|-------------------|
| 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

| (₹ in Millions) | | | | |
|--|------------------|-----------------|-----------------|-------------------|
| 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

3 Reconciliation of ECL balance is given below

As at March 31, 2024

| (₹ in Millions) | | | | |
|--|---------------|---------------|---------------|-----------------|
| 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

| (₹ in Millions) | | | | |
|--|---------------|---------------|---------------|-----------------|
| 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) | (111.68) | (141.25) | (254.70) |
| ECL Allowance - Closing Balance | 164.58 | 638.22 | 338.34 | 1,141.14 |

4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties

5 Advances (LTV band wise) :

| (₹ in Millions) | | |
|-----------------|-----------------------------------|---------------------------|
| 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 |

6 Credit impaired advances (LTV band wise) :

| (₹ in Millions) | | |
|-----------------|-----------------------------------|---------------------------|
| 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% | - | - |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

7 Reconciliation with Note No.7 :

| | (₹ in Millions) | |
|--|-------------------------|-------------------------|
| | 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 |

B Construction Finance Loans

1 Credit quality of assets

As at March 31, 2024

| | (₹ in Millions) | | | |
|-----------------------------------|------------------|---------------|---------------|------------------|
| 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

| | (₹ in Millions) | | | |
|-----------------------------------|------------------|---------------|--------------|------------------|
| 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

#Internal rating grades are classified on below basis

| | (₹ in Millions) | |
|---------------------------|------------------------|---------|
| 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 |

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

| | (₹ in Millions) | | | |
|--|------------------|---------------|---------------|------------------|
| 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.

As at March 31, 2023

| | (₹ in Millions) | | | |
|--|------------------|---------------|--------------|------------------|
| 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.

3 Reconciliation of ECL balance is given below

As at March 31, 2024

| | (₹ in Millions) | | | |
|--|-----------------|--------------|---------------|---------------|
| 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

| (₹ in Millions) | | | | |
|--|---------------|-------------|--------------|----------------|
| 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 |

4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties

5 Reconciliation with Note No.7 :

| (₹ in Millions) | | |
|--|-------------------------|-------------------------|
| | 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 |

C Gold Loans

1 Credit quality of assets

As at March 31, 2024

| (₹ in Millions) | | | | |
|-----------------------------------|------------------|-----------------|---------------|------------------|
| 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

| (₹ in Millions) | | | | |
|-----------------------------------|------------------|---------------|--------------|------------------|
| 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

| (₹ in Millions) | | |
|---------------------------|------------------------|---------|
| 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 |

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

| (₹ in Millions) | | | | |
|--|------------------|-----------------|---------------|--------------------|
| 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.

As at March 31, 2023

| (₹ in Millions) | | | | |
|--|------------------|---------------|--------------|------------------|
| 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

3 Reconciliation of ECL balance is given below

As at March 31, 2024

| (₹ in Millions) | | | | |
|--|---------------|-------------|--------------|----------------|
| 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

| (₹ in Millions) | | | | |
|--|--------------|-------------|-------------|--------------|
| 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 |

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

5 Advances (LTV band wise) :

| (₹ in Millions) | | |
|-----------------|-----------------------------------|---------------------------|
| 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% | - | - |

6 Credit impaired advances (LTV band wise) :

| (₹ in Millions) | | |
|-----------------|-----------------------------------|---------------------------|
| 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% | - | - |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

7 Reconciliation with Note No.7 :

| (₹ in Millions) | | |
|--|-------------------------|-------------------------|
| | 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 |

D Indirect Retail Lending (IRL)

1 Credit quality of assets

As at March 31, 2024

| (₹ in Millions) | | | | |
|-----------------------------------|-----------------|----------|-----------|-----------------|
| 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

| (₹ in Millions) | | | | |
|-----------------------------------|-----------------|----------|--------------|-----------------|
| 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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| 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 |

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

(₹ in Millions)

| 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 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.

As at March 31, 2023

(₹ in Millions)

| 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.

3 Reconciliation of ECL balance is given below

As at March 31, 2024

(₹ in Millions)

| 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

(₹ in Millions)

| 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 |

4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by book debts.

5 Reconciliation with Note No.7 :

(₹ in Millions)

| | 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 |

E Unsecured business loan

1 Credit quality of assets

As at March 31, 2024

(₹ in Millions)

| 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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| 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 |

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

(₹ in Millions)

| 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.

3 Reconciliation of ECL balance is given below

As at March 31, 2024

(₹ in Millions)

| 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 |

4 Details of collateral received against loan portfolio :

Nature of security against advances : Unsecured Advances

5 Reconciliation with Note No.7 :

(₹ in Millions)

| | 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 | - |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

F Home Loans

1 Credit quality of assets

As at March 31, 2024

(₹ in Millions)

| 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

(₹ in Millions)

| 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

(₹ in Millions)

| 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

(₹ in Millions)

| 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.

As at March 31, 2023

(₹ in Millions)

| Particulars | Stage I | Stage II | Stage III | Total |
|--|------------------|-----------------|---------------|-------------------|
| Gross carrying amount opening balance | 16,114.74 | 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 1 | 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.

3 Reconciliation of ECL balance is given below

As at March 31, 2024

(₹ in Millions)

| 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 1 | 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

(₹ in Millions)

| 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 1 | 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 |

4 Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Properties

5 Advances (LTV band wise) :

(₹ in Millions)

| 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% | - | - |

6 Credit impaired advances (LTV band wise) :

(₹ in Millions)

| 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% | - | - |

7 Reconciliation with Note No.7 :

(₹ in Millions)

| | 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 | (295.21) | (338.35) |
| Others | (124.96) | (12.48) |
| Gross advances as per Note No. 7 | 37,074.68 | 25,800.71 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

(₹ in Millions)

| 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 | 134,211.83 | 19,033.26 | 75,782.97 | 94,816.23 |
| Investments | 1,659.58 | 502.71 | 2,162.29 | 1,456.58 | 698.57 | 2,155.15 |
| Other financial assets | 469.43 | 479.08 | 948.51 | 175.65 | 603.26 | 778.91 |
| Total financial assets | 47,509.14 | 98,020.38 | 145,529.52 | 35,973.33 | 77,206.43 | 113,179.76 |
| 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 | 102,691.87 | 151,496.97 | 36,988.39 | 81,024.80 | 118,013.19 |
| LIABILITIES | | | | | | |
| Financial 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 | 102,547.48 | 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 | 112,585.65 | 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 financials 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 | 113,131.26 | 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

(₹ in Millions)

| 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) | 102,547.48 |
| Total liabilities from financing activities | 75,113.01 | 29,377.07 | (420.95) | 104,069.13 |

(₹ in Millions)

| 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, conversation 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:

A Financial instruments by category

1 As at March 31, 2024

(₹ in Millions)

| 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 | - |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Particulars | FVTPL | Amortised cost | FVTOCI | Total Carrying Value | Fair Value |
|--|-----------------|-------------------|--------------|----------------------|-----------------|
| 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 | - |
| Derivative financial instruments | - | - | 41.05 | 41.05 | 41.05 |
| Other financial Assets | - | 948.51 | - | 948.51 | - |
| Total financial assets | 1,577.67 | 143,910.80 | 41.05 | 145,529.52 | 1,618.72 |
| Financial liabilities | | | | | |
| Derivative financial instruments | - | - | - | - | - |
| Borrowings (including Debt Securities) | - | 104,069.13 | - | 104,069.13 | - |
| Trade payables | - | 1,522.08 | - | 1,522.08 | - |
| Other financial liabilities | - | 6,994.44 | - | 6,994.44 | - |
| Total financial liabilities | - | 112,585.65 | - | 112,585.65 | - |

2 As at March 31, 2023

(₹ in Millions)

| 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 | 111,815.04 | - | 113,179.76 | 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

B. 1 Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Millions)

| 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 | - | - | - | - | - |

(₹ in Millions)

| 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 |

B. 2 Assets and liabilities which are measured at amortised cost for which fair values are disclosed

(₹ in Millions)

| 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. | 136,767.66 | - | - | 136,818.47 | 136,818.47 |
| Investments | | | | | |
| Debt Instrument | - | - | - | - | - |
| Pass Through Certificates | 584.62 | - | - | 584.62 | 584.62 |
| Other financial assets | 948.51 | - | - | 948.51 | 948.51 |
| Total financial assets | 146,477.63 | - | - | 138,351.60 | 146,528.44 |
| 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 | 102,547.48 | - | - | 102,547.48 | 102,547.48 |
| Other Financial Liabilities | 6,994.44 | - | - | 6,994.44 | 6,994.44 |
| Total financial liabilities | 112,585.65 | - | 1,521.65 | 111,064.00 | 112,585.65 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

| As at March 31, 2023 | Carrying Amount | Fair Value | | | Total Fair Value |
|---------------------------------------|-------------------|------------|-----------------|------------------|-------------------|
| | | Level 1 | Level 2 | Level 3 | |
| (₹ in Millions) | | | | | |
| 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 | 113,609.51 | - | - | 94,365.67 | 109,798.57 |
| 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

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

A Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

- The Group has applied 12 months PD to stage 1 advances
- The Lifetime PD is computed using basic exponentiation technique after considering the residual maturity of the respective loan.
- 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.

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

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.

1 The table below summarises the maturity profile of the undiscounted cash flow of the Group's financial liabilities:

As at March 31, 2024

| | (₹ in Millions) | | | | |
|-------------------------------|-----------------|-------------------|-----------------|-----------------|---------------------------|
| | 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 | 116,723.35 | 1,522.08 | 4,026.74 | 4,402.78 |

As at March 31, 2023

| | (₹ in Millions) | | | | |
|-------------------------------|-----------------|------------------|-----------------|-----------------|---------------------------|
| | 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 | 230.14 | 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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.

1 FY 2023-24

(₹ in Millions)

| Financial Instruments Type | Increase / (decrease) in basis points (bps) | Sensitivity of profit or loss | Sensitivity of equity |
|----------------------------|---|-------------------------------|-----------------------|
| a. Loans | 50 bps Up | | 409.15 |
| | 100 bps Up | Impact on Profit before Tax | 818.29 |
| | 50 bps Down | | (409.15) |
| | 100 bps Down | | (818.29) |
| b. Borrowings | 50 bps Up | | (386.42) |
| | 100 bps Up | Impact on Profit before Tax | (772.84) |
| | 50 bps Down | | 386.42 |
| | 100 bps Down | | 772.84 |

1 FY 2022-23

(₹ in Millions)

| Financial Instruments Type | Increase / (decrease) in basis points (bps) | Sensitivity of profit or loss | Sensitivity of equity |
|----------------------------|---|-------------------------------|-----------------------|
| a. Loans | 50 bps Up | Impact on Profit before Tax | 321.15 |
| | 100 bps Up | | 642.30 |
| | 50 bps Down | | (321.15) |
| | 100 bps Down | | (642.30) |
| b. Borrowings | 50 bps Up | Impact on Profit before Tax | (265.74) |
| | 100 bps Up | | (531.48) |
| | 50 bps Down | | 265.74 |
| | 100 bps Down | | 531.48 |

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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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 :

(₹ in Millions)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|----------------------|----------------------|
| a. Debt (I)* | 106,660.79 | 77,041.88 |
| b. Cash and bank balances (II)# | 2,762.61 | 11,212.54 |
| c. Net debt (I - II) | 103,898.18 | 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 liability.

Cash and bank balance is net of book 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 income | | Share in total Comprehensive income | |
|------------------------------|--|---------------------------------|------------------|-------------------------------------|-----------------|---|----------------|-------------------------------------|-----------------|
| | | 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 | 20.60% | 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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

54. Related Party Disclosure

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:

| | | (₹ in Millions) | |
|------------|---|---|--|
| 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) | | |

B Transactions with Related parties during the year

| | | (₹ in Millions) | | | |
|-----------|------------------------|---|--------------------------------------|------------------------------|------|
| 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 | - |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

| | | (₹ in Millions) | | | |
|--|---|---|--|------------------------------|-------|
| No. | Nature of Transaction | Relationship | Name of Party | For the year Ended March 31, | |
| | | | | 2024 | 2023 |
| 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 |
| 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. Shishir 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 | - |

C Closing balances with Related parties as at year end

| | | (₹ in Millions) | | | |
|----------|------------------------------|---|---------------------------------------|------------------------------|------|
| No. | Nature of Transaction | Relationship | Name of Party | For the year Ended March 31, | |
| | | | | 2024 | 2023 |
| 1 | Borrowing through ICD | Enterprises over which Management and/or their relatives have control | Capri Global Holdings Private Limited | 330.00 | - |

55. Fraud Reporting

| | | (₹ in Millions) | |
|---|--|------------------------------|------|
| 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. | | - | - |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

56. Details of all collateral used as security for liabilities

(₹ in Millions)

| Particulars | Carrying amount of financial assets pledged as at March 31, | |
|--|---|-----------|
| | 2024 | 2023 |
| | | |
| Assets type | | |
| a. Loans receivable as collateral under lending agreements | 135,571.37 | 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 |

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: -

(₹ in Millions)

| 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 | 8,849,194 | ₹ 0.50 to ₹ 187.50 | 12,241,600 | ₹ 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

(₹ in Millions)

| 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 | 2,098,400 | 0.50 | 2,261,600 | 0.50 |
| | 168,000 | 17.50 | 798,000 | 17.50 |
| | 1,039,200 | 25.00 | 1,153,600 | 25.00 |
| | 56,000 | 32.50 | 90,000 | 32.50 |
| | 200,000 | 43.50 | 200,000 | 43.50 |
| | 80,000 | 48.73 | 80,000 | 48.73 |
| | 280,000 | 56.25 | 280,000 | 56.25 |
| | 3,400,000 | 62.50 | 3,500,000 | 62.50 |
| | 4,000,000 | 75.00 | 3,800,000 | 75.00 |
| | 300,000 | 106.25 | - | - |
| | 400,000 | 112.50 | - | - |
| | 100,000 | 125.00 | - | - |
| | 80,000 | 127.50 | - | - |
| | 40,000 | 130.00 | - | - |
| Granted | - | - | 800,000 | 75.00 |
| | - | - | 300,000 | 106.25 |
| | - | - | 400,000 | 112.50 |
| | - | - | 100,000 | 125.00 |
| | - | - | 80,000 | 127.50 |
| | - | - | 40,000 | 130.00 |
| | 320,000 | 185.00 | - | - |
| | 200,000 | 187.50 | - | - |
| | | | | |
| | | | | |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(₹ in Millions)

| Particulars | Year ended | | | |
|------------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|
| | As at March 31, 2024 | | As at March 31, 2023 | |
| | Numbers | Exercise Price/ Vesting Price (₹) | Numbers | Exercise Price/ Vesting Price (₹) |
| Exercised | 161,136 | 0.50 | 51,600 | 0.50 |
| | 36,000 | 17.50 | 630,000 | 17.50 |
| | 110,460 | 25.00 | 26,400 | 25.00 |
| | 12,000 | 32.50 | 24,000 | 32.50 |
| | 9,000 | 43.50 | - | - |
| | 346,470 | 0.50 | 111,600 | 0.50 |
| | 36,000 | 17.50 | 88,000 | 25.00 |
| | 598,340 | 25.00 | 10,000 | 32.50 |
| | 12,000 | 32.50 | 100,000 | 62.50 |
| | 51,000 | 43.50 | 600,000 | 75.00 |
| Forfeited, expired and cancelled | 60,000 | 62.50 | - | - |
| | 2,400,000 | 75.00 | - | - |
| | 80,000 | 185.00 | - | - |
| | 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 |
| Outstanding at the end of the year | 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 | - | - |
| | 823,594 | 0.50 | 496,200 | 0.50 |
| Of the above, Options exercisable | 96,000 | 17.50 | 72,000 | 17.50 |
| | 330,400 | 25.00 | 712,800 | 25.00 |
| | 60,000 | 43.50 | 60,000 | 43.50 |
| | 24,000 | 48.73 | - | - |
| | 24,000 | 56.25 | - | - |

(₹ in Millions)

| Particulars | 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 |

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

The following table summarises information about stock option plans

(₹ in Millions)

| 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 | 1,590,794 | 5.14 | 2,098,400.00 | 10.86 |
| 17.50 | 96,000 | 0.03 | 168,000.00 | 4.51 |
| 25.00 | 330,400 | 0.03 | 1,039,200.00 | 2.10 |
| 32.50 | 32,000 | 5.67 | 56,000.00 | 12.64 |
| 43.50 | 140,000 | 3.25 | 200,000.00 | 8.86 |
| 48.73 | 80,000 | 11.76 | 80,000.00 | 23.24 |
| 56.25 | 280,000 | 19.38 | 280,000.00 | 31.50 |
| 62.50 | 3,340,000 | 21.49 | 3,400,000.00 | 33.69 |
| 75.00 | 1,600,000 | 27.30 | 4,000,000.00 | 37.01 |
| 106.25 | 300,000 | 27.55 | 300,000.00 | 39.75 |
| 112.50 | 400,000 | 27.75 | 400,000.00 | 39.95 |
| 125.00 | 100,000 | 27.65 | 100,000.00 | 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 | 240,000 | 50.37 | - | - |
| 187.50 | 200,000 | 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.

(₹ in Millions)

| Particulars | As at | As at |
|------------------------------|--------------------|--------------------|
| | March 31, 2024 | 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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).

(₹ in Millions)

| Particulars | 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 million) | 85.70 | 161.59 |

(₹ in Millions)

| Particulars | As at | As at |
|---|----------------|----------------|
| | March 31, 2024 | 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 |

58. Expenditure in Foreign Currency

(₹ in Millions)

| Particulars | FY 2023-24 | FY 2022-23 |
|--------------------------|----------------------|------------|
| | a. Software expenses | 5.22 |
| b. Professional expenses | 7.69 | 9.24 |

59. Disclosure for insurance commission as required unde Insurance Regulatory and Development Authority (IRDA) Regulation

(₹ in Millions)

| 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

(₹ in Millions)

| 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 | Netclick Infocomm Private Limited | Internet Service | 3,500.00 | No |

(₹ in Millions)

| No. | Name of the struck off company | Nature of Transactions | FY 2023-23 | |
|-----|---|------------------------|---------------------------------|--|
| | | | Balance outstanding Amount in ₹ | Relationship with the struck-off company |
| 1 | Payal Financial Services Private Limited | Professional Fees | - | No |
| 2 | Jabalpur Jantantra Dignet Private Limited | Internet Service | - | No |
| 3 | Talopp HR Consulting Private Limited | Recruitment Service | - | No |
| 4 | Netclick 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.

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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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 –

- Customer masters in two accounting software;
- 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 tempered 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)

Sd/-
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: L65921MH1994PLC173469

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 08, 2024

Annexure - A

Form Aoc -1

(Pursuant to first proviso to Sub Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

| Particulars | ₹. in millions | |
|---|--------------------------------------|--|
| | Capri Global Housing Finance Limited | Capri Loans Car Platform Private Limited |
| Reporting Period of the Subsidiary if Different from the Holding Company's Reporting Period | NA | NA |
| Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries | NA | NA |
| Share Capital | 788.08 | 0.10 |
| Reserves & Surplus | 7,113.48 | 99.69 |
| Total Assets | 44,820.20 | 758.79 |
| Total Liabilities | 36,918.64 | 659.00 |
| Investments | 1,596.83 | 0.00 |
| Turnover | 4,871.90 | 551.04 |
| Profit/(Loss) Before Taxation | 906.80 | 133.22 |
| Provision for Taxation | 189.81 | 33.53 |
| Profit after Taxation* | 716.99 | 99.69 |
| Proposed Dividend | - | - |
| % of Shareholding | 100 | 100 |

*PAT without considering the Other Comprehensive Income.

| Notes: | NIL | NIL |
|---|-----|-----|
| 1. Names of subsidiaries which are yet to commence operations: | NIL | NIL |
| 2. Names of subsidiaries which have been liquidated or sold during the year : | | |

Part "B": Associate and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Not Applicable

For and on behalf of the Board of Directors of
Capri Global Capital Limited
CIN: L65921MH1994PLC173469

Sd/-
Rajesh Sharma
Managing Director
DIN 00020037
Place : Mumbai
May 08, 2024

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491
Place: Mumbai
May 08, 2024

Sd/-
Subramanian Ranganathan
Independent Director
DIN 00125493
Place : Mumbai
May 08, 2024

Sd/-
Partha Chakraborti
Chief Financial Officer
Place : Mumbai
May 08, 2024

Corporate Information

BOARD OF DIRECTORS

Mr. L. V. Prabhakar
Chairman and Non-Executive Independent Director
(w.e.f. January 27, 2024)

Mr. Rajesh Sharma
Managing Director

Mr. S. Ranganathan
Non-Executive Independent Director
(w.e.f. October 31, 2023)

Mr. Ajit Mohan Sharan
Non-Executive Independent Director
(Reappointed w.e.f. April 01, 2024)

Mr. Desh Raj Dogra
Non-Executive Independent Director

Ms. Nupur Mukherjee
Non-Executive Independent Director
(w.e.f. January 27, 2024)

Mr. Shishir Priyadarshi
Non-Executive Independent Director
(w.e.f. January 27, 2024)

Mr. Beni Prasad Rauka
Ms. Bhagyam Ramani
Mr. Mukesh Kacker
(Ceased to be the Independent Directors
w.e.f. March 31, 2024)

CHIEF FINANCIAL OFFICER (CFO)

Mr. Partha Chakraborti
(w.e.f. October 31, 2023)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Yashesh Bhatt
Sr. Vice President & Company Secretary

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. S. Ranganathan - Chairman
Mr. Ajit Sharan - Member
Mr. Shishir Priyadarshi - Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ms. Nupur Mukherjee - Chairperson
Mr. S. Ranganathan - Member
Mr. Rajesh Sharma - Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Ajit Sharan - Chairman
Mr. S. Ranganathan - Member
Mr. Desh Raj Dogra - Member

RISK MANAGEMENT COMMITTEE

Mr. L.V. Prabhakar - Chairman
Mr. Rajesh Sharma - Member
Mr. S. Ranganathan - Member
Mr. Desh Raj Dogra - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. S. Ranganathan - Chairman
Mr. Rajesh Sharma - Member
Mr. Desh Raj Dogra - Member
Mr. Ajit Sharan - Member

AUDITORS

M/s. M M Nissim & Co. LLP
Chartered Accountants
Barodawala Mansion,
B-Wing, 3rd Floor,
81, Dr. Annie Besant Road,
Worli, Mumbai 400 018
Tel. No.: (022) 2496 9900

BANKERS AND FINANCIAL INSTITUTIONS

Bank of Baroda
Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India
Dhanlaxmi Bank
HDFC Bank
IDBI Bank
Indian Bank
Indian Overseas Bank
Karnataka Bank
LIC Housing Finance Limited
NABKISAN Finance Limited
National Bank for Agriculture and Rural Development
National Housing Bank
Punjab & Sind Bank
Punjab National Bank
Small Industries Development Bank of India
State Bank of India
UCO Bank
Union Bank of India
Yes Bank

REGISTERED AND CORPORATE OFFICE

502, Tower A, Peninsula Business Park,
S.B. Marg, Lower Parel, Mumbai 400 013
Tel. No. (022) 40888100
Fax No. (022) 40888170

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited
C 101, 247 Park, LBS Marg,
Vikhroli West, Mumbai 400 083
Tel. No.: +91 (22) 49186270
Fax No.: +91 (22) 49186060

DEBENTURE TRUSTEE

Catalyst Trusteeship Limited
GDA House, Plot No. 85,
Paud Road, Pune 411 038

CORPORATE IDENTIFICATION NUMBER (CIN)

L65921MH1994PLC173469



CAPRI GLOBAL
CAPITAL LIMITED

502, Tower - A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel, Mumbai - 400013
www.capri loans.in